

DIRECTORS AND ADVISERS

Directors

DJR Fletcher FRICS *Chairman*
REG Goode FRICS *Managing Director*
RA Dickman FRICS *Executive Director*
DH Stewart *Non Executive*

Secretary and Registered Office

PE Bailey ACA
61 Conduit Street, London W1S 2GB

Financial Advisers and Stockbrokers

Cairn Financial Advisers LLP
61 Cheapside, London EC2V 6AX

Solicitors

Boodle Hatfield
240 Blackfriars Road, London SE1 8NW

Auditors

Nexia Smith & Williamson
25 Moorgate, London EC2R 6AY

Tax Advisers

Smith & Williamson LLP
25 Moorgate, London EC2R 6AY

Principal Bankers

NatWest Bank Plc
63 Piccadilly, London W1A 2AG

Registrars and Transfer Office

Computershare Investor Services Plc
Registrar's Department, PO Box No 82
The Pavilions, Bridgwater Road, Bristol BS99 7NH
Dedicated shareholder telephone number: 0870 889 4095

Audit Committee

DH Stewart *Chairman*
DJR Fletcher

Remuneration Committee

DH Stewart, *Chairman*
DJR Fletcher

AIM Committee

DH Stewart, *Chairman*
DJR Fletcher

Company Number

02014432

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Certificate No. FS27825

HIGHLIGHTS

- Revenue for the year of **£3.380m** (2014: £3.653m)
- Profit before tax of **£461,000** (2014: £711,000)
- Profit after tax for the year of **£359,000** (2014: £542,000)
- Basic and diluted earnings per share of **3.90p** (2014: 5.89p)
- Final dividend of **0.75p** per share. An interim dividend of 1.50p per share was paid and therefore the total ordinary dividend for the year will be **2.25p** per share (2014: 3.0p)

FINANCIAL CALENDAR

Half Year Results

Announced 16 December 2014

Full Year Results

Preliminary announcement 14 July 2015

Annual General Meeting

16 September 2015

Final Dividend

Payable 25 September 2015

Interim Dividend

To be announced in December 2015

Payable in January 2016

Results

Revenue for the year was £3.38m (2014: £3.65m) with profit before tax of £461,000 (2014: £711,000).

The Board is proposing a final dividend of 0.75p per share (2014: 2.25p). The final dividend is subject to shareholder approval at the AGM and will be paid on 25 September 2015 to those shareholders on the register at close of business on 28 August 2015. With the interim dividend of 1.50p per share (2014: 0.75p) already paid, the total ordinary dividend for the year will amount to 2.25p per share (2014: 3.0p).

The Commercial Property Market

Surprisingly the market was little affected by the political uncertainty in the run up to the General Election but the return of a majority Conservative Government has added further impetus to an already strong demand.

This demand, from both tenants and investors, is most visible in Central London but it continues to ripple out to the major UK cities. In our view the stability given to the market by a pro-business majority Government is likely to subsist for the next few years.

The uncertainty in Scotland continues but even so we have seen a pick-up in demand from office tenants even though rents are still significantly below their previous peaks.

Business Overview

As a result of the strong demand for investment property multiple rounds of bidding on properties for sale was the norm which made buying difficult. This affected our revenue and profit before tax which are lower than last year, as I had previously indicated they might be, in the announcement of our interim results on 16 December 2014. Also in the previous year we had a significant one-off performance fee which did not repeat this year.

Our "SHIPS" funds have been active during the year with the focus remaining in Central London. The property in Leadenhall Street (SHIPS 14) (which was acquired for circa £9 million in December 2013) has been letting up at rents in excess of forecast and the last phase of the current refurbishment program is nearing completion. A new property just off Clerkenwell Green was acquired after the year end for a new "SHIPS 15" fund. The total investment including refurbishment will be circa £8m and it was oversubscribed. Fund management continues to perform well and a number of asset management situations have arisen on the portfolios.

Rating has enjoyed a much better year than last and the Chancellor's message to the Valuation Office to settle 95% of outstanding appeals by July of this year has been implemented. During the last six months we have cleared much of the backlog which I had previously mentioned, notably a portfolio of 38 Bowling Alleys where we achieved a saving of over £2 million and a Soho office building where approximately £1 million was saved.

CHAIRMAN'S STATEMENT

The volume of valuations has shown a healthy increase as have the individual fees. The banks have returned to the lending market with a vengeance and there is no sign of this abating.

Outlook

Whilst the year was perhaps a little disappointing it was in line with expectation. We have started the new financial year well and we are hopeful of improving our results.

Again I must thank our loyal clients and the new ones who have entrusted their work to us. Also our Directors and staff for their hard work and professionalism.

DAVID FLETCHER

CHAIRMAN

5 August 2015

The Directors present the group strategic report for Fletcher King Plc and its subsidiary companies for the year end 30 April 2015.

Principal Activities

The Group provides a comprehensive range of property services and expert advice throughout the United Kingdom, including property fund management, property asset management, rating, valuations and investment broking.

Business Review

The Group continued its strategy of providing a range of property services to existing and new clients and key performance indicators for the Group for the year to 30 April were as follows:

	2015	2014
Revenue	£3,380,000	£3,653,000
Profit before taxation	£461,000	£711,000
Profit for the year	£359,000	£542,000
Earnings per share	3.90p	5.89p

Whilst the year was a little disappointing it was in line with expectation. Fund management continues to perform well and a number of asset management situations have arisen on the portfolios. The volume of valuations has shown a healthy increase as have the individual fees.

Cash absorbed by operations in the year amounted to £1,000 (2014: cash generated amounted to £944,000) and after investing activities and dividend payments the cash balance decreased by £462,000 to £2,852,000. The Group continues to look for opportunities to participate in the Syndicated Property Investments (“SHIPS”) and has co-invested in a new SHIPS 15 fund in May 2015.

The Chairman’s Statement contains a review of the Group’s performance, financial results, future development and prospects and is incorporated into this Strategic Report by reference.

Principal Risks and Uncertainties

The Directors have identified below a number of risks which they believe may affect the Group’s ability to deliver its strategic goals. This list does not purport to be an exhaustive summary of the risks affecting the Group, is given in no particular order of priority and contains risks considered to be outside the control of the Directors.

(i) Economic Risk

The main economic risks that would affect the Group’s performance are a major slowdown in the UK economy and a slump in UK commercial property values. The Group has, where possible, implemented actions to mitigate some of the effects of these risks. This includes providing a comprehensive range of services, some being less influenced by economic factors than others.

(ii) Management of Growth

The ability of the Group to implement its strategy requires effective planning and management control systems. The speed at which the business develops may place significant strain on the Group's management, operational, financial and personnel resources. Failure to expand and improve operational, financial and management information and quality control systems in line with the Group's own growth could have detrimental impact on the trading performance of the Group. In mitigation the Group has an experienced management team and a clear strategy for the integration and management of the expected business growth.

(iii) Attraction and Retention of Key Employees

The Group will depend on the continued service and performance of the Executive Directors and key employees and whilst it has entered into contractual arrangements with these individuals with the aim of securing the services of each of them, retention of these services cannot be guaranteed. The loss of the services of Executive Directors or other key employees could damage the Group's business. Equally the ability to attract new employees and senior executives with the appropriate expertise and skills cannot be guaranteed. The Group may experience difficulties in hiring appropriate employees and failure to do so may have a detrimental effect upon the trading performance of the Group.

(iv) Financial Risk Management

Details of the Group's approach to financial risk management are disclosed in detail in note 23 to the financial statements.

(v) Forward-Looking Statements

This annual report contains forward-looking statements on Fletcher King Plc's future financial performance, results from operations, and goals and strategy. By definition, forward-looking statements carry risk and uncertainty because they refer to events in the future and depend on circumstances that cannot be foreseen in advance. Numerous factors can contribute to material deviation from results and developments indicated in forward-looking statements. Such factors can include general economic circumstances, scarcity on the labour market and the ensuing demand for personnel, changes in labour legislation, personnel costs, future interest rates, changes in tax rates, and future corporate mergers, acquisitions and divestments. Undue reliance should not be placed on these forward-looking statements. They are made at the time of publication of the annual financial statements of the company and in no way provide guarantees for future performance. All operating and business environments are subject to risk and uncertainty. For this reason, no assurances can be offered that the forward-looking statements published here will prove correct at a future date, and the company assumes no duty to update any such forward-looking statements.

**Approved by the board of Directors
and signed on behalf of the board**

**DAVID FLETCHER
CHAIRMAN**

5 August 2015

The Directors present their report and accounts for the year ended 30 April 2015.

General Information

Fletcher King Plc is a public limited company which is listed on the AIM market of the London Stock Exchange and is incorporated and domiciled in the UK. The company's registration number is 02014432.

Results and Dividend

The consolidated statement of comprehensive income is set out on page 13. The profit for the year after taxation is £359,000 (2014: £542,000). The Directors recommend the payment of an ordinary final dividend of 0.75p per share (2014: 2.25p). An interim dividend of 1.50p per share (2014: 0.75p per share) has already been paid to shareholders.

Income from the Group's available-for-sale investments and net bank interest amounted to £17,000 (2014: £28,000).

The effective taxation charge was 20.9% (2014: 22.8%).

Future Developments

The Group has some good business in the pipeline and a new SHIPS fund has been established. The volume of valuation work seems set to increase and the outstanding rates appeals should be settled during the year.

Capital and equity interests

Basic and diluted earnings per share from continuing operations amounted to 3.64p (2014: 5.89p).

During the year no shares were issued to Directors or employees pursuant to the exercise of share options. The total number of ordinary shares in issue at 30 April 2015 was 9.2 million (2014: 9.2 million).

Cash flow and liquidity

Net cash outflow from operating activities amounted to £1,000 (2014: inflow of £944,000) which, after allowing for cash flows including dividends and capital expenditure, resulted in a net decrease in cash balances of £462,000 (2014: increase of £743,000).

At 30 April 2015, the Group's cash at bank and on short term deposit amounted to £2.9 million (2014: £3.3 million). This was deposited with leading banks.

Risk identification and Management

The identification, control and monitoring of risks facing the business remain a management priority.

Financial risk management

The Group manages its treasury operations in accordance with policies and procedures approved by the Board. Information about the Group's policies on financial instruments is set out in note 3 of the accounts. The Group has no borrowings. As the Group operates almost exclusively in the United Kingdom, there are no significant direct foreign exchange risks. The Group has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the Group and these are outlined in note 23 to the accounts.

Directors

The current Directors of the Company are set out below.

D J R Fletcher	Chairman
R E G Goode	Managing Director
R A Dickman	Executive Director
D H Stewart	Non Executive Director

D J R Fletcher and R A Dickman retire by rotation in accordance with the Company's Articles of Association, and being eligible offer themselves for re-election at the forthcoming Annual General Meeting.

D J R Fletcher FRICS, is a founding partner and Chairman of the Company. He has over 40 years experience in property and fund and asset management, advising clients such as the pension funds of IBM, Debenhams, BHS, Allied Domecq and the Industrial Training Boards as well as the Stratton House Investment Property Syndicates and other clients.

R A Dickman BSc (Hons) Est Man FRICS, is a Chartered Surveyor, and has been a Director of Fletcher King since May 1992. He has been in charge of the Valuation and Rating department since that date.

Directors Remuneration

	Salary	Benefits	Bonus	Fees	2015	2014
	£000	£000	£000	£000	£000	£000
DJR Fletcher	100	34	147	-	281	371
REG Goode	100	22	147	-	269	352
DH Stewart	-	-	-	20	20	22
R A Dickman	100	15	104	-	219	130
	300	71	398	20	789	875

No Executive Directors at 30 April 2015 received any pension entitlements.

Directors' Indemnity Insurance

As permitted by Section 233 of the Companies Act 2006, the Company has purchased insurance cover on behalf of the Directors indemnifying them against certain liabilities which may be incurred by them in relation to the Company.

Corporate social responsibility

The Board recognises the importance of social and environmental matters in the conduct of the Group's business and remains committed to social and environmental awareness throughout its operations, notwithstanding the relatively low environmental impact of the Group's activities.

Energy efficiency, recycling and the use of "fair trade" products are encouraged.

The Board recognises that enthusiastic, well-trained and high-quality staff are essential to the achievement of the Group's commercial objectives. Participation in the success of the Group is encouraged via comprehensive incentive schemes.

The Group provides employment on an equal basis irrespective of race, sex, disability, sexual orientation and religious beliefs. Employee communication and feedback is encouraged across the Group.

Authority to Allot Unissued Shares

In accordance with normal practice the Directors propose to take the usual authorities under Sections 551 and 570 of the Companies Act 2006. Therefore it is proposed to extend the Section 551 authority given at the last Annual General Meeting on 17 September 2014 for a further year in respect of ordinary 10p shares up to a maximum of 2,762,934 shares (£276,293.40). Apart from possible issues under Employee Share Option Schemes there is at present no intention of issuing any further ordinary shares. In any event, no issue will be made which would effectively alter the control of the Company without the prior approval of the Company in general meeting.

Purchase of Shares

The Directors, in line with boards of directors of other listed companies, consider that it would be appropriate for the Company to have the authority to purchase its own shares as one of a range of investment options available to them, more especially if the purchase of its own shares produced an improvement in earnings per share. Shareholders should be assured that the Board will commence share purchases only after careful consideration and after taking account of the overall financial position of the Group. An ordinary resolution will be proposed to authorise the Company to make market purchases of up to a maximum of 460,000 of its own shares, representing less than 5% of the existing issued ordinary shares. The maximum price to be paid on any exercise of the authority will be restricted to 5% above the average of the middle market quotation as derived from The London Stock Exchange Daily Official List for the ordinary shares for the ten dealing days immediately prior to purchase. The minimum price that may be paid for the ordinary shares is the nominal value of 10p per share. The authority for the purchase sought at the Annual General Meeting will expire at the conclusion of the following Annual General Meeting which is expected to take place in September 2016. The intention of the Board is to seek to renew the authority at future Annual General Meetings.

Statement of Directors' Responsibilities

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union and, as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the Group and of the profit or loss of the Group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state that the financial statements comply with IFRSs as adopted by the European Union;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also responsible for ensuring that they meet their responsibilities under the AIM rules.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Disclosure of information to the auditors

In the case of each person who was a Director at the time this report was approved, so far as that Director was aware there was no relevant available information of which the Group and Company's auditors were unaware; and that Director had taken all steps that the Director ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Group and Company's auditors were aware of that information.

Auditors

A resolution to reappoint the auditors, Nexia Smith & Williamson, will be proposed at the forthcoming Annual General Meeting.

This report was approved by the Board on 5 August 2015.

P E Bailey

Company Secretary

Registered Number: 02014432

Independent auditors' report to the members of Fletcher King plc

We have audited the financial statements of Fletcher King Plc for the year ended 30 April 2015 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Company Statements of Financial Position, the Consolidated and Company Statements of Cash Flows, the Consolidated and Company Statements of Changes in Equity and the related notes 1 to 25. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union and, as regards the parent company financial statements, as 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 an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As explained more fully in the Statement of Directors' Responsibilities set out on page 10, 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 Financial Reporting Council's (FRC'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 website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Parent company's affairs as at 30 April 2015 and of the Group's profit for the year then ended;
- the Group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union;
- the parent company financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

Stephen Drew

*Senior Statutory Auditor, for and on behalf of
Nexia Smith & Williamson
Statutory Auditor
Chartered Accountants*

*25 Moorgate
London
EC2R 6AY
7 August 2015*

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the year ended 30 April 2015

Notes	2015 £000	2014 £000
Revenue	3,380	3,653
6 Employee benefits expense	(1,843)	(2,017)
11 Depreciation expense	(36)	(44)
Other operating expenses	(1,057)	(1,083)
Operating profit	444	509
Profit on disposal of available for sale investments	—	174
Income from investments	4	13
7 Finance income	13	15
Profit before taxation	461	711
8 Taxation	(102)	(169)
Profit and total comprehensive income for the year attributable to equity shareholders	359	542
10 Basic and diluted earnings per share	3.90p	5.89p

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 30 April 2015

Notes	2015 £000	2014 £000
Assets		
Non-current assets		
11 Property, plant and equipment	84	112
13 Available-for-sale investments	875	750
18 Deferred tax assets	18	18
	977	880
Current assets		
14 Trade and other receivables	1,149	1,247
15 Cash and cash equivalents	2,852	3,314
	4,001	4,561
	4,978	5,441
Liabilities		
Current liabilities		
16 Trade and other payables	516	702
	78	123
17 Other creditors	641	887
	1,235	1,712
	1,235	1,712
Shareholders' equity		
19 Share capital	921	921
Share premium	140	140
Profit and Loss Reserve	2,682	2,668
	3,743	3,729
	4,978	5,441

Approved by the Board on 5 August 2015 and signed on its behalf by

David Fletcher
Chairman

Registered Number: 02014432 England and Wales

COMPANY STATEMENT OF FINANCIAL POSITION

as at 30 April 2015

Notes	2015 £000	2014 £000
Assets		
Non-current assets		
12 Investments in group undertakings	105	105
Current assets		
14 Trade and other receivables	508	63
15 Cash and cash equivalents	1,011	1,070
	1,519	1,133
Total assets	1,624	1,238
Liabilities		
Current liabilities		
16 Trade and other payables	8	15
17 Other creditors	14	14
	22	29
Total liabilities	22	29
Shareholders' equity		
19 Share capital	921	921
Share premium	140	140
Profit and Loss reserve	541	148
Total shareholders' equity	1,602	1,209
Total equity and liabilities	1,624	1,238

Approved by the Board on 5 August 2015 and signed on its behalf by

David Fletcher

Chairman

Registered Number: 02014432 England and Wales

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 30 April 2015

	2015 £000	2014 £000
Cash flows from operating activities		
Profit before taxation from continuing operations	461	711
Adjustments for:		
Depreciation expense	36	44
Profit on disposal of available for sale investments	–	(174)
Income from investments	(4)	(13)
Finance income	(13)	(15)
Cash flows from operating activities before movement in working capital	480	553
Decrease in trade and other receivables	98	215
(Decrease)/increase in trade and other payables	(432)	230
Cash generated from operations	146	998
Taxation paid	(147)	(54)
Net cash flows from operating activities	(1)	944
Cash flows from investing activities		
Purchase of fixed assets	(8)	(15)
Purchase of investments	(125)	(750)
Sale of investments	–	674
Finance income	13	15
Income from investments	4	13
Net cash flows from investing activities	(116)	(63)
Cash flows from financing activities		
Dividends paid to shareholders	(345)	(138)
Net cash flows from financing activities	(345)	(138)
Net (decrease)/increase in cash and cash equivalents	(462)	743
Cash and cash equivalents at start of year	3,314	2,571
Cash and cash equivalents at end of year (note 15)	2,852	3,314

COMPANY STATEMENT OF CASH FLOWS

for the year ended 30 April 2015

	2015	2014
	£000	£000
<hr/>		
Cash flows from operating activities		
Profit before taxation	738	26
Adjustments for:		
Finance income	(6)	(6)
Dividends received from subsidiary undertakings	(845)	(138)
<hr/>		
Cash flows from operating activities before movement in working capital	(113)	(118)
(Increase)/decrease in trade and other receivables	(445)	58
(Decrease)/increase in trade and other payables	(7)	1
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Cash absorbed by operations	(565)	(59)
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Cash flows from investing activities		
Dividends received from subsidiary undertakings	845	138
Finance income	6	6
<hr/>		
Net cash flows from investing activities	851	144
<hr/>		
Cash flows from financing activities		
Dividends paid to shareholders	(345)	(138)
<hr/>		
Net cash flows from financing activities	(345)	(138)
<hr/>		
Net decrease in cash and cash equivalents	(59)	(53)
Cash and cash equivalents at start of year	1,070	1,123
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Cash and cash equivalents at end of year (note 15)	1,011	1,070
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STATEMENT OF CHANGES IN EQUITY

for the year ended 30 April 2015

CONSOLIDATED

	Share capital £000	Share premium £000	Profit and Loss Reserve £000	TOTAL EQUITY £000
Balance at 1 May 2013	921	140	2,264	3,325
Total comprehensive income for the year	—	—	542	542
Equity dividends paid	—	—	(138)	(138)
Balance at 30 April 2014	921	140	2,668	3,729
Total comprehensive income for the year	—	—	359	359
Equity dividends paid	—	—	(345)	(345)
Balance at 30 April 2015	921	140	2,682	3,743

The profit and loss reserve comprises the undistributed profits/(losses) of the Group.

COMPANY

	Share capital £000	Share premium £000	Profit and loss reserve £000	TOTAL EQUITY £000
Balance at 1 May 2013	921	140	260	1,321
Total comprehensive income for the year	—	—	26	26
Equity dividends paid	—	—	(138)	(138)
Balance at 30 April 2014	921	140	148	1,209
Total comprehensive income for the year	—	—	738	738
Equity dividends paid	—	—	(345)	(345)
Balance at 30 April 2015	921	140	541	1,602

The profit and loss reserve comprises the undistributed profits/(losses) of the Company.

1. General information

Fletcher King Plc ('the Company') and its subsidiaries (together 'the Group') carry on the business of property fund management, property asset management, rating, valuations and investment broking throughout the United Kingdom. The Company is a public limited company incorporated and domiciled in England and Wales and listed on the AIM Market of The London Stock Exchange. The registered office address is 61 Conduit Street, London W1S 2GB. These consolidated financial statements were approved for issue by the Board of Directors on 5 August 2015. They are presented in Sterling which is the Group's functional currency. The Group has no overseas operations.

2. Basis of preparation and presentation of financial statements

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and under the historical cost convention.

New standards and interpretations

The following standards and interpretations are effective for the year ended 30 April 2015. None of the pronouncements has had a material impact on the consolidated results or assets and liabilities for the year ended 30 April 2015.

- Amendments to the IFRS 10 "Consolidated Financial Statements" and IFRS 12 "Disclosure of Interests in other entities" in respect of investment entities.

At the date of authorisation of these financial statements, the following new standards and interpretations are relevant to the Group and have been issued but have not been applied in these financial statements because they are not yet effective:-

- IFRS 9 "Financial Instruments"*
- IFRS 15 "Revenue from contracts with customers"*

* Not yet endorsed by the European Union

The Directors do not anticipate that the adoption of these standards and interpretations will have a material impact on the Group's financial statements, however the extent of this has not yet been assessed. Certain of these standards and interpretations will require additional disclosures over and above those currently included in these financial statements in the period of application.

The preparation of financial statements in accordance with IFRS requires the use of certain critical accounting estimates and also requires management to exercise judgement in applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are highly significant to the financial statements, are set out in note 3 below.

3. Principal accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies, which are also applicable to the financial statements of the Company, have been consistently applied to all the years presented.

Basis of consolidation

The financial statements consolidate the accounts of the Company and all subsidiary undertakings drawn up to the same year end.

Subsidiaries

Subsidiaries are entities over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than 50% of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiary entities are consolidated from the date on which control is transferred to the Group and are deconsolidated from the date on which control ceases.

In respect of subsidiaries, inter-company transactions, balances and unrealised gains on intra-group transactions are eliminated on consolidation.

The accounting policies of subsidiaries are changed where necessary to ensure consistency with the policies adopted by the Group.

Property, plant and equipment and depreciation

Property, plant and equipment are stated at historical cost, net of depreciation, at rates calculated to write off the cost, less residual value, of each asset over its expected useful life. Depreciation rates on a straight line basis are as follows:-

Motor vehicles	25%
Office furniture and fittings	25%
Computer equipment	33%
Short leasehold premium and improvements	10%

Cost includes expenditure that is directly attributable to the acquisition of the asset. Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the statement of comprehensive income during the financial period in which they are incurred.

Residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date. An asset’s carrying amount is written down immediately to its recoverable amount if the asset’s carrying amount is greater than its estimated recoverable amount. Gains and losses on disposal are determined by comparing proceeds with carrying amount. These are included in the statement of comprehensive income.

Segmental reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker as required by IFRS 8 “Operating Segments”. The chief operating decisionmaker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Executive Committee.

Financial instruments

Financial assets and liabilities are recognised on the Group’s statement of financial position when the Group becomes a party to the contractual provisions of the instrument. Measurement depends on their classification and is discussed below:

(i) Investments

Investments held by the Company in subsidiary entities, not held for sale, are shown at cost less any provision for impairment.

The Directors determine the classification of investments held by the Group at initial recognition and reevaluate this designation at each reporting date. At the reporting date all these investments were classified as available-for-sale. Available-for-sale investments are initially recognised at the fair value of the consideration given, including associated acquisition costs, which may equate to cost. On subsequent measurement, available-for-sale investments are measured at either fair value or at cost where fair value is not reliably measurable. Changes in fair value are recognised in other comprehensive income, together with the related deferred tax asset or liability. When such investments are disposed of, the accumulated gains or losses, previously recognised in equity, are reclassified to profit or loss.

Available-for-sale financial assets are included in non-current assets unless management intends to dispose of the investment within twelve months of the reporting date.

(ii) Trade and other receivables

Trade and other receivables are initially measured at fair value, and are subsequently measured at amortised cost using the effective interest method. A provision is established when there is objective evidence that the Group will not be able to collect all amounts due. The amount of any provision is recognised in the statement of comprehensive income.

All financial assets are reviewed annually for impairment, with any losses reflected in the statement of comprehensive income. Investment income is recognised in the statement of comprehensive income.

(iii) Cash and cash equivalents

Cash and cash equivalents include cash in hand, call deposits held with banks, and other short-term highly liquid investments with original maturities of three months or less.

(iv) Financial liabilities and equity

Financial liabilities and equity instruments issued by the Group are classified in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The accounting policies adopted for specific financial liabilities and equity instruments are set out below.

(a) Trade and other payables

Trade and other payables are initially measured at fair value, and are subsequently measured at amortised cost using the effective interest rate method.

(b) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction from the proceeds, net of tax.

Taxation

Current income tax is provided on taxable profits at the current rate. Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is determined using rates enacted at the reporting date which are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred income tax assets are only recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Income tax and deferred tax are reflected in the income statement, unless they relate to items recognised in equity, in which case they are recognised in equity.

Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that the Group will be required to settle the obligation, and the amount can be reliably estimated. Provisions are measured at the Directors' best estimate of the expenditure required to settle the obligation at the reporting date.

Revenue recognition

Revenue comprises commissions and fees receivable excluding value added tax and is measured at fair value. Fees on property transactions and other contingent fee arrangements are recognised as earned on the unconditional completion of a contract or when a fee is contractually due. Fees for other professional services are recognised on completion of the assignment.

Interest and investment income is recognised on a time-proportion basis using the effective interest method.

Operating profit

Operating profit is stated before income from investments, finance income, costs and losses on impairment of available-for-sale investments and taxation.

Employee benefits

No pension schemes are operated by the Group. Contributions to employees' money-purchase pension schemes are made on an arising basis where these form part of contractual remuneration obligations. The Group recognises a liability and an expense for cash-settled bonuses when contractually obliged or when there is a past practice creating a constructive obligation.

Operating Leases

Leases where the lessor retains substantially all the risks and rewards of ownership are classified as operating leases. Payments made under operating leases are charged to the income statement on a straightline basis over the period of the lease.

Dividend Distributions

Dividends to the Company's shareholders are recognised as a liability when paid (if interim dividends) or approved by shareholders (if final dividends).

Critical accounting estimates and assumptions

The preparation of the consolidated financial statements in conformity with International Financial Reporting Standards requires management to make estimates and assumptions concerning the future. While the resulting accounting estimates will, by definition, seldom equal the related actual results, in the opinion of the Directors the estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are detailed below.

(a) Impairment of available-for-sale investments

The fair value of available-for-sale investments is determined by reference to the underlying value of the assets of those investments at each balance sheet date. The Directors have made provisions for impairment where there is objective evidence that fair value is less than cost.

(b) Provisions for impairment of trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost less provision for impairment. The Directors have made provisions for impairment where there is objective evidence that the Group will not be able to collect all amounts due.

There have not been any provisions for impairment of available for sale investments or trade receivables in the year.

4. Segment Information – Group

IIFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker to allocate resources to the segments and to assess their performance. In accordance with IFRS 8 the chief operating decision maker has been identified as the Executive Committee. They review the Group's internal reporting in order to assess performance and allocate resources. The Executive Committee considers that the business comprises a single activity being General Services. Therefore, the Group is organised into one operating segment and there is one reporting segment. The segment information is the same as that set out in the consolidated statement of comprehensive income, consolidated statement of financial position, consolidated statement of changes in equity and consolidated statement of cash flows.

5. Operating profit

Operating profit is stated after charging/(crediting):

Year ended 30 April	2015	2014
	£000	£000
Operating lease rentals relating to property	287	287
Depreciation	36	44
Rental income	(33)	(11)
Fees payable to the Company's auditor for the audit of the Company's consolidated annual financial statements	6	6
Fees payable to the Company's auditor and its associates for other services:		
- the audit of the Company's subsidiaries	19	17
- other assurance services	4	4
- tax compliance services	9	9

As permitted by section 408(3) of the Companies Act 2006, the Company has taken advantage of the legal dispensation not to present its own statement of comprehensive income. The profit after taxation of the Company for the year was £737,000 (2014: £26,000).

6. Employee benefits expense

Year ended 30 April	2015	2014
	£000	£000
Basic wages and salaries	1,120	1,102
Performance-based payments	470	642
	1,590	1,744
Social security costs	203	231
Other costs	50	42
	1,843	2,017

The average number of persons (including directors) employed by the Group was as follows:

Year ended 30 April	2015	2014
	No.	No.
Management	4	4
Professional	7	7
Administration	7	7
	18	18

NOTES TO THE FINANCIAL STATEMENTS

Key management are those persons having authority and responsibility for planning, directing and controlling the activities of the entity. In the opinion of the Board, the Group's key management comprises the executive and non-executive Directors of Fletcher King Plc. Information regarding their compensation, all of which are short-term benefits, is set out below:

The Group does not operate any pension schemes.

Directors' Emoluments	2015 £000	2014 £000
Fees	20	22
Salaries and benefits	371	348
Performance-related bonuses	398	505
	789	875

No executive Directors at 30 April 2015 received any pension entitlements (2014: nil).

Highest Paid Director	2015 £000	2014 £000
Basic Pay	100	100
Benefits	34	31
Performance Related Bonus	147	240
	281	371

Key Management Compensation

Aggregate compensation for key management, being the Directors of the Company, was as follows:

	2015 £000	2014 £000
Short term employee benefits	898	996

In accordance with AIM Rule 19, information of individual director's remuneration has been disclosed in the Directors' Report.

7. Finance income

Year ended 30 April	2015 £000	2014 £000
Finance income		
Bank interest receivable	13	15

8. Taxation

Year ended 30 April	2015 £000	2014 £000
Current tax		
UK corporaton tax – current year	107	135
UK corporation tax – prior years	(5)	(11)
	102	124
Deferred tax		
UK deferred tax – current year	–	45
	–	45
Total tax charged for the year	102	169

The effective rate of UK corporation tax is calculated as the standard rate of UK corporation tax of 21% less any effective marginal relief. The difference between the total current tax shown above and the amount calculated applying the effective rate of UK corporation tax, to the profit before taxation is as follows:

Year ended 30 April	2015 £000	2014 £000
Profit before taxation	461	771
Tax on Group profit at UK corporation tax rate of 20.9% (2014: 22.8%)	96	162
Deferred tax assets not recognised	2	3
Expenses not deductible for tax purposes	8	7
Prior year adjustment	(5)	(11)
Other adjustments	1	8
Group total tax charge for the year	102	169

The main rate of corporate tax changed to 21% from 23% on 1 April 2014 and it further changed to 20% on 1 April 2015 to be aligned with the small companies rate of 20%.

NOTES TO THE FINANCIAL STATEMENTS

9. Dividends

Year ended 30 April	2015 £000	2014 £000
Equity dividends on ordinary shares:		
Declared and paid during year		
Ordinary final dividend for the year ended 30 April 2014: 2.25p per share (2013: 0.75p)	207	69
Interim dividend for the year ended 30 April 2015: 1.50p per share (2014: 0.75p)	138	69
	345	138
Proposed ordinary final dividend for the year ended 30 April 2015: 0.75p per share	69	

An interim dividend was paid to the Parent Company by a subsidiary in order that sufficient distributable reserves were available to the Parent Company prior to payment of the interim dividend noted above.

10. Earnings per share

	2015 No	2014 No
Weighted average number of shares for basic and diluted earnings per share	9,209,779	9,209,779
Earnings for basic and diluted earnings per share	£000 359	£000 542
Basic and diluted earnings per share	3.90p	5.89p

11. Property, plant and equipment - Group

	Furniture, fittings and computers £000	Motor vehicles £000	Short leasehold premium and improvements £000	Total £000
Cost				
At 1 May 2014	173	53	276	502
Additions	8	-	-	8
Disposals	-	(53)	-	(53)
As at 30 April 2015	181	-	276	457
Depreciation				
At 1 May 2014	153	53	184	390
Charge for the year	8	-	28	36
Disposals	-	(53)	-	(53)
At 30 April 2015	161	-	212	373
Net book value at 30 April 2015	20	-	64	84
Cost				
At 1 May 2013	158	53	276	487
Additions	15	-	-	15
As at 30 April 2014	173	53	276	502
Depreciation				
At 1 May 2013	137	53	156	346
Charge for the year	16	-	28	44
At 30 April 2014	153	53	184	390
Net book value at 30 April 2014	20	-	92	112

12. Investments in Group undertakings – Company

Year ended 30 April	2015 £000	2014 £000
Shares in Group undertakings at cost:		
At 1 May and 30 April	105	105

As at 30 April 2015, the Company owns 100% of the ordinary share capital of the following companies registered in England and Wales, the accounts of which are consolidated into the Group accounts: Fletcher King Services Limited, which is the trading subsidiary through which the Fletcher King business is carried out and Fletcher King Investment Management Plc, the group's FCA-regulated investment services company.

NOTES TO THE FINANCIAL STATEMENTS

13. Available-for-sale investments – Group

Year ended 30 April	2015 £000	2014 £000
At 1 May	750	500
Additions	125	750
Disposals	–	(500)
At 30 April	875	750
Classified as:		
Available-for-sale investments	875	750
UK unlisted investments classified as available-for-sale	875	750

An amount of £875,000 (2014: £750,000) represents a syndicate interest in the Stratton House Investment Property Syndicate (SHIPS 14) which was originally acquired during the year ended 30 April 2014 with additional investment during the year ended 30 April 2015. This investment is stated at cost, which is equal to the fair value of the investment based on the underlying value of the Syndicate's assets.

During the year ended 30 April 2014, interests held in the Stratton House Investment Properties Limited Partnership (SHIPS 06) and Stratton House Investment Property Syndicate (SHIPS 11) were sold.

An impairment loss of £178,000 was incurred in 2009 on a 2.5% holding in Stratton House Investment Property Syndicate (SHIPS 04) to revalue the investment to £nil. This remains the fair value of the investment as at 30 April 2015 and is based on the underlying value of the Syndicate's assets.

14. Trade and other receivables

	Group 2015 £000	Group 2014 £000	Company 2015 £000	Company 2014 £000
Trade receivables	1,026	972	–	–
Amount owed by group undertakings	–	–	500	57
Other receivables	15	33	2	–
Prepayments and accrued income	108	242	6	6
	1,149	1,247	508	63

Trade receivables are non-interest bearing and generally have a 30-90 day term. Due to their short maturities, the fair value of trade receivables approximates their book value. The fair value of amounts owed by group undertakings approximate their book value.

A provision for impairment of trade receivables is established when there is no objective evidence that the Group will be able to collect all amounts due according to the original terms. The Group considers factors such as default or delinquency in payment, significant financial difficulties of the debtor and the probability that the debtor will enter bankruptcy in deciding whether the trade receivable is impaired.

As at 30 April 2015, trade receivables of £nil were impaired (2014: £nil).

As at 30 April 2015, trade receivables of £646,000 (2014: £473,000) were past due, but not impaired. The ageing analysis of these trade receivables is as follows:

	Group 2015 £000	Group 2014 £000	Company 2015 £000	Company 2014 £000
Up to 3 months past due	644	463	–	–
3 to 6 months past due	2	6	–	–
Over 6 months past due	–	4	–	–
	646	473	–	–

15. Cash and cash equivalents

	Group 2015 £000	Group 2014 £000	Company 2015 £000	Company 2014 £000
Cash at bank and in hand	2,852	3,314	1,011	1,070
	2,852	3,314	1,011	1,070

Cash and cash equivalents are all denominated in Sterling. The effective interest rate on Group cash balances for the year ended 30th April 2015 was 0.5% (2014: 0.5%). There is no material difference between the fair value and book value of cash and cash equivalents.

16. Trade and other payables

	Group 2015 £000	Group 2014 £000	Company 2015 £000	Company 2014 £000
Trade payables	202	363	8	15
Other taxation and social security	250	323	—	—
Other payables	64	16	—	—
	516	702	8	15

The carrying amounts of trade and other payables approximate their fair value.

17. Other creditors

	Group 2015 £000	Group 2014 £000	Company 2015 £000	Company 2014 £000
Bonus accruals	437	593	—	—
Other accruals and deferred income	204	294	14	14
	641	887	14	14

NOTES TO THE FINANCIAL STATEMENTS

18. Deferred taxation (non-current) – Group

Year ended 30 April	2015 £000	2014 £000
Deferred taxation asset:		
Timing differences on provisions		
At 1 May	18	63
Movement during year	—	(45)
At 30 April	18	18

19. Share capital

	30 April 2015 Number	30 April 2014 Number	30 April 2015 £000	30 April 2014 £000
Ordinary shares of 10p each: Issued and fully paid	9,209,779	9,209,779	921	921

The Company has one class of ordinary shares which carry no rights to fixed income. No shares were issued during the year.

20. Share based payments

Executive Share Option Scheme:

As at 1 May 2014, no options were outstanding under this scheme. No new options were issued during the year ended 30 April 2015.

1996 Employee Share Option Scheme:

As at 1 May 2014, no options were outstanding under this scheme. No new options were issued during the year ended 30 April 2015.

There is no change to the accounts in the year as all schemes had vested prior to the start of the year.

21. Capital and operating lease commitments and contingent liabilities

As at 30 April 2015 and 30 April 2014, neither the Group nor the Company had any capital commitments or contingent liabilities.

As at 30 April 2015 and at 30 April 2014, the Group had outstanding commitments under non-cancellable leases which fall due as follows:

	Property leases	
	2015 £000	2014 £000
Within one year	286	286
In two to five years	298	584
	584	870

Property leases relate to office premises occupied by the Group.

22. Related party transactions

Transactions between the Company and its subsidiaries are in the normal course of business. Such transactions are eliminated on consolidation. Total inter-company balances between the Company and its subsidiaries, which are unsecured and which relate to the provision of working capital, are disclosed in the accounts. During the year, the Company had funding transactions with subsidiaries amounting to £57,000 (2014: £58,000)

Group companies hold investments in a number of property funds (see note 13) in which Group companies also act as fund manager. During the year, Group companies received fees and were owed amounts as follows:-

	Fees		Amount Due	
	2015 £000	2014 £000	2015 £000	2014 £000
SHIPS 04 Fund	117	101	5	20
SHIPS 06 Fund	-	217	-	-
SHIPS 11 Fund	-	261	-	-
SHIPS 14 Fund	78	95	13	16

All transactions were made in the ordinary course of business.

Compensation paid to the Company's Board of directors and key management is disclosed in note 6 and in the Directors Report.

23. Financial instruments

The Group's and the Company's financial instruments comprise UK unlisted investments, cash and cash equivalents, and items such as trade payables and trade receivables which arise directly from its operations. The main purpose of these financial instruments is to provide finance for the Group's and the Company's operations.

The Group's and the Company's operations expose them to a variety of financial risks including credit risk, interest rate risk, and liquidity risk. Commensurate with the size of the Group, the directors set the policies regarding financial risk management, and these are implemented accordingly by Group companies.

Loans and receivables

	Group 2015 £000	Group 2014 £000	Company 2015 £000	Company 2014 £000
Trade receivables	1,026	972	-	-
Amount owed by group undertakings	-	-	500	57
Other receivables	15	33	2	-
Cash and cash equivalents	2,852	3,314	1,011	1,070
	3,893	4,319	1,513	1,127

NOTES TO THE FINANCIAL STATEMENTS

Financial liabilities at amortised costs

	Group 2015 £000	Group 2014 £000	Company 2015 £000	Company 2014 £000
Trade payables	202	363	8	15
Other payables	64	16	-	-
Amounts owed to group undertakings	-	-	-	-
Bonus accruals	437	593	-	-
Other accruals and deferred income	204	294	14	14
	907	1,266	22	29

Credit risk

The Group's credit risk is attributable both to trade receivables and to cash balances held. The Company's credit risk is attributable primarily to cash balances held. The Group has implemented policies to ensure that credit checks are made on potential clients before work is carried out on their behalf. The amount of exposure to any individual counterparty is subject to limits set by the directors. Cash balances held are deposited with leading banks.

The carrying amount of financial assets represents the maximum credit exposure. The maximum credit exposure to credit risk at the reporting date was:

	Group 2015 £000	Group 2014 £000	Company 2015 £000	Company 2014 £000
Trade receivables	1,026	972	-	-
Cash and other equivalents	2,852	3,314	1,011	1,070
Other receivables	15	33	2	-
	3,893	4,319	1,013	1,070

Interest rate risk

The Group and the Company have interest bearing assets, but no interest bearing liabilities. Interest bearing assets comprise only cash and cash equivalents which earn interest at a variable rate. The interest earned on the Group's and the Company's cash and cash equivalents, denominated in sterling, derived principally from Money Market deposits of differing fixed time periods, and from call deposits held with banks which provide short-term liquidity to meet liabilities when they fall due.

The Group and the Company are exposed to interest rate risk as a result of these positive cash balances. For the year ended 30 April 2015, if LIBOR had increased by 0.5% with all other variables held constant, post tax profit and equity for the Group would have been £13,000 (2014: £15,000) higher, and for the Company £6,000 (2014: £6,000) higher. Conversely, if LIBOR had decreased by 0.5% with all other variables held constant, post tax profit and equity for the Group would have been £13,000 (2014: £15,000) lower, and for the Company £6,000 (2014: £6,000) lower.

The Group's cash and cash equivalents earned interest during the year at an average of 0.5% (2014: 0.5%), and the Company's cash and cash equivalents earned interest during the year at an average of 0.5% (2014: 0.5%).

Liquidity risk

The Group and the Company actively maintain cash and cash equivalents to ensure that there are sufficient funds available for a period of at least six months to meet liabilities when they fall due.

The following table shows the contractual maturities of the Group's and the Company's financial liabilities, all of which are measured at amortised cost:

	Group 2015 £000	Group 2014 £000	Company 2015 £000	Company 2014 £000
Financial liabilities falling due:				
Within 1 month	385	598	22	29
From 2 to 3 months	522	668	-	-
	907	1,266	22	29

24. Capital risk management

The Group and the Company seek, when managing capital, to safeguard the Group's and the Company's ability to continue as going concerns, in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group and the Company define capital as being share capital plus reserves. The Board of Directors monitors the level of capital employed in order to achieve these objectives.

25. Post Balance Sheet Event

On 22 May 2015, the Company invested £752,500 in a new property investment syndicate (SHIPS 15) that acquired freehold office premises in Clerkenwell, London.

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Fletcher King Plc will be held at 61 Conduit Street, London W1S 2GB on 16 September 2015 at 9.00am for the following purposes:

- 1** To receive and adopt the Directors' Reports and Accounts for the financial year ended 30 April 2015.
- 2.** To declare a final dividend for the financial year ended 30 April 2015.
- 3** To re-elect D J R Fletcher as a Director, who retires by rotation in accordance with the Company's Articles of Association and who offers himself for re-election.
- 4** To re-elect R A Dickman as a Director who retires by rotation in accordance with the Company's Articles of Association and who offers himself for re-election.

Biographical details regarding these Directors are included in the accompanying Report and Accounts.

- 5** To re-appoint Nexia Smith & Williamson as auditors to hold office from the completion of the meeting to the conclusion of the next meeting at which the accounts are laid before the Company, at a remuneration to be determined by the Directors.

To consider and, if thought fit, to pass the following resolutions of which resolution number 6 will be proposed as an ordinary resolution and resolutions number 7 and number 8 will be proposed as special resolutions.

6 ORDINARY RESOLUTION

That the Directors of the Company be and are hereby authorised generally and unconditionally for the purpose of Section 551 of the Companies Act 2006 (such authority to be in substitution for all previous authorities granted to the Directors for the purpose of the said Section 551 or Section 80 of the Companies Act 1985) to allot shares in the Company up to a maximum number of 2,762,934 of the unissued ordinary shares of 10p each of the Company with a nominal value of £276,293.40, such authority to expire at the conclusion of the next Annual General Meeting of the Company and at any time thereafter pursuant to any offer or agreement made by the Company before the expiry of this authority.

7 SPECIAL RESOLUTION

That, subject to the passing of resolution 6, the Directors of the Company be and are hereby empowered pursuant to Section 570 of the Companies Act 2006 to allot equity securities (as defined in Section 560 of that Act) pursuant to the authority conferred by the immediately preceding resolution as if subsection (1) of Section 561 of the said Act did not apply to any such allotment, provided that this power shall be limited:

(a) To the allotment of equity securities in connection with a rights issue in favour of ordinary shareholders where the equity securities respectively attributable to the interests of all ordinary shareholders are proportionate (as nearly as may be) to the respective numbers of ordinary shares held by them but subject to such other exclusions or arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements for legal or practical problems under the laws of any territory or the requirements of any recognised regulatory body or any stock exchange in any country; and

(b) to the allotment (otherwise than pursuant to sub-paragraph (a) above) of equity securities up to an aggregate nominal value of £92,097.79 (being 10% of the said issued capital of the Company), and shall expire at the conclusion of the next Annual General Meeting of the Company unless it is renewed by special resolution of the Company in general meeting, provided that if the Company before such expiry shall make an offer or agreement which would or might require securities to be allotted after such expiry, the Directors of the Company may allot equity securities in pursuance of such offer or agreements as if the power conferred hereby had not expired.

8 SPECIAL RESOLUTION

That the Company is hereby generally and unconditionally authorised to make one or more market purchases (within the meaning of Section 693(4) of the Companies Act 2006) of ordinary shares of 10p each in the capital of the Company ('ordinary shares') provided that:

- (a) The maximum number of ordinary shares hereby authorised to be purchased is 460,000;
- (b) the maximum price which may be paid for an ordinary share is 5% above the average of the middle market quotations for shares of the same class as derived from The London Stock Exchange Daily Official List for the ten dealing days immediately prior to the date of the purchase of such shares and the minimum price that may be paid for an ordinary share is the nominal value of 10p per share;
- (c) the authority hereby conferred shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2015 or eighteen months from the passing of this resolution, if earlier, unless such authority is renewed prior to such time; and
- (d) the Company may enter into a contract to purchase ordinary shares under the authority hereby conferred prior to the expiry of such authority which will or may be executed wholly or partly after the expiry of such authority and may make such purchases of ordinary shares in pursuance of any such contract or contracts.

By order of the Board

P E Bailey

Secretary

Fletcher King Plc

5 August 2015

Registered Office:

61 Conduit Street

London W1S 2GB

Notes

- (a) A member of the Company entitled to attend and vote at the meeting covered by this notice is entitled to appoint a proxy or proxies to exercise all or any of his or her rights to attend, speak and to vote at the meeting instead of him or her. A member of the Company can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form. A proxy need not be a member of the Company. To be valid the form of proxy must be completed, signed and deposited at the office of the Company's registrars not less than 48 hours before the time appointed for the meeting. Completion of the proxy does not preclude a member from subsequently attending and voting at the meeting in person if he or she so wishes. If a proxy has been appointed and the member subsequently attends the meeting in person, the proxy appointment will automatically be terminated.
- (b) To change your proxy instructions simply submit a new proxy appointment using the method set out above. Note that the cut-off time for receipt of proxy appointments (as above) also applies in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded. Where you require another hard-copy proxy form in order to change the instructions, please contact the Company Secretary at 61 Conduit Street, London, W1S 2GB. If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.
- (c) In order to revoke a proxy instruction, you will need to inform the Company by sending a hard copy notice clearly stating your intention to revoke your proxy appointment to the office of the Company's registrars, Computershare Investor Services Plc, at PO Box No 1075, The Pavilions, Bridgwater Road, Bristol BS99 6ZY. The revocation notice must be received by the Company no less than 48 hours before the time appointed for the meeting. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.
- (d) In accordance with Regulation 41 of the Uncertificated Securities Reg 2001, only those members entered on the Company's register of members at 6.00pm on 14 September 2015 or, if the meeting is adjourned, shareholders entered on the Company's register of members at 6.00pm on the day which is two days before the day of the adjourned meeting, shall be entitled to attend and vote at the meeting.

NOTICE OF ANNUAL GENERAL MEETING

- (e) As at 30 April 2015, the Company's issued share capital comprised 9,209,779 ordinary shares of 10p each. Each ordinary share carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at 30 April 2015 is 9,209,779.
- (f) In order to facilitate voting by corporate representatives at the Meeting, arrangements will be put in place at the Meeting so that:
 - (i) if a corporate member 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 the other corporate representatives for that member 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
 - (ii) if more than one corporate representative for the same corporate member attends the Meeting but the corporate member 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 members are referred to the guidance issued by the Institute of Chartered Secretaries and Administrators on proxies and corporate representatives – www.icas.org – for further details of this procedure. The guidance includes a sample form of representation letter to appoint the Chairman as a corporate representative as described in (i) above.

- (g) Except as provided above, members who have general queries about the meeting should contact the Company Secretary. A member may not use any electronic address provided in this notice or in any related documents (including the proxy form) to communicate with the Company for any purposes other than those expressly stated.

For use at the Annual General Meeting of the Fletcher King Plc to be held at 9.00 am on 16 September 2015.

I/We (*Block capitals please*) _____
of _____

being (a) member(s) of the Company, hereby appoint the Chairman of the Meeting or (see Note 5)

as my/our proxy to attend and vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on 16 September 2015 at 9.00 am and at any adjournment of the meeting.

I/We direct my/our proxy to vote on the Resolutions set out in the notice convening the Annual General Meeting as follows:

	For	Against	Vote Withheld
To Adopt Ordinary Resolution 1	_____	_____	_____
To Adopt Ordinary Resolution 2	_____	_____	_____
To Adopt Ordinary Resolution 3	_____	_____	_____
To Adopt Ordinary Resolution 4	_____	_____	_____
To Adopt Ordinary Resolution 5	_____	_____	_____
To Adopt Ordinary Resolution 6	_____	_____	_____
To Adopt Special Resolution 7	_____	_____	_____
To Adopt Special Resolution 8	_____	_____	_____

If no indication is given, my/our proxy will vote or abstain from voting at his or her discretion and I/we authorise my/our proxy to vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the meeting.

Signature _____ Date _____

Notes

- Please indicate with an 'X' in the spaces provided how you wish your votes to be cast. If you do not indicate how your votes are to be cast the proxy will vote as he thinks fit or abstain. The "Vote Withheld" option is provided to enable you to instruct your proxy not to vote on any particular resolution. Please note that a "Vote Withheld" has no legal effect and will not be counted in the calculation of the votes "For" or "Against" a resolution. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the Meeting.
- In the case of a corporation, this form of proxy must be executed under the common seal or under the hand of an officer or duly authorised attorney. In the case of joint holders, the vote of the senior who tenders a vote whether in person or by proxy shall be accepted to the exclusion of the votes of the other registered holders and for this purpose seniority shall be determined by the order in which the names stand in the register of members.
- To be effective this form of proxy, and the power of attorney or other authority (if any) under which it is signed or a notarially certified or office copy of such power or authority, must be deposited at the office of the Company's registrars at
Computershare Investor Services Plc, at PO Box No 1075, The Pavilions, Bridgwater Road, Bristol BS99 6ZY, not less than 48 hours before the time of the meeting.
- Any alterations made to this form of proxy should be initialled.
- If you wish to appoint a proxy other than as above please delete the reference to the Chairman and insert the name of your proxy or proxies, who need not be members of the Company, in the space provided. A proxy must attend the meeting in person to represent you. Your appointment of a proxy will not preclude you from attending and voting at the meeting. If you wish your proxy to make any comments on your behalf, you will need to appoint someone other than the chairman and give them the relevant instructions directly. Where you appoint as your proxy someone other than the Chairman, you are responsible for ensuring that they attend the meeting and are aware of your voting intentions.
- You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, please contact the Company registrars for more information at the address provided in note 3 sufficiently in advance of the meeting so that the requirements of note 3 may be complied with.

Third fold and tuck in

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First fold

Computershare Investor Services Plc
PO Box 1075
The Pavilions
Bridgwater Road
Bristol
BS99 6ZY

Second fold