

31 May 2016

CAPITAL FOR COLLEAGUES PLC
(‘Capital for Colleagues’ or the ‘Company’)

Unaudited Interim Results for the six months ended 29 February 2016

Capital for Colleagues, the investment vehicle focused on opportunities in the Employee Owned Business (‘EOB’) sector, is pleased to announce its unaudited interim results for the six months ended 29 February 2016.

Highlights

- Additional GBP 770,000 invested in the period – GBP 529,000 in new investments and GBP 241,000 in follow-on funding
- Revenues of GBP 370,000 (2015: GBP 304,000), comprising interest receivable and other fees
- Net assets of GBP 4.2 million as at 29 February 2016 (2015: GBP 3.5 million)
- Investment portfolio now comprises 26 entities, 14 private EOBs and 12 publicly traded companies displaying demonstrable employee engagement
- GBP 1.15 million raised after the period end for further investment in EOBs
- Pipeline of opportunities remains strong; Directors confident of continuing growth from existing and new investments

Chief Executive’s Statement

In the six months ended 29 February 2016, the Company invested a further GBP 770,000 in new and existing investee companies. As we never tire of saying, employee ownership is a proven, successful business model, which is recognised to improve productivity and create wealth whilst providing a stable employment environment and the possibility of attractive commercial returns for investors. This message seems to be getting through, in that the range of activities our investee companies are involved in and the sectors from which our current prospects are being drawn are both broadening out. We now have investments across a range of business areas, most recently adding IT services to our stable of EOBs.

After the end of the interim period, Capital for Colleagues successfully raised GBP 1.15 million through a subscription for ordinary shares. The subscription received strong support from funds managed by Alliance Trust and was also supported by all of the Directors. The proceeds of the subscription are being used by the Company for investment in EOBs in accordance with the Company’s active growth strategy.

Financial Results

In the period ended 29 February 2016, the Company generated income of GBP 370,000 (2014: GBP 304,000), principally from interest receivable and other fees associated with our investments. As at 29 February 2016, the Company had net assets of GBP 4.2 million (2014: GBP 3.5 million).

Outlook

Capital for Colleagues' ability to advise existing and potential EOBs as well as to provide them with funding, means that the Company is exceptionally well placed to create growth in the EOB sector and to benefit from that growth.

We continue to work closely with the Employee Ownership Association and other supporters of employee ownership to promote the commercial and financial benefits of EOBs and we believe that the UK's relative political and economic stability will continue to foster an environment where EOBs are perceived as important generators of equitable and dynamic growth.

John Eckersley
Chief Executive

For further information, please visit www.capitalforcolleagues.com or contact:

CAPITAL FOR COLLEAGUES PLC

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PROFIT AND LOSS ACCOUNT

	Unaudited 6 months to 29 February 2016 GBP 000's	Unaudited 6 months to 28 February 2015 GBP 000's	Audited 12 months to 31 August 2015 GBP 000's
Revenue	364	257	523
Unrealised gains – quoted	6	47	68
Unrealised gains – unquoted			391
	<hr/>	<hr/>	<hr/>
	370	304	982
Administrative expenses	(330)	(216)	(557)
	<hr/>	<hr/>	<hr/>
PROFIT FROM ONGOING OPERATIONS	40	88	425
Financial Income	-	-	1
	<hr/>	<hr/>	<hr/>
PROFIT/(LOSS) BEFORE TAXATION	40	88	426
Tax	-	-	2
	<hr/>	<hr/>	<hr/>
PROFIT/(LOSS) FOR THE PERIOD	40	88	428
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

BALANCE SHEET

	As at 29 February 2016 GBP 000's	As at 28 February 2015 GBP 000's	As at 31 August 2015 GBP 000's
ASSETS			
Non Current Assets			
Investments held at fair value through profit or loss	2,246	1,329	1,855
Loans and receivables	884	1,565	1,507
	<hr/>	<hr/>	<hr/>
	3,130	2,894	3,362
Current Assets			
Trade and other receivables	784	122	417
Cash and cash equivalents	243	505	355
	<hr/>	<hr/>	<hr/>
	1,027	627	772
TOTAL ASSETS	<hr/>	<hr/>	<hr/>
	4,157	3,521	4,134
EQUITY AND LIABILITIES			
Equity			
Called up share capital	3,070	2,866	3,070
Share premium	672	614	672
Retained (loss)	376	(4)	336
Total Equity	<hr/>	<hr/>	<hr/>
	4,118	3,476	4,078
Current Liabilities			
Trade and other payables	39	45	56
	<hr/>	<hr/>	<hr/>

TOTAL EQUITY AND LIABILITIES

4,157

3,521

4,134

The interim results have not been reviewed by the Company's auditors.

The Directors of the Company are responsible for the contents of this announcement.

Notes

Capital for Colleagues is an investment company focused on the Employee Owned Business ('EOB') sector. The Company has a clear strategy aimed at investing in, advising and growing established, mainly UK-based, EOBs as well as assisting companies which are looking to launch employee ownership schemes, providing the capital and advice to help them achieve their objectives.

Capital for Colleagues has a proven management team, with a wide network of contacts and affiliates, as well as established access to investment opportunities, enabling the Company to execute its strategy and identify and capitalise on EOB-focused investment opportunities.