



MARECHALE CAPITAL PLC

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2016

MARECHALE CAPITAL PLC
COMPANY INFORMATION

Directors	Mark Warde-Norbury (Chairman) Patrick Booth-Clibborn (Chief Executive) Lord Flight, of Worcester (Non Executive) Jeremy Stephenson (Executive)
Secretary	Richard Shand
Company number	03515836 (England and Wales)
Registered office (and business address)	46 New Broad Street London EC2M 1JH
Auditors	UHY Hacker Young Quadrant House 4 Thomas More Square London E1W 1YW
Bankers	Barclays Bank Plc PO Box 3261 Ashton House 497 Silbury Boulevard Milton Keynes BX3 2BB
Nominated adviser	Smith & Williamson Corporate Finance Ltd 25 Moorgate London EC2R 6AY
Registrars	SLC Registrars David Venus & Company Thames House Portsmouth Road Esher Surrey KT10 9AD
Solicitors	Pinsent Masons LLP One Ropemaker Street London EC2Y 9AH
Website	www.marechalecapital.com

MARECHALE CAPITAL PLC
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FOR THE YEAR ENDED 31 MARCH 2016

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MARECHALE CAPITAL PLC
CHAIRMAN'S STATEMENT
FOR THE YEAR ENDED 31 MARCH 2016

Marechale Capital plc
("Marechale" or the "Company")

Consolidated Financial Statements for the year ended 31 March 2016.

Chairman's Statement

Marechale Capital's revenues for the year were £742,000 (2015: £965,000) down on last year resulting in a gross profit of £446,000 (2015: £694,000), and a loss of £91,000 (2015: Profit of £150,000). These results reflect the difficulty in completing some deals in the current economic environment.

Although the revenue figure is reduced, the Company has successfully mandated some exciting client transactions whilst putting measures in place to strengthen the Company's resources and particularly its ability to undertake and complete transactions. As previously announced, the Company is delighted to have appointed a new Director in the business in order to achieve this.

Marechale provides corporate finance advice and capital fund raising for growth companies. Fund raising activities centre on two key areas. Firstly in Growth Capital private equity transactions for more established businesses, and secondly in Development Capital, fundraising for smaller growth companies, the latter typically being Enterprise Investment Scheme (EIS) qualifying. As part of its success fee, the Company secures warrants or equity on most of its projects, enabling Marechale's shareholders to have the opportunity of sharing in the potential upside of the equity value in these businesses. The Company's primary sector of operation, in which the team have a long term track record, is Consumer Brands, Leisure and Retail.

The Company successfully completed a number of leisure deals during the year. Further EIS funding has been raised for the brewhouse business, Brewhouse & Kitchen, and the East Anglia based gastro pub group, Chestnut Inns. Growth capital funding was also completed for The Rum Kitchen restaurant group, and equity funding has been raised for the acquisition of a Mallorca luxury resort hotel with a leading hotel management team. These further endorse Marechale's leading position in funding businesses in the leisure sector.

A summary of the Company's other activities, including those in the renewables sector, are detailed below. Full details of the companies that Marechale has acted for as well as transactions that the Company has successfully completed are outlined on the Company's website: www.marechalecapital.com.

Investments in client companies resulted in gains of £19,000 (2015: £72,000), although further substantial investee companies have yet to exit. Furthermore, the Company's investment in Northfield UK Solar Ltd ('Northfield'), referred to below, accounted for using the 'Equity Method' as an Associated

Company, showed a further gain, net of costs and provision for potential project loss, now realized, of £15,000 (2015: £20,000).

Equity investments and warrants are valued at 'fair value', typically at a price that reflects their last funding round, and the underlying movement in fair value is reflected through the Profit and Loss Account in accordance with IFRS9. Although the balance sheet value NAV has decreased overall this year to £798,000 (2015: £850,000), the Directors believe that these investments have excellent further uplift potential in the medium to longer term.

Marechale has also successfully launched the Odexia Consumer Brand Fund, which invests in EIS qualifying food, drink and cosmetic growth brands. The Fund has already completed its first two investments and is in the process of raising its next tranche of funding for additional investment opportunities that it has identified.

In the renewables sector funding has been raised for Longhedge Renewables Ltd and Future Biogas, the leading anaerobic digestion plant operator in the UK. For the latter, the Company has also recently completed debt and equity funding enabling Future Biogas to complete construction of its tenth plant in the UK.

Marechale's associated company, Northfield was established in 2013 to develop a portfolio of solar sites. This has been a challenging time for Northfield as the Government has changed the renewable energy support regime. However, since receiving Planning permission and securing a Grid connection offer for its largest site at RAF Desborough (a disused airfield), Northfield is actively working on how to commercialise this, which may result in a significant uplift value for Marechale's shareholders. The valuation on the balance sheet represents the last funding round, and the Company's investment is being carried at £146,000, based on the Equity Method of valuation and including a provision to reflect the uncertainties in proportion to Marechale's 25% beneficial ownership.

Marechale has a growing reputation as one of the leading UK Advisors to the Consumer Brands, Leisure and Retail sector and continues to see strong deal flow in this and its other core area Renewables. The Company is always on the lookout for strong management teams with enterprising businesses in most sectors to support with growth and development capital. As such Marechale remains committed to working with the management teams of quality companies to secure funding or refinancing capital from the Company's extensive list of private and institutional investors.

The Directors believe that backing the right growth companies, whilst not without its risks, represents an interesting private equity investment class for investors looking to diversify their portfolios. Over the last four and a half years, if an investor had invested in all of the 18 transactions Marechale has funded and completed, based on the last round of funding or exit value of these transactions, the Company calculates that they would have achieved an IRR of over 20% to date.

Marechale is quoted on the London Stock Exchange as an AIM listed company. As such the Company continues to look at a number of potentially interesting acquisitions, investment and merger opportunities, particularly in fund management, and remains open to such approaches. However, none

have been progressed to date. The Company is also looking to recruit further staff to support its corporate finance and sales activities.

There has been a strong trend towards Marechale concluding deals to coincide with the end of the tax year, which occurs 5 days after the Company's financial year-end. In past years the majority of these investments could be accounted for on or before 31 March. However, this year around £90,000 worth of commission revenue was received in April, even though all the related work took place before 31 March. This resulted in a £91,000 loss for the year. In past years the slippage had been modest and the Directors took the 'swings and roundabouts' view: however, following this year's slippage, the Directors have determined to seek Shareholder approval to move the Company's year-end to 30 April from 2017 onwards.

In addition, the Directors have received shareholder approval for the capital reorganization that will be necessary before dividends can be paid. The Company needs to change its Articles of Association in order to do this and, subject to receiving shareholder (along with the change to the Company's year-end date) and then court approval, will be able in due course to pay dividends when circumstances permit. A further announcement will be made around the time of the Company's AGM which is scheduled for 14 September 2016.

The Directors are pleased with the progress that the Company has made this year. The Company's track record and reputation are growing and the Directors believe that given the measures that have been put in place Marechale is well positioned to advance further in the year ahead.

Mark Warde-Norbury

Chairman

25 July 2016

For further information please contact:

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MARECHALE CAPITAL PLC
CORPORATE GOVERNANCE
FOR THE YEAR ENDED 31 MARCH 2016

Companies traded on AIM are not required to adopt the UK Governance Code. However, the Directors of Marechale are committed to the application of requirements under the Code and have adopted the QCA Corporate Governance Guidelines.

Board of Directors

The Board of Directors is responsible for Corporate Governance and consists of the three Executive and one Non-Executive Directors whose roles are described on the Group Information page. The Non-Executive Director's role is to bring independent judgement to Board discussions and decisions.

The Board meets regularly throughout the year in order to review financial performance and regulatory compliance and will consider any matters of significance to the Group including corporate activity.

Remuneration Committee

The Remuneration Committee comprises the Non-Executive Director and the Chairman and meets at least once a year. The Committee provides independent review of the Executive Directors' remuneration and the Group Remuneration Policy. It makes its decisions in consultation with the Chief Executive. No Director plays a part in any decision about their own remuneration. Given that the Company employs only four members of staff, of whom three are the Executive Directors, plus one Non-Executive Director, the proportion of Directors' Remuneration to overall administrative expenses *appears* disproportionately high. The Remuneration Committee is satisfied that this is simply the result of having so few staff and low other administrative expenses.

Audit Committee

The Audit Committee, which comprises the Non-Executive Director and the Chairman, has the following responsibilities:

- * monitoring of the Group's internal control environment;
- * assessing the Group's financial risks;
- * reviewing the Group's financial statements, reports and announcements and the accounting policies that underlie them;
- * recommending to the Board on the appointment and remuneration of external auditors; and
- * monitoring of the independence of the Auditors and the establishment of a policy for the use of the Auditors for non-audit work.

The Audit Committee meets at least once a year.

Other Directors, members of staff and the Auditors are invited to attend these meetings, as appropriate.

MARECHALE CAPITAL PLC
CORPORATE GOVERNANCE
FOR THE YEAR ENDED 31 MARCH 2016

Internal Financial Control

The Directors are responsible for ensuring that the Group's system of internal control enables them to report financial information with reasonable accuracy and safeguard the assets of the Group. At the time of approving the financial statements the Directors found the financial control system to be appropriate for a company of this nature and size. The key elements of this system are described below:

Defined Procedures

Major and recurrent transactions are carried out in accordance with defined procedures.

Organisational Structure

The Group's organisational structure is documented and available for review by all members of staff. Individual responsibilities are defined and individual performance is monitored.

Risk management

The Directors have responsibility for identification and management of the business risks facing the Group. Significant areas of business risk are identified, and the management approach to guard against these risks is defined and controlled through adoption of key control objectives.

Information Systems

A budget is prepared annually and actual results are compared against the budget on a monthly basis. Variances from the budget are analysed and reviewed. Rolling 12 month forecasts are prepared and updated quarterly.

Going concern

In establishing the applicability of the going concern basis, the Directors have made enquiries as to the financial resources of the Group. The Directors consider that the Group has adequate resources to continue operations for the foreseeable future and will therefore continue to adopt the going concern basis in the preparation of the financial statements.

MARECHALE CAPITAL PLC
CORPORATE GOVERNANCE
FOR THE YEAR ENDED 31 MARCH 2016

Dialogue with Shareholders

The Group reports formally to its shareholders twice per year when its half-year and financial year end results are announced and reports are sent to shareholders. The Annual Report includes the notice of the Annual General Meeting of the Group at which the Directors are available to answer questions.

When matters arise of particular significance or it is required in accordance with the Companies Act 2006, the Board will arrange to hold an Extraordinary General Meeting of which notice will be sent to Shareholders and at which the Directors are available to answer questions.

Employees

The Group recognises the benefit of keeping its employees informed of all relevant matters on a regular basis. The Company is an Equal Opportunities Employer and all applications for employment are considered fully on the basis of suitability for the job. Detailed employment policies have been established and incorporated into employee conditions of employment.

MARECHALE CAPITAL PLC
STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2016

Principal Activity

The Company provides advice and broking services to companies.

Review of the Business

The Directors are disappointed to report a 36% decrease in gross profit – revenue less commissions paid to 3rd party IFA's - from £694,000 to £446,000.

Administrative expenses before 'profit share' increased by 11% due to the recruitment and hire of a new director, and to the cost of 'share based payments', i.e. the cost of awarding stock options, awarded in 2014 and 2015.

	2016	2015
Administrative expenses	£571,000	£512,000
Profit share	£0	£125,200
Total administrative expenses	£571,000	£637,200

The Directors' dual strategies of obtaining warrants in addition to cash commissions, and of investments in client companies resulted in Other Gains of £19,200 (2015: £72,000); the modest current year gains reflect that further substantial investee companies have yet to exit. Furthermore, the Company's investment in Northfield UK Solar Ltd ('Northfield'), referred to both in the Chairman's Report above, and in Note 12 below, accounted for using the 'Equity Method' as an Associated Company, shows a further gain, net of costs and provision for potential project loss, now realised, of £15,000 (2015: £20,000).

The net effect of the above delivered a loss before tax of £91,000 (2015: profit of £150,200).

Position at 31 March 2016

The Balance Sheet at 31 March 2016 is set out on page 19

The value of the Company's investment in its Associate Company, Northfield (referred to above) has increased by £15,000 (2015: £20,000) using the Equity Method of accounting.

The value of 'available for sale investments' has increased by £14,000 to £165,800 as a result of increases in fair value.

The value of 'trading investments', being options and warrants in unquoted companies for whom the Company has raised funds, which are held at 'fair value', has increased by £3,500 to £131,800.

Trade and other receivables have increased from £491,000 to £519,000 due to the timing of year-end fund-raising driven by HMRC's EIS annual deadline.

Cash and cash equivalents have decreased modestly from £295,000 to £210,000 to finance trading losses.

MARECHALE CAPITAL PLC
STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2016

Position at 31 March 2016 (continued)

Trade and other payables increased from £356,000 to £383,000 reflecting liabilities payable on the high level of activity at the year-end.

Net assets at 31 March 2016 stood at £798,000 compared to £850,000 at 31 March 2015, reflecting both the losses suffered for the year offset by the uplift to fair value of equity investments and warrants.

Future Developments

The Group has succeeded in developing a low cost investment banking and corporate finance business whose remit is set to continue.

Principal Risks and Uncertainties

The principal risk and uncertainty faced by the Group is if it fails to attract new clients and execute fund-raising corporate finance projects. There are clearly macro-economic risks associated with 'Brexit'.

Corporate Governance

The Directors of Marechale are committed to the application of requirements under the UK Governance Code and have adopted the QCA Corporate Governance Guidelines as outlined on pages 5-7.

On behalf of the Board

Mark Warde-Norbury

Director

25 July 2016

MARECHALE CAPITAL PLC
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2016

The Directors present their report together with the audited financial statements of the Group for the year ended 31 March 2016.

Results, Dividends and Key Performance Indicators ('KPI's')

The Directors do not recommend the payment of a dividend for the current year (2015: £nil).

Directors

The Directors who held office since 1 April 2015 were:

Mark Warde-Norbury (Chairman)
 Lord Flight of Worcester (Non-Executive)
 Jon Pither (Non-Executive) – retired 31 December 2015
 Patrick Booth-Clibborn (Chief Executive)
 Jeremy Stephenson (Executive) – appointed 1 February 2016

Directors' Interests

The Directors' interests in the shares and options of the Group were as stated below:

New Ordinary shares of 1p each	At 31 March 2016	At 31 March 2015
Mark Warde–Norbury	7,232,400	7,232,400
Lord Flight	638,060	638,060
Jon Pither	4,050,502	4,050,502
Patrick Booth-Clibborn	7,846,930	6,359,569
Jeremy Stephenson	0	0

Options on 1p Ordinary Shares	At 31 March 2016	At 31 March 2015
Mark Warde–Norbury	1,153,623	1,153,623
Lord Flight	0	0
Jon Pither	0	0
Patrick Booth-Clibborn	9,228,984	3,460,869
Jeremy Stephenson	0	0

MARECHALE CAPITAL PLC
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2016

Deferred shares of 1p each	At 31 March 2016	At 31 March 2015
Mark Warde-Norbury	22,149,624	22,149,624
Lord Flight	2,552,240	2,552,240
Jon Pither	18,429,280	18,429,280
Patrick Booth-Clibborn	19,535,400	19,535,400
Jeremy Stephenson	0	0

On 22 February 2010, the Company re-organised its share capital, cancelling the then existing 47.4m Ordinary Shares of 5p nominal value, and issuing 47.4m New Ordinary Shares of 1p nominal value, and 189.7m deferred shares of 1p nominal value; both classes of shares were issued at par. The deferred shares are not entitled to dividends and carry no rights on winding up.

The remuneration of the Directors was as follows:

	31 March 2016 £	31 March 2015 £
Mark Warde-Norbury	30,000	35,000
Lord Flight *	8,500	8,500
Jon Pither	6,000	8,000
Patrick Booth-Clibborn	180,000	280,000
Jeremy Stephenson	20,000	0

* No remuneration is paid directly to Lord Flight, instead the Company pays the compensation of an assistant to work for Lord Flight.

The executive directors and staff benefit from a profit sharing scheme of up to 50% of the profit before provision for profit share. In the above table Mr Warde-Norbury has benefitted from £0 (2015: £0) profit share, Mr Booth-Clibborn £0 (2015: £100,000), and Mr Stephenson £0 (2015: n/a).

**MARECHALE CAPITAL PLC
DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2016**

Substantial Shareholders

As at 6 July 2016 (being the last practical date prior to the date of this document) and save as set out below, the Group was not aware of any person, who, other than the Directors, directly or indirectly, had an interest representing 3 per cent or more of the issued ordinary share capital in the Group (being the threshold at or above which, in accordance with the provisions of Section 5 of the Disclosure and Transparency Directive published by the FCA, any interest must be disclosed by the Group):

3% or more shareholders (excluding Directors)	No. shares	%
Investec Wealth & Investment Limited	2,806,638	4.61%

Directors' Responsibilities

The Directors are responsible for preparing the financial statements in accordance with applicable law and International Reporting Standards, as adopted by the European Union.

Company law requires the Directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs 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, making judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the Group and Company 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 Company and hence for taking steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included in the Company's website.

MARECHALE CAPITAL PLC
DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2016

Directors' and Officers' Insurance

The Company purchases and maintains Liability Insurance for its Directors and Officers as permitted by the Companies Act 2006.

Statement of Disclosure to Auditor

So far as the Directors are aware, there is no relevant audit information of which the Company's auditors are unaware. Additionally, the Directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

In accordance with section 485 of the Companies Act 2006, a resolution proposing that UHY Hacker Young be reappointed as auditors of the company will be put to the Annual General Meeting.

On behalf of the Board

Mark Warde-Norbury

Director

25 July 2016

MARECHALE CAPITAL PLC

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MARECHALE CAPITAL PLC

We have audited the financial statements of Marechale Capital Plc for the year ended 31 March 2016, which comprise the Consolidated Income Statement, the Consolidated Statement of Comprehensive Income, the Consolidated and Company Balance Sheets, the Consolidated and Parent Company Statement of Changes in Equity, the Consolidated and Company Cash Flow Statements, and the related notes.

The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards ('IFRS') as adopted by the European Union and as regards the Company financial statements, are applied in accordance with the provisions of the Companies Act 2006.

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 our 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.

Respective Responsibilities of Directors and Auditors

As explained more fully in the Statement of Directors' Responsibilities set out in the Directors' Report, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the Financial Statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's web-site at www.frc.org.uk/apb/scope/private.cfm

Opinion on financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and Company's affairs as at 31 March 2016 and of the Group's loss for the year then ended;
- The parent company financial statements have been properly prepared in accordance with IFRS as adopted by the European Union and as applied in accordance with the Companies Act 2006: the Group's financial statements have been properly prepared in accordance with IFRS as adopted by the European Union;
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

MARECHALE CAPITAL PLC

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MARECHALE CAPITAL PLC

Opinion on other matter prescribed by the Companies Act 2006

In our opinion 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.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements 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.

Colin Jones (Senior Statutory Auditor)
For and on behalf of UHY Hacker Young
Chartered Accountants
Statutory Auditor

25 July 2016

Marechale Capital Plc
Consolidated Income Statement
Year ended 31 March 2016

	Notes	Year ended 31-Mar 2016 (£)	Year ended 31-Mar 2015 (£)
Continuing operations			
Revenue	4	741,680	965,322
Cost of sales		(295,512)	(271,307)
Gross profit		<u>446,168</u>	<u>694,015</u>
Administrative expenses		(570,972)	(637,220)
Operating (loss)/ profit	5	<u>(124,804)</u>	56,795
Finance Income	6	0	974
Other gains	7	19,231	72,458
Exceptional gain on dilution of interest in associate	12a	5,726	166,140
Net loss in respect of associate	12b	(106,245)	(31,191)
Release of/ (provision for) project loss in associate	12c	115,000	(115,000)
(Loss)/ profit before tax		<u>(91,092)</u>	<u>150,176</u>
Taxation	8	-	-
(Loss)/ Profit for the year on continuing operations		<u>(91,092)</u>	<u>150,176</u>
(Loss)/ Profit per share		(Pence)	(Pence)
Basic - Continuing operations	10	-0.16	0.26
- Diluted	10	-0.14	0.25
Consolidated Statement of Comprehensive Income			
(Loss)/ Profit for the year		(91,092)	150,176
Other comprehensive income			
Revaluation of investments		4,191	38,246
Total recognised comprehensive (loss)/ income (all attributable to owners of the parent)		<u>4,191</u>	<u>38,246</u>
		<u>(86,901)</u>	<u>188,422</u>

Marechale Capital Plc
Consolidated Balance Sheet
Year ended 31 March 2016

	Notes	Year ended 31-Mar 2016 (£)	Year ended 31-Mar 2015 (£)
Non current assets			
Investment in associate	12a	154,275	139,794
Current assets			
Available for sale investments	13	165,839	151,659
Trading investments	14	131,800	128,254
Trade and other receivables	15	518,577	491,108
Cash and cash equivalents	16	210,490	295,064
		<u>1,026,706</u>	<u>1,066,085</u>
Total assets		<u>1,180,981</u>	<u>1,205,879</u>
Current liabilities			
Trade and other payables	17	(383,376)	(356,043)
Total current liabilities		<u>(383,376)</u>	<u>(356,043)</u>
Net assets		<u>797,605</u>	<u>849,836</u>
Equity			
<i>Capital and reserves attributable to equity shareholders</i>			
Share capital	18	2,474,308	2,474,308
Share premium account	18	1,247,379	1,247,379
Revaluation reserve		94,326	90,135
Reserve for own shares		(50,254)	(50,254)
Retained losses		(2,968,154)	(2,911,732)
		<u>797,605</u>	<u>849,836</u>

The financial statements were approved by the Board of Directors and authorised for issue on 25 July 2016.
They were signed on its behalf by:

Mark Warde-Norbury
Chairman

Company No: 03515836

**Marechale Capital Plc
Company Balance Sheet
Year ended 31 March 2016**

	Notes	Year ended 31-Mar 2016 (£)	Year ended 31-Mar 2015 (£)
Non current assets			
Investments	12	508	508
Current assets			
Available for sale investments	13	165,839	151,659
Trading investments	14	131,800	128,254
Trade and other receivables	15	518,577	491,108
Cash and cash equivalents	16	210,490	295,064
		<u>1,026,706</u>	<u>1,066,085</u>
Total assets		<u>1,027,214</u>	<u>1,066,593</u>
Current liabilities			
Trade and other payables	17	(383,376)	(356,043)
Total current liabilities		<u>(383,376)</u>	<u>(356,043)</u>
Net assets		<u>643,838</u>	<u>710,550</u>
Equity			
<i>Capital and reserves attributable to equity shareholders</i>			
Share capital	18	2,474,308	2,474,308
Share premium account	18	1,247,379	1,247,379
Revaluation reserve		94,326	90,135
Reserve for own shares		(50,254)	(50,254)
Retained losses		(3,121,921)	(3,051,018)
		<u>643,838</u>	<u>710,550</u>

The financial statements were approved by the Board of Directors and authorised for issue on 25 July 2016.
They were signed on its behalf by:

Mark Warde-Norbury
Chairman

Company No: 03515836

Marechale Capital Plc
Statement of Changes in Equity
Year ended 31 March 2016

	Share capital (£)	Share premium (£)	Revaluation reserve (£)	Reserve for own shares (£)	Retained earnings (£)
Consolidated					
Balance at 31 March 2014	2,474,308	1,247,379	51,889	(50,254)	(3,070,983)
Issue of ordinary share capital	-	-	-	-	-
Reserve for share based payments	-	-	-	-	9,075
Transactions with owners	0	0	0	0	9,075
Total comprehensive income					
Profit for the financial year	-	-	-	-	150,176
Revaluation during the financial year	-	-	38,246	-	-
Total comprehensive income	0	0	38,246	0	150,176
Balance at 31 March 2015	2,474,308	1,247,379	90,135	(50,254)	(2,911,732)
Issue of ordinary share capital	-	-	-	-	-
Reserve for share based payments	-	-	-	-	34,670
Transactions with owners	0	0	-	-	34,670
Total comprehensive income					
Loss for the financial year	-	-	-	-	(91,092)
Revaluation during the financial year	-	-	4,191	-	-
Total comprehensive income	-	-	4,191	-	(91,092)
Balance at 31 March 2016	2,474,308	1,247,379	94,326	(50,254)	(2,968,154)
Company					
Balance at 31 March 2014	2,474,308	1,247,379	51,889	(50,254)	(3,190,321)
Issue of ordinary share capital	-	-	-	-	-
Reserve for share based payments	-	-	-	-	9,076
Transactions with owners	0	0	0	0	9,076
Total comprehensive income					
Profit for the financial year	-	-	-	-	130,227
Revaluation during the financial year	-	-	38,246	-	-
Total comprehensive income	0	0	38,246	0	130,227
Balance at 31st March 2015	2,474,308	1,247,379	90,135	(50,254)	(3,051,018)
Issue of ordinary share capital	-	-	-	-	-
Reserve for share based payments	-	-	-	-	34,670
Transactions with owners	-	-	-	-	34,670
Total comprehensive income					
Loss for the financial year	-	-	-	-	(105,573)
Revaluation during the financial year	-	-	4,191	-	-
Total comprehensive income	-	-	4,191	-	(105,573)
Balance at 31 March 2016	2,474,308	1,247,379	94,326	(50,254)	(3,121,921)
Retained losses consist of:					
	Group	Group	Company	Company	
	2016	2015	2016	2015	
	(£)	(£)	(£)	(£)	
Retained losses	-3,011,899	-2,920,807	(3,165,667)	(3,060,094)	
Reserve for share based payments	43,745	9,075	43,746	9,076	
	(2,968,154)	(2,911,732)	(3,121,921)	(3,051,018)	

Marechale Capital Plc
Consolidated Cash Flow Statement
Year ended 31 March 2016

	Year ended 31-Mar 2016 (£)	Year ended 31-Mar 2015 (£)
Net cash from operating activities		
Continuing operations: Operating (loss)/ profit	(124,804)	56,795
Provision for share based payments	34,669	9,075
Operating cash flows before movements in working capital	<u>(90,135)</u>	<u>65,870</u>
Movement in working capital		
(Increase) in receivables	(27,468)	(270,105)
Increase in payables	27,333	206,726
Tax paid	-	-
	<u>(135)</u>	<u>(63,379)</u>
Operating cash flow	<u>(90,270)</u>	<u>2,491</u>
Investment activities		
Interest receivable	0	974
Proceeds on disposal of trading investments	15,685	17,705
Proceeds on disposal of available for sale investments	0	3,626
Expenditure on available for sale investments	(9,989)	(5,000)
Cash flow from investing activities	<u>5,696</u>	<u>17,305</u>
Financing		
Issue of share capital	-	-
Cash flow from financing activities	<u>-</u>	<u>-</u>
Net (decrease)/ increase in cash and cash equivalents	<u>(84,574)</u>	<u>19,796</u>
Cash and cash equivalents at start of the financial year	295,064	275,268
Cash and cash equivalents at end of the financial year	210,490	295,064
(Decrease)/ increase in cash and cash equivalents	<u>(84,574)</u>	<u>19,796</u>

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Marechale Capital Plc
Company Cash Flow Statement
Year ended 31 March 2016

	Year ended 31-Mar 2016 (£)	Year ended 31-Mar 2015 (£)
Net cash from operating activities		
Continuing operations: Operating (loss)/ profit	(124,804)	56,795
Provision for share based payments	34,669	9,075
Operating cash flows before movements in working capital	<u>(90,135)</u>	<u>65,870</u>
Movement in working capital		
(Increase) in receivables	(27,469)	(270,105)
Increase in payables	27,334	206,726
Tax paid	-	-
	<u>(135)</u>	<u>(63,379)</u>
Operating cash flow	<u>(90,270)</u>	<u>2,491</u>
Investment activities		
Interest receivable	0	974
Proceeds on disposal of trading investments	15,685	17,705
Proceeds on disposal of available for sale investments	0	3,626
Expenditure on available for sale investments	(9,990)	(5,000)
Cash flow from investing activities	<u>5,695</u>	<u>17,305</u>
Financing		
Issue of share capital	-	-
Cash flow from financing activities	<u>-</u>	<u>-</u>
Net (decrease)/ increase in cash and cash equivalents	<u>(84,574)</u>	<u>19,796</u>
Cash and cash equivalents at start of the financial year	295,064	275,268
Cash and cash equivalents at end of the financial year	210,490	295,064
(Decrease)/ increase in cash and cash equivalents	<u>(84,574)</u>	<u>19,796</u>

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Marechale Capital Plc
Notes to the financial statements
Year ended 31 March 2016

1. General information

Marechale Capital PLC is a company registered in England and Wales under the Companies Act 2006. The Group's principal activities are the provision of advice and broking services to companies. The financial statements are presented in pounds sterling, the currency of the primary economic environment in which the Group operates.

The Group's registered office and principal place of business is 46 New Broad Street, London, EC2M 1JH. The Company's registered number is 03515836.

2. Significant accounting policies

a. Basis of accounting

These financial statements have been prepared in accordance with International Financial Reporting Standards ('IFRS') as adopted by the European Union and the International Financial Reporting Interpretations Committee ('IFRIC') interpretations in accordance with the Companies Act 2006.

The financial statements have been prepared on the historical cost basis as modified by the valuation of certain financial instruments, as described below.

The consolidated financial statements incorporate the accounts of the Company and its subsidiary and have been prepared by using the principles of acquisition accounting ("the purchase method") which includes the results of the subsidiaries from their date of acquisition. Intra-group sales, profits and balances are eliminated fully on consolidation.

Subsidiaries are entities over which the Group has control, being the power to govern the financial and operating policies of the acquired entity so as to obtain benefits from its activities.

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating decisions of the investee, but it is not control or joint control, over those policies.

The principal accounting policies are set out below.

b. Financial risk management objectives and policies

The Company's principal financial assets are cash and cash equivalents, trade and other receivables and investments. The Company's credit risk is primarily attributable to its trade receivables and its market risk is primarily attributable to its investments. The amounts presented in the Balance Sheet are net of allowances for impairment of receivables.

c. Financial instruments

Available for sale investments

Available for sale investments are initially measured at cost, including transaction costs. At each reporting date these instruments are measured at their fair values and resultant gains and losses, after adjusting for taxation, are recognised directly in equity via the revaluation reserve, until the security is disposed of or is determined to be impaired, at which time the cumulative gain or loss previously recognised in equity is included in the income statement for the year. Where an equity instrument's fair value cannot be reliably estimated, it is held at cost.

Trading investments

Investments held for trading consist of options held in quoted and unquoted companies, which are held at fair value. At each reporting date, fair value is assessed and resultant gains and losses are included directly in the income statement.

Trade and other receivables

Trade and other receivables are measured at fair value.

Appropriate allowance for estimated irrecoverable amounts is recognised in the Income Statement where there is objective evidence that the asset is impaired. The allowance recognised is measured as the difference between the carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition.

Trade and other payables

Trade and other payables are measured at fair value.

Marechale Capital Plc
Notes to the financial statements
Year ended 31 March 2016

2. Significant accounting policies (continued)

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 Group after deducting all of the liabilities.

d. Foreign currencies

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date. Gains and losses arising during the period on transactions denominated in foreign currencies are treated as normal items of income and expenditure in the Income Statement.

e. Operating leases

Rentals payable under operating leases are charged to income on a straight-line basis over the term of the lease.

f. Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and deposits held at call with banks.

g. Taxation

In future years mainstream corporation tax is likely to be payable, which will be based on taxable profit for the year. Taxable profit differs from net profits as reported in the Income Statement because it excludes items of income or expense which are taxable or deductible in other years and it further excludes items which are never taxable or deductible. The Group's liability for current tax will be calculated using tax rates which have been enacted or substantively enacted by the Balance Sheet date.

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 in the computation of taxable profit, and is accounted for using the Balance Sheet Liability Method. Deferred tax liabilities are generally recognised for all 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 used. 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 tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each Balance Sheet date 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 rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited to the Income Statement, 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 assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same tax authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Marechale Capital Plc
Notes to the financial statements
Year ended 31 March 2016

2. Significant accounting policies (continued)

h. Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for services provided in the normal course of business, net of discounts, VAT, and other sales related taxes.

Revenue comprises broking commissions, and retainer fees for corporate finance advisory services. Where the revenue is success-fee based, it is taken to the Income Statement on the successful completion of the transaction. Retainer fees are taken to the Income Statement pro-rata to the period invoiced.

Interest income is based on the effective rate applicable for the period during which demand deposits are held.

i. Employee share ownership plans trust ('ESOP')

The ESOP trust is accounted for in line with IAS 32, 'Financial Instruments - Presentation', re: treasury shares whereby shares have been shown at cost in a separate Reserve as a deduction from Shareholders' Funds.

j. Investments

The Parent Company's investment in its subsidiary company and associate is stated at cost less provision for impairment in the Company's balance sheet.

k. Key assumptions and sources of estimation

The value of available for sale and trading investments are inherently subjective where they relate to Private Limited Companies where there is no open market value. In these cases the Directors have assessed the value using the most recent information available on the share price, such as recent share issues and/or shares sales between third parties.

l. Share based payments

On occasion the Company made share-based payments to certain Directors and staff by way of issue of share options. The fair value of these payments is calculated by the Company using the Black-Scholes option pricing model. The expense is recognised on a straight line basis over the period from the date of award to the date of vesting, based on the Company's best estimate of the number of shares that will eventually vest.

3. General information

At the date of authorisation of the financial statements, the following Standards and Interpretations (relevant to the Group's activities) which have not been applied in the financial statements were in issue but not yet effective.

Subject	Effective date, periods beginning:
IFRS 9 Financial Instruments	1 January 2018
IFRS 15 Revenue from Contracts with Customers	1 January 2018
Amendments to IAS1 - Disclosure Initiative	1 January 2018

It is not anticipated that not adopting these accounting standards will have a material effect on the Financial Statements

Marechale Capital Plc
Notes to the financial statements
Year ended 31 March 2016

4. Business and geographical segments

The directors consider that there is only one activity undertaken by the Group, that of corporate finance advisory. All of this activity was undertaken in the United Kingdom.

	2016 (£)	2015 (£)
Broking commissions and fees earned from corporate finance	741,680	965,322

5. Operating (loss)/ profit for the year has been arrived at after charging:

	2016 (£)	2015 (£)
Operating lease rentals	62,043	59,670
Staff costs (Note 9)	294,604	395,194
Auditors' remuneration for audit services	9,450	9,450
Amounts payable to UHY Hacker Young by the Group in respect of non-audit services were:		
Auditors' remuneration:		
- for non audit taxation	1,500	1,775
- for non audit other	1,900	1,000

Share-based payments:

During the year the Company had the following share-based payment plans involving equity settled share options in existence:

Scheme	Number	Date approved	Exercise price	Maximum term	Vesting conditions
Sep-14	5,768,115	24-Sep-14	2.75p	5 years from vesting	1/3rd/year on anniversary date when
Sep-15	5,768,115	17-Sep-15	2.50p	5 years from vesting	beneficiary must remain employed

The number and weighted average exercise prices of the above plans are as follows:

	Number	Weighted average exercise price
Outstanding at start of the financial year	4,614,492	0
Granted during the year	5,768,115	5,191,304
Forfeited during the year	0	(576,812)
Outstanding and exercisable at end of the financial year	<u>10,382,607</u>	<u>4,614,492</u>

The options granted during the 2016 financial year cost £34,669 (2015: £9,075)

In accordance with the requirements of IFRS 2 Share-based payments, the weighted average estimated fair value for the options granted was calculated as 1p per option using a Black Scholes option pricing model. The volatility measured as the standard deviation of expected share price return is based on statistical analysis of the share price for the twelve months prior to the date of grant, being 24 September 2013 and this has been calculated at 71.6%. The risk free rate has been taken as 4%.

For the purpose of calculating diluted earnings per share, see Note 10 below, the next tranche of options to vest in September 2015 have been considered 'contingently issuable'.

6. Finance Income

Bank interest receivable	0	974
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7. Other gains and losses

Profit on disposal of available for sale investments	15,685	3,624
Profit on disposal of trading investments	0	7,705
Unrealised gain on trading investments	3,546	61,129
	<u>19,231</u>	<u>72,458</u>

Marechale Capital Plc
Notes to the financial statements
Year ended 31 March 2016

	2016 (£)	2015 (£)
8. Tax		
The tax charge comprises:		
Mainstream UK corporation tax deriving from profits for the prior financial year	-	-
Total current tax	<u>-</u>	<u>-</u>
Deferred tax		
Charge in respect of timing differences	-	-
Total deferred tax	<u>-</u>	<u>-</u>
Total tax on profit/ (loss) from ordinary activities	<u>-</u>	<u>-</u>

The tax charge for the period differs from that resulting from applying the standard rate of UK Corporation Tax.

Tax of 20% (2015: 20%) to the profit before tax for the reasons set out in the reconciliations below:

(Loss)/ profit per financial information	(91,092)	150,176
Unrealised (gains) on trading investments	(3,546)	(141,124)
Disallowed items	60,690	16,328
Losses carried forward/ (used)	33,948	(25,380)
Adjustments in respect of prior years	-	-
Taxable profit	<u>-</u>	<u>0</u>
Tax at 20% (2015: 20%)	<u>-</u>	<u>0</u>
Tax expense for the year	<u>-</u>	<u>0</u>

The Group had trading losses available to carry forward at 31 March 2016 of approximately £3.2m (2015: £3.1m). No deferred tax has been recognised in respect of trading profit as there was insufficient evidence available as to the timing of any future recovery.

	2016 (£)	2015 (£)
9. Staff costs		
Continuing operations		
Wages and salaries	264,250	351,760
Social security costs	30,354	43,434
Pension costs	-	-
	<u>294,604</u>	<u>395,194</u>

Directors' emoluments		
The emoluments of the highest paid Director were:	180,000	280,000
The aggregate Directors' remuneration was:	244,500	326,500

The Group does not operate any form of pension scheme.

	Number	Number
Average number of employees for continuing operations:		
Executive and Non-Executive Directors	4	4
Staff	1	1
	<u>5</u>	<u>5</u>

	Earnings (£)	Earnings (£)
10. Earnings per share		
Based on a profit of (loss)/ profit of	<u>(91,092)</u>	<u>150,176</u>
	No. shares	No. shares
Weighted average number of Ordinary Shares in issue for the purpose of basic earnings per share	57,681,151	57,681,151
Weighted average number of Ordinary Shares in issue for the purpose of diluted earnings per share - see also Note 5	63,737,672	59,988,397

Marechale Capital Plc
Notes to the financial statements
Year ended 31 March 2016

11. Parent Company Income Statement

The Parent Company suffered a loss for the year ended 31 March 2016 of £105,573 (2015: profit of £130,200) per the Statement of Changes in Equity which has been included in the Consolidated Income Statement. In accordance with the provisions of section 408 of the Companies Act 2006, the Parent Company has not presented an Income Statement.

12. Investments

Cost	(£)
At 1 April 2014	287,861
Additions	-
At 31 March 2015	<u>287,861</u>
Additions	-
At 31 March 2016	<u>287,861</u>
Provision for impairment	
At 1 April 2014	287,353
Provision in the year	-
At 31 March 2015	<u>287,353</u>
Provision in the year	-
At 31 March 2016	<u>287,353</u>
Net book value at 1 April 2014	508
Net book value at 31 March 2015	508
Net book value at 31 March 2016	508

The Company's directly held subsidiary undertaking as at 31 March 2016 was:

<i>Subsidiary undertaking</i>	<i>Principal Activity</i>	<i>Country of Incorporation</i>	<i>Percentage of ordinary share capital held</i>
Marechale Limited	Dormant	England	100%
<i>Associate Company</i>			
Northfield UK Solar Ltd ('NUKS')	Solar development	England	25.2%

12a. Investment in associate

The Group has a 25.2% (2015: 25.8%) interest in NUKS which is involved in the development, prior to construction, of solar PV sites in the UK. NUKS was established in June 2013 and is a private entity not listed on any public exchange. The Group's interest in NUKS is accounted for using the equity method in the consolidated financial statements. The following table illustrates the summarised financial information of the Group's investment:

	2016	2015
	(£)	(£)
Current assets	621,591	1,267,086
Current liabilities	(9,386)	(279,127)
Net Assets	<u>612,205</u>	<u>987,959</u>
Share Capital	2,009	1,963
Share premium	1,221,467	1,175,661
Reserves	(611,271)	(189,665)
Shareholders' funds	<u>612,205</u>	<u>987,959</u>
Proportion of the Group's ownership	25.20%	25.79%
Carrying amount of the investment (before provision for loss on project)	<u>154,275</u>	<u>254,794</u>
Provision for loss on project - see Note 12c	0	(115,000)
Carrying amount of the investment	<u>154,275</u>	<u>139,794</u>
Exceptional gain on dilution of interest in associate arising from the Group's share of share capital and share premium, before reserves.	5,726	166,140

Marechale Capital Plc
Notes to the financial statements
Year ended 31 March 2016

12b. Net loss in respect of associate	2016	2015
	(£)	(£)
Revenue	65,448	11,400
Cost of sales - see Note 12c	(410,671)	-
Administrative expenses	(76,383)	(132,341)
Loss before tax	(421,606)	(120,941)
Taxation	-	-
Loss for the year	(421,606)	(120,941)
Group's share of loss for the period	(106,245)	(31,191)

12c. Provision for project loss in associate

At 31 March 2015 NUKS had spent £443,000 on the development of a site for which Planning Permission was refused in October 2014 by the Local Planning Department on grounds which did not conform to HM Government's National Planning criteria. In April 2015 NUKS lodged an Appeal whose outcome was anticipated in Autumn 2015. Marechale's Directors considered that the outcome was far from certain, and made a provision of £115,000 for a loss on this project in proportion to Marechale's beneficial ownership % in NUKS. During year ended 31 March 2016 NUKS was refunded £108,333 of these development costs, nonetheless the Appeal was unsuccessful and a loss has been realised.

	Group	Group	Company	Company
	2016	2015	2016	2015
	(£)	(£)	(£)	(£)
13. Available for sale investments				
Quoted investments	225	17,659	225	17,659
Unquoted investments	165,614	134,000	165,614	134,000
	<u>165,839</u>	<u>151,659</u>	<u>165,839</u>	<u>151,659</u>

Unquoted investments are initially valued at cost. At each reporting date these investments are measured at their fair value. Where fair value cannot be reliably estimated, they are carried at cost.

14. Trading investments	(£)	(£)	(£)	(£)
Unquoted options and warrants	131,800	128,254	131,800	128,254
	<u>131,800</u>	<u>128,254</u>	<u>131,800</u>	<u>128,254</u>

Trading investments include options and warrants over securities which have been received as consideration for corporate finance services rendered. These assets have been valued at 'fair value' where either the share price has been established according to most recent share sales, or the share price for current funds raised is materially higher than the exercise price of those options. Where fair value cannot be reliably estimated, they are carried at cost.

15. Trade and other receivables	(£)	(£)	(£)	(£)
Trade receivables	474,094	451,920	474,094	451,920
Other receivables	31,387	31,686	31,387	31,686
Prepayments and accrued income	13,095	7,502	13,095	7,502
	<u>518,577</u>	<u>491,108</u>	<u>518,577</u>	<u>491,108</u>

All receivables are due within one year of the Balance Sheet date and at that date none are past due, or impaired.

The Directors consider that the carrying amounts of trade and other receivables approximates their fair values.

The Group does not normally have any significant concentration of credit risk, with exposure spread over a large number of counterparties and customers. Significant risk does occur at the conclusion of a large corporate finance and broking transaction, normally measured in a few days, in anticipation of the payment of the Group's fees and commissions. No such risk existed at the reporting date.

16. Cash and cash equivalents	(£)	(£)	(£)	(£)
Cash held directly at UK Clearing Banks	210,490	295,064	210,490	295,064
	<u>210,490</u>	<u>295,064</u>	<u>210,490</u>	<u>295,064</u>

Marechale Capital Plc
Notes to the financial statements
Year ended 31 March 2016

	Group 2016 (£)	Group 2015 (£)	Company 2016	Company 2015
17. Trade and other payables				
Trade payables	247,173	50,632	247,173	50,632
Other payables and accruals	113,003	295,754	113,003	295,754
Taxes and social security	23,200	9,657	23,200	9,657
	<u>383,376</u>	<u>356,043</u>	<u>383,376</u>	<u>356,043</u>

18. Share capital

	Ordinary shares (number)	Issued share capital (£)	Share premium account (£)
New Ordinary shares of 1p			
Issued at 31 March 2015	57,681,151	576,812	1,247,379
Issue of shares	-	-	-
Issued at 31 March 2016	57,681,151	576,812	1,247,379
Issued			
Deferred shares of 1p			
Issued at 31 March 2015	189,749,640	1,897,496	-
Issue of shares	-	-	-
Issued at 31 March 2016	189,749,640	1,897,496	-
Total nominal value of shares in issue			
Issued at 31 March 2015		2,474,308	1,247,379
Issued at 31 March 2016		2,474,308	1,247,379

On 22 February 2010, the Company re-organised its share capital, cancelling the then existing 47.4m Ordinary Shares of 5p nominal value, and issuing 47.4m New Ordinary Shares of 1p nominal value, and 189.7m deferred shares of 1p nominal value; both classes of shares were issued at par. The deferred shares are not entitled to dividends and carry no rights on winding up.

19. Operating leases

At the reporting dates, the Group and Company had outstanding commitments for future minimum lease payments under non-cancellable operating leases in relation to Leasehold Property, and Other Assets, which fall due as follows:

	2016 (£)	2015 (£)
<i>Leasehold Property</i>		
Within one year	65,329	60,951
In the second to fifth year (inclusive)	-	-
	<u>65,329</u>	<u>60,951</u>
<i>Other Assets</i>		
Within one year	884	1,768
In the second to fifth year (inclusive)	0	884
	<u>884</u>	<u>2,652</u>

20.1 Capital Risk Management

The Group is not reliant on debt finance, its operations currently being funded by equity finance (comprising share capital, share premium, other reserves, and retained losses) which totalled £797,000 (2015: £850,000) at year end. The Group regularly monitors its capital needs to ensure that sufficient funding is available for its operational needs.

As an FCA regulated business (which does not hold client money or assets), the Group has to ensure that it maintains a minimum net asset position of €50,000 (£36,000), which it met at 31 March 2016 and 2015.

Marechale Capital Plc
Notes to the financial statements
Year ended 31 March 2016

20.2 Financial Risk Management

Financial Risks

The main risk arising from the Group's financial instruments, referred to in Note 2c above, is the financial performance of the companies in whom the Company holds investments, as reflected by quoted market prices, or by the share price of fundraising in the case of unquoted investments.

Interest Risk

The Group had neither a bank overdraft nor other borrowings and therefore was not subject to this risk.

Liquidity Risk

The Group anticipates a modest cash-flow surplus in year ended 31 March 2017: nonetheless, at 31 March 2016, the Group held cash reserves equivalent to approximately six months' overheads.

Credit Risk

The Group's principal financial assets are bank balances, and trade receivables. The credit risk on liquid funds is limited because the counterparty is a bank with a high credit rating assigned by international credit rating agencies. The maximum credit risk on trade receivables at the balance sheet date is represented by the trade receivables figure, which is net of appropriate provisions.

21. Related party transactions

Companies in whom the Group holds (or held) an investment which have paid fees to, or charged the Group for, services.

West Country Renewable Ltd ('WCR')

The Group owned 70,000 shares, 8.3% (2015: 70,000, 8.3 %) in WCR at 31 March 2016, WCR is a related party through common directorship of Patrick Booth-Clibborn, a director of the Group.

The Group charged WCR £3,000 for other services during the year ended 31 March 2016 (2015: £3,000)

At 31 March 2016 WCR owed the Group £nil (2015: £nil)

Northfield UK Solar Ltd ('NUKS')

The Group owned 506,250 shares, 25.2% (2015: 25.8%) in NUKS at 31 March 2016, NUKS is a related party through common directorship of Mark Warde-Norbury, a director of the Group.

The Group charged NUKS £2,913 for other services during the year ended 31 March 2016 (2015: £43,517).

At 31 March 2016 NUKS owed the Group £3,495 (2015: £nil).

Companies in whom the Group holds no investment which have paid fees to, or charged the Group for, services.

Management Services Cambridge Limited ('MSCL'), (formerly: Surrey Management Services Ltd)

MSCL is a related party through common directorship of Jon Pither, formerly a Director of the Group.

MSCL charged the Group £6,000 for the services of Mr Pither (2015: £8,000).

The Group owed MSCL £nil at 31 March 2016 (2015: £2,400).

The EIS Association Ltd ('EISA')

EISA is a related party through common directorship of Lord Flight who is a director of the Group.

EISA charged the Group £850 (2015: £695) for other services during the year.

The Group owed £nil at 31 March 2016 (2015: £nil).

Directors

Mark Warde-Norbury

During the year, loans of £10,000 (2015: £10,000) were granted to Mr Warde-Norbury which are payable within one year, which are included within trade and other receivables on the balance sheet.

Patrick Booth-Clibborn

During the year, loans of £10,000 (2015: £10,000) were granted to Mr Booth-Clibborn which are payable within one year and are included within trade and other receivables on the balance sheet.

Disclosure of control

The company is under the control of its shareholders and not any one party.

Notes to the financial statements
Year ended 31 March 2016

21. Related party transactions (continued)

Key management personnel

The key management personnel consist of the Directors, whose remuneration is disclosed in the Directors' Report, and the Company Secretary/Financial Officer whose remuneration was £30,172 (2015: £29,844).

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to the action to take, you should immediately consult your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 (as amended). If you have sold or transferred all your ordinary shares in Marechale Capital plc, you should pass this document and the accompanying Form of Proxy to the bank, stockbroker or other agent through whom the sale or transfer was effected, for transmission to the purchaser or transferee.

MARECHALE CAPITAL PLC

(Registered in England & Wales No. 3515836)

Cancellation of Deferred Shares, Reduction of Capital

and

Notice of Annual General Meeting

Your attention is drawn to the letter from the Chairman of Marechale Capital plc which is set out on pages 4-6 of this document and which contains the recommendation of the Directors to vote in favour of the Resolutions to be proposed at the Annual General Meeting referred to below.

Notice of the Annual General Meeting of Marechale Capital plc to be held at 46 New Broad Street, London EC2M 1JH 10.00 on Wednesday 14 September 2016 at 11.00 is set out on pages 7 to 9 of this document. A Form of Proxy for use at the General Meeting is included within this document and should be returned to the Company Secretary, Marechale Capital Plc, 46 New Broad Street, London EC2M 1JH as soon as possible and in any event so as to be received not less than 48 hours before the time appointed for the holding of the meeting.

Copies of this document which is dated 19 August 2016, will be available free of charge to the public during normal working hours on any weekday (except Saturdays and public holidays) from the registered office of the Company from the date of this document until the expiry of one month after the Annual General Meeting.

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Circular and Forms of Proxy posted to Shareholders	19 August	2016
Latest time for receipt of completed Forms of Proxy for AGM	11 a.m. on 12 September	2016
General Meeting of the Company	11 a.m. on 14 September	2016
Court hearing		October 2016
Expected Effective Date		November 2016

- 1 The Court hearing date is subject to change by the Court and, in certain circumstances, the Company.*
- 2 The Effective Date is dependent on, amongst other things, the date upon which the Court confirms the cancellation of the Share Premium Account and reduction of capital.*

DEFINITIONS

In this document and in the accompanying Form of Proxy, the following expressions shall (unless the context requires otherwise) have the following meanings:

"Annual General Meeting" or "AGM"	The Annual General Meeting of the Company to be held at 46 New Broad Street, London EC2M 1JH at 11.00 a.m. on 14 September 2016 notice of which is set out in this document
"Capital Reduction"	The proposed cancellation of the Company's Deferred Shares and share premium account pursuant to Resolution 5 as set out in the Notice of Annual General Meeting
"Companies Act"	The Companies Act 2006
"Company"	Marechale Capital plc
"Court"	The High Court of Justice in England and Wales
"Deferred Shares"	The Deferred Shares of 1p each in the capital of the Company
"Directors" or "Board"	The directors of the Company as listed on page 4 of this document
"Form of Proxy"	The form of proxy included within this document for use by Shareholders of the Company in connection with the AGM
"Ordinary Shares"	The Ordinary Shares of 1p each in the capital of the Company
"Share Capital Resolution"	Resolution No. 5 to be proposed as a Special Resolution at the AGM as detailed in the notice on pages 5 to 7 of this document
"Shareholder(s)"	Holder(s) of Ordinary Shares

Letter from the Chairman

Directors:

Mark Warde-Norbury	Executive Chairman
Patrick Booth-Clibborn	Chief Executive
Lord Flight	Non-Executive Director
Jeremy Stephenson	Executive Director

Registered Office:

46 New Broad Street
London
EC2M 1JH

19 August 2016

To the holders of Ordinary Shares

Dear Shareholder

Proposed Capital Reduction and Notice of Annual General Meeting

Introduction

The 2016 Annual General Meeting of the Company is to be held at 46 New Broad Street, London EC2M 1JH on 14 September at 11:00 am. The notice convening the Annual General Meeting is set out on pages 7 to 9 of this document.

The Companies Act restricts the circumstances in which a company may make distributions to shareholders. In particular, a company may only pay dividends if it has sufficient distributable reserves available for the purpose. The Company's audited accounts for the year ended 31 March 2016 showed an accumulated deficit on its profit and loss account of £3,165,667 which has arisen as a result of past losses incurred. This precludes the payment by the Company of any dividends out of future profits until the deficit has been eliminated.

The Directors propose to effect a capital reorganisation in order to eliminate the deficit on the profit and loss account by cancelling the Deferred Shares and the Company's share premium account and reducing the nominal value of the ordinary shares by cancelling and extinguishing 0.2 pence of the amount paid up or credited as paid up on each of the issued Ordinary Shares of 1 pence each and reducing the nominal value of each issued Ordinary Share to 0.8 pence (the Capital Reduction). The result of the Capital Reduction, if approved by Shareholders and confirmed by the Court, will be to eliminate the current deficit on the Company's profit and loss account and to create a distributable reserve which the Company may use in due course to pay dividends to Shareholders and for other corporate purposes.

The purpose of this document is to explain the background to the proposal for the Capital Reduction, to set out the detailed steps necessary to implement it and to seek Shareholder approval for the Capital Reduction Resolution which is to be proposed at the forthcoming Annual General Meeting.

Background to and reasons for the Capital Reduction

As at 31 March 2016 the Company had an accumulated deficit on its profit and loss account of £3,165,667. At the same date the Company had 57,681,151 Ordinary Shares of 1 pence and 189,749,640 Deferred Shares of 1 pence in issue, and the sum of £1,247,379 standing to the credit of the share premium account.

The Deferred Shares give the holders thereof:

- (a) no right to attend or vote at general meetings of the Company;

- (b) no right to participate in dividends or other distributions; and
- (c) a right to participate in a return of capital only to the extent of the amount paid up on the Deferred Shares and only after the holders of Ordinary Shares have been paid the amount of £100,000 per each Ordinary Share held.

These rights are such as to make the Deferred Shares effectively worthless in the hands of the deferred shareholders. However in the Company's books the capital paid up on the Deferred Shares represents a sum of £1,897,496. The Company is proposing to cancel the Deferred Shares as they have no economic value and the Board does not consider there to be any commercial purpose in maintaining the Deferred Shares.

The share premium account is an undistributable reserve and, accordingly, the purposes for which a company can use any sums credited to that reserve are very limited. However, with the approval of its shareholders and the consent of the Court, a company may reduce or cancel its share premium account and move the sum which results upon such a reduction or cancellation to its profit and loss account where it may be set against any existing deficit.

The Capital Reduction will be effected by:

- first, cancelling and extinguishing all issued Deferred Shares;
- second, cancelling the Company's share premium account; and
- third, cancelling and extinguishing 0.2 pence of the amount paid up or credited as paid up on each of the issued Ordinary Shares of 1 pence each and reducing the nominal value of each issued Ordinary Share to 0.8 pence which would equate to a capital reduction of £115,362;

and to credit all such amounts to the company's profit and loss account.

Cancellation of Deferred Shares

The Company has in issue 189,749,640 Deferred Shares of 1 pence each, having an aggregate nominal value of £1,897,496, following a previous capital reorganisation in 2010. It is proposed that all of the Deferred Shares be cancelled. No separate consent or approval is required from the holders of the Deferred Shares for their cancellation.

Any deficit on the Company's retained earnings account to be eliminated by way of a reduction of capital falls first on the shares that rank last a return of capital by the Company according to the rights attaching to the various classes of shares in the capital of the Company. The Deferred Shares are only entitled to participate on a return of capital once the holders of the Ordinary Shares have received the nominal amount and any premium paid and the sum of £100,000 per Ordinary Share held. Accordingly, since the deficit on the Company's retained earnings account is in excess of the £1,897,496 of share capital attributable to the Deferred Shares, the elimination will result first in the Deferred Shares being cancelled and extinguished.

Article 7 of the Company's Articles of Association sets out the rights attaching to shares and states that the passing of a resolution to effect a reduction of capital shall not constitute a modification or abrogation of the rights attaching to the Deferred Shares. Consequently the Capital Reduction can be approved without the approval of the holders of the Deferred Shares.

Cancellation of Share Premium Account

The amount standing to the credit of the share premium account of the Company at 31 March 2016 was £1,247,379. This sum has arisen by the Company having issued shares at a premium to their nominal value from time to time. By law, the share premium account can be applied for limited purposes.

The Capital Reduction

With the sanction of a special resolution of Shareholders and the confirmation of the High Court, the Deferred Shares and the share premium account may be cancelled and the nominal value of the ordinary shares may be reduced, provided that the Court is satisfied that no creditor is prejudiced, the reserve arising on that cancellation may be transferred to the Company's profit and loss account where it may be set against any existing deficit. The cancellation of the Deferred Shares and the share premium account and the reduction in nominal value of the Ordinary Shares is the subject of Resolution 5 set out in the Notice of Annual General Meeting on pages 7 to 9 of this document. Resolution 5 is proposed as a Special Resolution.

The Application to the Court

In addition to the approval by Shareholders of the Capital Reduction Resolution, the Capital Reduction will require the approval of the Court. Accordingly, following the approval of the Capital Reduction by Shareholders the Company will make an application to the Court for confirmation of the Capital Reduction.

The Company has been advised that the Court may require the Company to give an undertaking for the protection of the Company's existing creditors. If required, the Company will provide such undertakings to the Court for the protection of creditors as it is advised by Counsel are appropriate to be given. There is no guarantee that the Court will confirm the cancellation of the Deferred Share and/or of the share premium account, however the Company has taken advice and, subject to the Company putting in place satisfactory provision for the protection of creditors as it has indicated that it will, the Company has been advised that there are good prospects of the cancellation of the Deferred Shares and of the share premium account being confirmed by the Court.

If Shareholders approve the Capital Reduction at the Annual General Meeting, the Board intends that an application will be made to the Court promptly following the Meeting to sanction the Reduction of Capital. To this end, provisional dates have been obtained for hearing the Company's application. Whilst those dates are subject to change depending on the Court's timetable and are therefore not within the Board's control, the present timetable provides for final hearing of the Company's application to take place before the end of 2016.

The effect of the Capital Reduction

If the Capital Reduction is implemented, an aggregate amount of £3,260,237 will be credited to the Company's profit and loss account eliminating the accumulated deficit of £3,165,667 at 31 March 2016 and creating a reserve of approximately £94,570 which will, once any creditor undertaking has been discharged, become distributable, thus permitting the Company to pay dividends.

The Capital Reduction will not change the number of Ordinary Shares in issue or any rights attaching to the Ordinary Shares; it is only a means of avoiding a potential restriction on the Company's ability to make dividend payments in the future.

Shareholders who hold their shares in certificated form should note that replacement certificates will not be issued to reflect this change in nominal value of the Ordinary Shares; they should simply retain their existing certificates.

Amendment to the Articles of Association

In order to ensure that the Company has the necessary power to reduce its capital it is proposed to amend the Articles of Association to include a specific authority.

The Annual General Meeting

The Capital Reduction requires the approval of the Company in general meeting. The Capital Reduction Resolution providing for the cancellation of the Deferred Shares and the share premium account and the reduction in the nominal value of the Ordinary Shares will be proposed as a Special Resolution at the forthcoming Annual General Meeting.

Action to be taken

A Form of Proxy for use by Shareholders at the Annual General Meeting is included within this document. Shareholders are requested to complete and return the Form of Proxy in accordance with the instructions printed on it so as to arrive at the Company's offices as soon as possible, but in any event no later than 11:00 a.m. on 12 September 2016. The return of a Form of Proxy will not preclude a Shareholder from attending and voting at the Annual General Meeting if the Shareholder so wishes.

Recommendation

Your Directors believe that the Capital Reduction Resolution to be proposed at the Annual General Meeting is in the best interests of the Company and its Shareholders as a whole and recommend you vote in favour of such Resolution, as they intend to do in respect of their own beneficial shareholdings.

Yours faithfully

Mark Warde-Norbury
Executive Chairman

NOTICE OF ANNUAL GENERAL MEETING
MARECHALE CAPITAL PLC
(Incorporated in England and Wales with registered number 3515836)

NOTICE IS HEREBY GIVEN that the SEVENTEENTH ANNUAL GENERAL MEETING of Marechale Capital plc (the "Company") will be held at 46 New Broad St., London EC2M 1 JH on Wednesday 14 September 2016 at 11:00 for the purpose of considering and, if thought fit, passing the following resolutions. Resolutions numbered 1 to 3 and 6 and 8 will be proposed as Ordinary Resolutions and resolutions numbered 4, 5 and 7 will be proposed as Special Resolutions.

Ordinary Business

1. THAT the financial statements for the year ended 31 March 2016 and the Reports of the Directors and Auditors thereon, as set out in the Annual Report and Accounts, be receive
- 2a. THAT Mr Jeremy Stephenson, who was appointed a Director since the last AGM, in accordance with Article 103 of the Company's Articles of Association, be elected as a director of the Company.
- 2b. THAT Mr Patrick Booth-Clibborn, who is retiring in accordance with Article 97 of the Company's Articles of Association, be re-elected as a director of the Company.
3. THAT Messrs UHY Hacker Young LLP be re-appointed as auditors of the Company to hold office until the conclusion of the next annual general meeting of the Company and that their remuneration be fixed by the directors of the Company from time to time.

Special Business

4. THAT the Articles of Association be amended by inserting the following clause as clause 9 and renumbering the existing clauses 9 to 179 as clauses 10 to 180:
 - "9. **Reduction of capital and purchase of own shares**
 - 9.1 Subject to the provisions of the Companies Act 2006 the Company may from time to time by special resolution reduce its share capital, any capital redemption reserve or any share premium account in any manner authorised, and subject to any restrictions in the Companies Act 2006: and
 - 9.2 purchase its own shares (including any redeemable shares) and may hold such shares as treasury shares or cancel them."
5. Approval of the capital reduction:

THAT, subject to the confirmation of the Court

 - (a) the Deferred Shares of £0.01 each be cancelled;
 - (b) the Company's share premium account be cancelled; and
 - (c) the share capital of the Company be reduced by cancelling and extinguishing 0.2 pence of the amount paid up or credited as paid up on each of the issued Ordinary Shares of 1 pence each in the capital of the Company and reducing the nominal value of each issued Ordinary Share in the capital of the Company to 0.8 pence.
6. THAT the directors of the Company from time to time be and are hereby generally and unconditionally authorised for the purposes of section 551 of the Companies Act 2006 (the "Act") to exercise all the powers of the Company to allot shares in the Company or grant rights to subscribe for, or to convert any security, into shares in the Company ("Rights") provided that this authority shall be limited to the allotment of 19,000,000 shares, or the grant of Rights up to

an aggregate nominal amount of £152,000, being approximately one third of the issued share capital and unless previously renewed, revoked, varied or extended by the Company in general meeting, this authority shall expire at the earlier of the date which is 12 months from the date of the passing of this resolution and the conclusion of the next annual general meeting of the Company except that the Company may at any time before such expiry make an offer or agreement which would or might require shares to be allotted (or Rights granted) after such expiry and the directors may allot shares (or grant Rights) in pursuance of such an offer or agreement as if this authority had not expired.

- 7 THAT, subject to and conditional upon the passing of Resolution 6 above, the directors of the Company be and are hereby empowered pursuant to section 571(1) of the Act to allot equity securities (within the meaning of section 560 of the Act) for cash pursuant to the authority of the directors under section 551 of the Act conferred by Resolution 6 and/or where such an allotment constitutes an allotment of equity securities by virtue of section 560(2) of the Act, as if section 561(1) of the Act did not apply to such allotments provided that the power conferred by this resolution shall be limited to the allotment of equity securities up to a maximum aggregate nominal amount of £28,840 and unless previously renewed, revoked, varied or extended by the Company in general meeting, this power shall expire at the earlier of the date which is 12 months from the date of the passing of this resolution and the conclusion of the next annual general meeting of the Company except that the Company may at any time before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the directors may allot equity securities in pursuance of such an offer or agreement as if this authority had not expired.
- 8 THAT the directors be authorised to issue options to staff up to an aggregate of 10% of the issued share capital, by number of shares, according to ABI Guidelines, details of which have been published on the Company's web-site

Dated 19 August 2016

By Order of the Board
R E SHAND
Secretary

Registered Office
46 New Broad Street
London
EC2M 1JH

Notes:

- 1 To be entitled to attend and vote at the meeting (and for the purposes of the determination by the Company of the votes they may cast), members must be registered in the register of members of the Company at 6.00 p.m. on 12 September 2016 (or, in the event of any adjournment, 6.00 p.m. on the date which is two days before the time of the adjourned meeting). Changes to the register of members of the Company after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.
- 2 A member entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend, speak and vote on his or her behalf. A proxy need not also be a member but must attend the meeting to represent you. Details of how to appoint the Chairman of the meeting or another person as your proxy using the form of proxy are set out in the notes on the form of proxy. If you wish your proxy to speak on your behalf at the meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to them.

- 3 A form of proxy is enclosed with this document. To be valid, it should be lodged with the Company Secretary, Marechale Capital Plc, 46 New Broad Street, London, EC2M 1JH, so as to be received not later than on 12 September 2016 or 48 hours before the time appointed for any adjourned meeting or, in the case of a poll taken subsequently to the date of the meeting or adjourned meeting, so as to be received no later than 24 hours before the time appointed for taking the poll.
- 4 As at 19 August 2016 (being the last business day prior to the publication of this notice), the Company's issued share capital was 57,681,151 ordinary shares, carrying one vote each. Therefore, the total voting rights in the Company as at 19 August 2016 were 57,681,151 ordinary shares.
- 5 Any person to whom this notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a "Nominated Person") may, under an agreement between him/her and the member by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.
- 6 The statement of the rights of members in relation to the appointment of proxies in paragraphs 3 to 5 above does not apply to Nominated Persons. The rights described in these paragraphs can only be exercised by members of the Company.
- 7 In order to facilitate voting by corporate representatives at the meeting, arrangements will be put in place at the meeting so that (a) if a corporate shareholder has appointed the chairman of the meeting as its corporate representative with instructions to vote on a poll in accordance with the directions of all of the other corporate representatives for that shareholder at the meeting, then on a poll those corporate representatives will give voting directions to the chairman and the chairman will vote (or withhold a vote) as corporate representative in accordance with those directions; and (b) if more than one corporate representative for the same corporate shareholder has not appointed the chairman of the meeting as its corporate representative, a designated corporate representative will be nominated, from those corporate representatives who attend, who will vote on a poll and the other corporate representatives will give voting directions to that designated corporate representative. Corporate shareholders are referred to the guidance issued by the Institute of Chartered Secretaries and Administrators on proxies and corporate representatives -www.icsa.com -for further details of this procedure. The guidance includes a sample form of representation letter if the chairman is being appointed as described in (a) above.
- 8 Appointment of a proxy will not preclude a member from subsequently attending and voting at the meeting should he or she subsequently decide to do so. You can only appoint a proxy using the procedures set out in these notes and the notes to the form of proxy.

MARECHALE CAPITAL PLC

(a company incorporated and registered in England and Wales under the Companies Act 2006 and registered with number 3515836)

FORM OF PROXY

For use at the Annual General Meeting to be held at 11:00 on Wednesday 14 September 2016 at 46 New Broad St, London EC2M 1JH

I/We whose name(s) and address(es) is/are shown below, being (a) member(s) of Marechale Capital plc HEREBY APPOINT the Chairman of the Meeting or (see note 2)

(BLOCK CAPITALS).....

.....

of.....

.....

as my/our proxy to attend and vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held at 11:00 on Wednesday 14 September 2016 at 46 New Broad St House, London EC2M 1JH and at any adjournment thereof.

Please tick here if this proxy appointment is one of multiple appointments made (see note 3).

PLEASE ENTER THE NUMBER OF SHARES in relation to which your proxy is authorised or leave box blank to authorise your proxy to act in relation to your full voting entitlement.....(No. of shares)

I/We direct that my/our vote(s) be cast on the resolutions to be considered at the meeting as indicated by an "X" in the appropriate space below. In the absence of any specific direction, my/our proxy may vote or abstain as he/she thinks fit.

Ordinary Resolutions	For	Against	Vote withheld
1 To receive the annual report and accounts for the year ended 31 March 2016			
2a To elect Mr Jeremy Stephenson as a director of the company			
2a To re-elect Mr Patrick Booth-Clibborn as a director of the company			
3 To re-appoint Messrs UHY Hacker young LLP as auditors and authorise the directors to determine their remuneration			
Special Resolutions			
4 To amend Clause 9 of the Articles in order to effect a Capital Reduction, see Resolution #5.			
5 To approve the capital reduction, that, subject to the confirmation of the Court: (a) the Deferred Shares of £0.01 each be cancelled; (b) the Company's share premium account be cancelled; (c) the share capital of the Company be reduced by cancelling and extinguishing 0.2 pence			
6 To grant the directors authority to allot shares in the Company or grant rights to subscribe for, or to convert any security, into shares in the Company			
7 To dis-apply statutory pre-emption rights in connection with the allotment of equity securities for cash			
8 To grant the directors authority to issue options to staff up to an aggregate of 10% of the issued share capital, by number of shares, according to ABI Guidelines, details of which have been published on the Company's web-site			

Signature:.....Date:.....

Name:.....(in BLOCK CAPITALS)

Address:.....(in BLOCK CAPITALS)

Address:.....

Post code:.....