COMPANY REGISTRATION NUMBER 03359615

Annual Report

Year ended 31st December 2019

CONTENTS

Chairman's Statement 2019

I am happy to report that our Company continued to make good progress in 2019. The strong performance was attributable to the continued growth of our real estate management platform in Luxembourg. In the coming year, we will continue to commit resources and investment to strengthening our core activities, particularly in the real estate and Fintech sectors, in line with our business model.

Our investment in Marex Spectron performed well during the year and we anticipate continued good performance.

We embarked on 2020 with all its challenges in financial good health and with a strong and liquid balance sheet. As this unprecedented year continues to unfold, we remain confident in our position and steady in our long-term outlook.

On behalf of all shareholders, I would like to thank our management team and staff for their hard work and achievements during the last year as we look forward to continuing to build on these accomplishments, particularly as we hope to emerge sooner rather than later from the impact of Covid-19.

J D S Booth
Chairman
29th June, 2020

Chief Executive Officer's Review

Overview of 2019

After two strong years of growth, iAM Capital's main activity in 2019 was to prepare for the launch of our new real estate fund based in Luxembourg. In addition, we have continued to grow our Fintech fund and to enhance our Luxembourg platform, with the incorporation of the iAM Capital Fund S.C.A. SICAV- RAIF in June 2019. Our financial results achieved total gross revenue of £837,000, compared to £14,173,000 in 2018, and net profit after tax of £379,000, compared to £7,047,000 in 2018, with the 2018 results reflecting the one-off sale of our Italian solar energy business.

Asset Management

In June 2019 we formally incorporated iAM Capital Fund S.C.A. SICAV-RAIF, structured as a Luxembourg-based fund platform. This platform is a Reserved Alternative Investment Fund (the "RAIF"), which combines the regulated status of a Luxembourg SICAV with the flexibility of being able to rapidly add fund strategies at a lower cost than Integrated SICAV-SIF (the "SIF"), for which IAM Invest Ltd, our FCA regulated subsidiary ("IAM Invest"), serves as investment manager. Further to the sale of our energy business, we have virtually completed the liquidation process of the Integrated Green Opportunities sub-fund of Integrated Investments SICAV-SIF (the "SIF"), for which IAM Invest serves as investment manager, and we have distributed most of the funds of the SIF's Integrated Green Opportunities sub-fund (the "IGO") to investors.

Balance Sheet Investments

Our remaining principle balance sheet investments are our investment in JRJ Partner 2 Limited Partnership through which we hold our Marex Spectron investment. Marex Spectron reported record results in 2019, with the trend continuing through mid-Q2/ 2020.

Corporate Transactions

On 10 April 2019 we closed on the acquisition of a controlling interest in Sweetstay Holdings Ltd., a Florence based European hospitality platform, which we believe fits in very well with our long-term focus on real estate and alternative asset opportunities.

Cost structure and Balance Sheet

In 2019, we continued to upgrade our staff to reflect higher levels of activity and projected growth. Our comparable cost from continuing operations in 2019 were £1,808,000 as opposed to £1,302,000 in 2018. Our staff count grew from 14 at the beginning of 2019 to 18 at the end of 2019. During Q2 2020 we took immediate action to reduce fixed costs, including staff in order to reflect the immediate impact of the coronavirus pandemic. This included some temporary and permanent reduction in headcount.

Corporate Fundraising

During 2019 we raised a total of £1,388,000 in equity and £1,360,000 in 5-year notes.

Our gross consolidated cash position is very strong, standing at £3,213,000 at the year end.

Results Summary

Continuing operations only

	Fund Management £ 000	**Consultancy £ 000**	**Central Operating Costs £ 000**	**2019 Total £ 000**	**2018 Total £ 000**
Turnover	525	265	-	**790**	971
Cost of sales	(70)	-	(546)	**(616)**	(218)
Net Revenue	455	265	(546)	**174**	753
Depreciation and amortisation	-	-	(242)	**(242)**	(3)
Operating costs	(473)	-	(970)	**(1,443)**	(1,316)
Operating profit/(loss) before currency exchange differences	(18)	265	(1,758)	**(1,511)**	(566)
Currency exchange differences	(21)	-	(102)	**(123)**	17
Net (loss)/profit on financial assets	-	-	1,610	**1,610**	82
Share of loss of associate	-	-	-	**-**	(5)
Operating profit/(loss)	(39)	265	(250)	**(24)**	(472)
Net finance and other income	-	-	(35)	**(35)**	115
Profit/(loss) before tax	(39)	265	(285)	**(59)**	(357)

Chief Executive Officer's Review

Operating Margins

Operating margins were negative in 2019 due to a lack of transactional activity. There was a net foreign currency exchange loss of £123,000 compared with a gain of £17,000 in 2018. Margins were negatively impacted by the delayed launch of the iAM Capital Fund S.C.A. SICAV-RAIF, the upgraded staff levels and other exceptional costs.

I would like to thank all our staff for their continuing support and commitment. Having made timely adjustments to our cost base, and with our new products launch, we believe that we are well positioned to emerge from this pandemic in a very strong and opportune position.

E M Arbib
Chief Executive Officer
29th June, 2020

Strategic Report

The Directors present the Strategic Report, Directors' Report and the audited financial statements of iAM Capital Group PLC ("iAMCap") for the year ended 31st December, 2019.

Overview

iAM Capital Group PLC is the parent company of an asset management, green energy and consultancy group (the "Group"). The principal activities of the group are fund management with a real estate focus, Fintech, green energy and consultancy services. A review of iAMCap's business activities during 2019 along with future developments and risk management is given in the Chairman's Statement and the Chief Executive's Review on pages 3 to 5.

Business review

Key performance indicators

In 2019 we continued to operate our traditional businesses with overall turnover similar to 2018. As was highlighted in the previous year, revenue for consulting was minimal, as we concentrated in the direction of enhancing the fund management side of the business by the incorporation iAM Capital Fund S.C.A. SICAV- RAIF and starting the liquidation of Integrated Green Opportunties sub-fund of Integrated Investments SICAV-SIF. At the same time, central overheads were higher year on year as investment was made in staff and facilities in preparation for the proposed business expansion.

The following table summarises the key performance indicators used by the directors to assess the performance of the Group as of the dates and years indicated.

	2019	**2019**	**2019**	**2018**	**Change**
		Discontinued			**Continuing**
		Energy	**Existing**	**Existing**	
	Total	**business**	**business**	**Total**	
	£000s	**£000s**	**£000s**	**£000s**	
Turnover	837	47	790	971	-19%
Operating costs net of depreciation and FX	1,490	47	1,443	1,316	10%
Operating result	(171)	(147)	(24)	(472)	
Net assets	10,761	-	10,761	7,456	44%

Principal risk and uncertainties

Operating in the financial services industry, the Group faces a number of risks which are inherent to its activities and which require active management. The principal risks for the Group have been identified as operational risk and financial risks and in relation to our fund management business and the investment assets held by the Group, investment risk.

Operational Risk

Operational risk is the risk that the Group suffers a loss, either directly or indirectly, from inadequate or failed internal processes and systems or from external events. This risk manifests itself in slightly different ways across our two businesses, fund management and consultancy, but in summary would include:

- Administrative error in the settlement of a deal or in the instruction of a trade on behalf of a fund.
- Loss of key investment professionals.
- Introduction of new products and related issues in the legal, fiscal, regulatory and accounting domains.

Given the nature of such risks, it is Group policy to review continually the controls in place to manage them, to ensure that such controls are appropriate and adequate for the risks involved and that the controls have evolved and developed to reflect the changes in our underlying businesses and how it is carried out.

Financial Risk

The Group operates in a number of different countries and is exposed to a number of financial risks and particularly currency risk.

Investment Risk

Poor investment performance in our underlying funds, either absolute or relative to the particular fund's peer group, may result in a decrease in management and performance fees and may increase redemptions from the funds by investors with similar effect. Poor investment performance in the investment type assets we hold in our balance sheet, will result in losses for shareholders.

Regulatory Environment

One of the Group's operating subsidiaries is subject to regulation. In the United Kingdom, iAM Invest Ltd ("iAMInv") is regulated and authorised by the Financial Conduct Authority.

The Group seeks to ensure that it maintains full compliance with its regulatory obligations and, with regard to its regulatory capital, to maintain a surplus over and above that required at both an operating company level and at a consolidated group level.

Strategic Report

Acquisitions, disposals and investment in subsidiaries

On 10 April 2019 we closed on the acquisition of a controlling interest in Sweetstay Holdings Ltd. which is a Florence based European hospitality platform.

On 10 June 2019 IAMCap funded 100% of the share capital in IAM Capital Management SARL, a general partner for iAM Capital Fund S.C.A. SICAV-RAIF starting in 2020 aimed at taking advantage of opportunities in European Real Estate.

On 27 September 2019 we incorporated IDIXON Hospitality Limited relating to an hospitality investment opportunity in London.

On 27 December 2019, we liquidated one of the subsidiaries, Integrated Energy Holdings SA, relating to the green energy investment realised during 2018.

Share Capital

As of the end of of 2019, the group had raised £1,388,000 of equity at £0.66p per share. The company had 22,072,245 shares outstanding at year end.

Creditor Payment Policy

The Group does not follow any code or standard on payment practice, but adopts the following policy regarding the payment of its suppliers:

a To agree payment terms with suppliers in accordance with contractual or other legal obligations;

b To ensure that suppliers are aware of the terms of payment; and

c To make payment in accordance with the payment terms.

Average trade creditor days at 31st December 2019 were 65 days for the Company (2018: 31 days).

Going Concern

The Directors are satisfied that the Company and the Group have adequate resources to continue to operate for the foreseeable future. The Directors confirm that the Company and the Group are going concerns and accordingly continue to adopt the going concern basis in preparing the financial statements.

By Order of the Board

J D S Booth
Director
29th June, 2020

S172 Report

Directors' statement of compliance with the duty to promote the success of the Company

The board of directors of IAM Capital Group Plc considers that the directors have acted in in good faith and in the most likely way promote the success of the Company for the benefit of its members and the group as a whole (having regard to the stakeholders and matters set out in S172(1)(a-f) of the Act) in the decisions taken during the financial year ended on 31 December 2019.

•The Company set up a new fund in the form of SICAV RAIF in Luxembourg during June of 2019, two sub-funds were added in July and November respectively, however neither were opened to investors during 2019 due to various reasons and the first close of the ICE II sub-fund is expected imminently, see post balance sheet events for further reference with regards to the situation in 2020. The delay resulted in a corresponding delay in the Company's projected revenue and therefore the Company had to assess its operating expenses and take appropriate measures where required. The board of directors will closely monitor the situation and prepare the Company such that it can act quickly, decisively with the aim to take advantage of new opportunities arising.

• The Company and the group operate a policy of equal opportunities in recruitment, promotion and training for all their employees. The Company believes that all individuals should be treated fairly, with respect and that they are appropriately valued for their contribution to the organisation.

• We as board of directors aim to act responsibly and fairly in how the Company engages with suppliers and service providers.. Further information regarding the Company's Creditor Payment Policy can be found in the Strategic Report section.

• The impact of the Company's operations on the community and environment is minimal due to the nature of its business.

• The Company has implemented compliance policies to as best practice and to satisfy the senior management & certification regime requirements of its regulated subsidiary iAM Invest Limited and has provided training to all the staff to ensure they understand their obligation to act with integrity, due skill, care and diligence as well as paying due regard to the interests of customers and the requirement to treat them fairly. The board of directors believes it is of utmost importance to behave responsibly, to operate with high standards of business conduct and lead by example.

• The board of directors of the Company believes it is acting fairly towards and in the best interest of all of its subsidiaries and other members of the group.

Directors' Report

The Directors present their annual report together with the audited financial statements for the year ended 31st December 2019.

Directors

The Directors of the Company during the year and up to the date of this report were:-

Mr E M Arbib
Ms J Arbib Perugia (appointed 15 March 2019)
Mr D Bierbaum
Mr J D S Booth
Mr D Masetti (resigned 02 October 2019)
Mr M B Segall
Mr. L Marchesini (appointed 25 November 2019)

There was 1 resignation and 2 appointments during the year.

Results and Dividends

The profit attributable to equity holders for the year ended 31st December 2019 was £20,000 (2018: £2,179,000). The Directors do not propose the payment of a dividend for the year ended 31st December 2019 (2018: £0.01 per share).

Donations

During the year the Group made charitable donations totalling £900 (2018: £10,500).

During the year the Group made political donations totalling £nil (2018: £nil).

Third Party Indemnity Provision

The group has arranged qualifying third party indemnity for all of its Directors.

Subsequent Events

The Group is going ahead with the first close of the ICE II compartment of it's new investment vehicle iAM Capital Fund S.C.A. SICAV -RAIF and intends to work on the second close towards the end of 2020, depending on global developments and the further impact of the Covid-19 pandemic. For more information, please refer to note 24 in the accounts.

Employees

The Group operates an equal opportunity policy in the recruitment, promotion and training of all its employees. The Group believes that employees play a major role in the long-term success of the business and accordingly it promotes a working environment in which employees feel valued and respected. All employees are kept updated of the Group's performance and progress on a regular basis.

Annual General Meeting ("AGM")

The Company's AGM is expected to be held in July, 2020. A notice of the AGM will be sent to shareholders in due course by the Company Secretary.

Auditor

Sopher + Co LLP have indicated their willingness to continue in office and resolutions will be proposed at the Annual General Meeting to reappoint them as Auditor of the Company.

Each person who was a Director at the date of approving this report confirms that:

a so far as each Director is aware, there is no relevant audit information of which the Company's Auditor is unaware; and

b each Director has taken all the steps that ought to have been taken as a Director, including making appropriate enquiries of fellow Directors and of the Company's Auditor for that purpose, in order to be aware of any information needed by the Company's Auditor in connection with preparing their report and to establish that the Company's Auditor is aware of that information.

By Order of the Board

J D S Booth
Director
29th June, 2020

Corporate Governance Report

The Board is committed to creating and implementing high corporate governance standards and practices throughout the Group. The Directors recognise the importance that corporate governance plays in the protection and maintenance of Shareholders interests and strive to implement best practice policies to achieve this.

The Board of Directors

The Group is headed by an experienced Board of Directors which consists of two Executive Directors and four Non-Executive Directors.

The Board is responsible for ensuring that the Group always acts in the best interests of its Shareholders' while maintaining its ethical values and integrity. The Board monitors decisions that are made by senior management to ensure that they are made with the aim of enhancing long-term shareholder value. The Board is also responsible for ensuring that adequate levels of internal controls are maintained which assist in the efficient and effective operation of the business and to ensure compliance with applicable laws and regulations.

In particular, the Board is responsible for making Group decisions and approvals regarding the following:

- Long-term objectives and strategies.
- Major investments, acquisitions and disposals.
- Annual operating and capital expenditure budgets.
- Annual and interim dividends.
- Treasury policy.
- Risk management strategy.

The roles of the Chairman, John Booth, and Chief Executive Officer, Emanuel Arbib, are clearly divided. John Booth is primarily responsible for the leadership of the Board and for ensuring effective communication with shareholders while Emanuel Arbib is responsible for making and approving senior management decisions which affect the operating and financial performance of the business.

The Board fulfils its duties to the Group's Shareholders through Board meetings or by delegating responsibilities to Board Committees. Details of the Remuneration Committee, Audit Committee and Nomination Committee are shown below.

Appointments to the Board

Any Directors appointed by the Board are subject to re-election by the Shareholders at the Annual General Meeting following their appointment. All Directors are subject to reappointment at intervals of not more than three years. Prior to their appointment, Non-Executive Directors are subject to a review process to assess their independence and to confirm that they have no other relationships that may affect their judgement as a Director of the Group.

All new Directors are provided with appropriate training and briefings which consider their individual qualifications and experience.

Support to the Board

All Directors have access to the advice and services of the Company Secretary, Eva Kizlo, who is responsible for ensuring that Board procedures and applicable rules are observed. In addition, there is also a procedure that enables any Director to obtain independent professional advice in respect of their duties at the Group's expense. The Group also maintains liability insurance for its Directors and officers, which is reviewed annually to ensure that the appropriate level of cover is held.

Board Meetings

A number of Board and Board Committee meetings were held during the year.

The Nomination Committee did not meet during the year.

Appropriate briefing papers are distributed to Directors in advance of Board meetings.

Any Director who was unable to attend a Board meeting during the year received appropriate and timely information in advance of the meeting so that their views could be taken into consideration.

Audit Committee

The Audit Committee comprises of two of the five Non-Executive Directors. The Directors who served on the Committee during the year were Detlef Bierbaum (Chairman) and John Booth. The Committee is primarily responsible for the following:

- Monitoring the integrity of the Group's financial statements and any announcements relating to the Group's financial activities.
- Reviewing the Group's internal financial controls and risk management systems.
- Making recommendations for the appointment, reappointment and removal of the external Auditors and approving their remuneration and terms of engagement.

Remuneration Committee

The Remuneration Committee comprises of two of five Non Executive Directors. The Directors who served on the Committee during the year were John Booth (Chairman) and Detlef Bierbaum. The Committee is primarily responsible for the following:

- The review and approval of the Group's remuneration strategy and policies;
- The approval of any new remuneration schemes; and
- The design and review of performance targets and conditions that are attached to performance-related remuneration schemes.

Corporate Governance Report

Nomination Committee

The Nomination Committee is responsible for identifying, assessing and nominating individuals for Board positions as and when they arise. This includes consideration of the reappointment of Non-Executive Directors at the conclusion of their specified term of office. It is also responsible for considering succession planning for both the Board and senior management positions.

The Committee comprised John Booth (Chairman) and Detlef Bierbaum, all of which are Non-Executive Directors.

Internal Control and Risk Management

The Board has overall responsibility for the Group’s system of internal control and risk management. While acknowledging that no system of internal control can provide absolute assurance against material loss or misstatement, the Board believes the Group’s current systems of internal control and risk management are effectively designed to manage the risks which are inherent in the Group’s business.

The Board confirms that there is an ongoing process for identifying, evaluating and managing the significant risks that are faced by the Group. The key components of these are outlined in the Strategic Report.

Investor Relations

The Group updates its Investors Relations section of its website (www.iamcapital.com) to provide investors with important information regarding the Company’s activities. This includes information such as annual financial statements as well as press releases the Group issues on important events in its development.

Going Forward

The Board believes that good corporate governance is a key contributor to the Group’s long-term growth and will continue to invest time and resources to ensure the maintenance and improvement of its high standards.

Statement of Directors' Responsibilities

The directors are responsible for preparing the directors’ report, the strategic 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 Group and Company financial statements in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union and applicable law. 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 Group and Company 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 judgements and accounting estimates that are reasonable and prudent;

- state whether the financial statements have been prepared in accordance with IFRS as adopted by the European Union, subject to any material departures disclosed and explained in the financial statements;

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company and 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Auditor's Report to the Members of IAM Capital Group PLC

Opinion

We have audited the financial statements of IAM Capital Group PLC (formerly Integrated Asset Management PLC) for the year ended 31 December 2019, set out on pages 15 to 41. 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.

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 31 December 2019 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group and the parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Our opinion on the financial statements does not cover the information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Group Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report and the Directors' Report.

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

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

Independent Auditor's Report to the Members of IAM Capital Group PLC

Opinion

Responsibilities of the directors

As explained more fully in the Directors' Responsibilities Statement on page 8, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. The description forms part of our Auditors' Report.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' 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.

Martyn Atkinson FCA (Senior Statutory Auditor)

for and on behalf of
Sopher + Co LLP

Chartered Accountants
Statutory Auditors

5 Elstree Gate
Elstree Way
Borehamwood
Hertfordshire
WD6 1JD

29th June, 2020

Consolidated Income Statement

for the year ended 31 December 2019

	Note	Continuing operations 2019 £000s	Discontinued operations 2019 £000s	Total 2019 £000s	Continuing operations 2018 £000s	Discontinued operations 2018 £000s	Total 2018 £000s
Revenue		790	47	837	971	13,202	14,173
Cost of sales		(616)	-	(616)	(218)	(2,544)	(2,762)
Net revenue		174	47	221	753	10,658	11,411
Operating costs		(1,808)	(47)	(1,855)	(1,302)	(5,155)	(6,457)
Net loss on financial assets	12	-	-	-	(68)	-	(68)
Net profit on trading		1,610	-	1,610	150	-	150
Share of loss of equity-accounted investees		-	-	-	(5)	-	(5)
Profit on sale of subsidiary		-	(147)	(147)	-	6,823	6,823
Operating (loss)/profit	3	(24)	(147)	(171)	(472)	12,326	11,854
Finance income	5	71	6	77	17	1	18
Finance expense	5	(106)	790	684	98	(4,595)	(4,497)
(Loss)/profit before taxation		(59)	649	590	(357)	7,732	7,375
Taxation	6	5	(216)	(211)	138	(466)	(328)
(Loss)/profit for the year		(54)	433	379	(219)	7,266	7,047
Attributable to :							
Total							
Owners of the parent		(97)	117	20	219	1,960	2,179
Non-controlling interest		43	316	359	(438)	5,306	4,868
		(54)	433	379	(219)	7,266	7,047
Earnings per share	7						
Total							
Basic		-0.45p	0.54p	0.09p	1.10p	9.82p	10.91p
Diluted		-0.45p	0.54p	0.09p	1.10p	9.82p	10.91p

Consolidated Statement of Comprehensive Income

for the year ended 31 December 2019

	Note	Year ended 31 December 2019 £000s	Year ended 31 December 2018 £000s
Profit for the year		379	7,047
Currency translation differences on overseas operations		(466)	170
Net gain/(loss) on available for sale financial assets	12	150	319
Net gain on interest rate swap		-	-
Total comprehensive income for the year		63	7,536
Total comprehensive income attributable to :			
Owners of the parent		3	2,568
Non-controlling interest		60	4,968
		63	7,536

Consolidated Statement of Financial Position

as at 31 December 2019

	Note	As at 31 December 2019 £000s	As at 31 December 2018 £000s
Assets			
Non-current assets			
Tangible fixed assets	8	438	77
Equity-accounted investees	11	1	9
Financial assets	12	4,496	4,300
Other investments, including derivatives		-	-
Deferred Tax assets	14	-	154
Trade and other receivables	9	-	-
		4,935	4,540
Current assets			
Trade and other receivables	9	910	368
Cash and cash equivalents	10	3,214	20,509
Other financial assets	12	3,928	186
		8,052	21,063
Total assets		12,987	25,603
Liabilities			
Non-current liabilities			
Loans and borrowings	15	(1,422)	(2,389)
Bank guarantee		-	(1,518)
Deferred tax liabilities		-	-
		(1,422)	(3,907)
Current liabilities			
Loans and borrowings	15	(242)	-
Trade and other payables	16	(565)	(3,329)
Tax payable		3	-
		(804)	(3,329)
Total liabilities		(2,226)	(7,236)
Net assets		10,761	18,367
Capital and Reserves			
Called up share capital	17	1,103	998
Share Premium Account		2,312	1,029
Capital redemption reserve		672	672
Exchange difference reserve		582	241
Available for sale financial assets reserve		760	610
Other reserves		-	-
Retained earnings		5,314	6,739
Equity attributable to equity owners of the parent		10,743	10,289
Non-controlling interests		18	8,078
Total equity		10,761	18,367

The annual financial statements were approved and authorised for issue by the Board on 29th June, 2020 and signed on their behalf by:

J D S Booth
Director

E M Arbib
Director

Company Statement of Financial Position
as at 31 December 2019

	Note	As at 31 December 2019 £000s	As at 31 December 2018 £000s
Assets			
Non-current assets			
Tangible fixed assets	8	438	77
Investment in subsidiaries	13 & 21	3,669	6,031
Investment in associate	11	1	9
Financial assets	12	4,222	4,015
Other investments, including derivatives		-	-
		8,330	10,132
Current assets			
Trade and other receivables	9	5,322	832
Cash and cash equivalents	10	135	387
Other financial assets	12	205	186
		5,662	1,405
Total assets		13,992	11,537
Non-current liabilities			
Loans and Borrowings	15	(1,422)	-
		(1,422)	-
Current liabilities			
Loans and Borrowings	15	(242)	-
Trade and other payables	16	(2,999)	(4,500)
		(3,241)	(4,500)
Total liabilities		(4,663)	(4,500)
Net assets		9,329	7,037
Capital and Reserves			
Called up share capital	17	1,103	998
Share Premium Account		2,312	1,029
Capital redemption reserve		672	672
Available for sale financial assets reserve		760	609
Retained earnings		4,482	3,729
Total equity		9,329	7,037

The annual financial statements were approved and authorised for issue by the Board on 29th June, 2019 and signed on their behalf by:

J D S Booth
Director

E M Arbib
Director

Consolidated Statement of Changes in Shareholders' Equity

for the year ended 31 December 2019

	Share capital £000s	Share premium £000s	Retained earnings £000s	Other reserves £000s	Non-controlling interests £000s	Total £000s
Balance at 1 January 2019	998	1,029	6,739	1,523	8,078	18,367
Issue of Shares	105	1,283	-	-	-	1,388
Currency translation adjustments	-	-	(149)	341	(658)	(466)
Net gain/(loss) on available for sale financial assets	-	-	-	150	-	150
Disposal Of Subsidiary	-	-	-	-	71	71
Dividend Paid	-	-	(199)	-	(6,557)	(6,756)
Capital Repaid	-	-	-	-	(2,372)	(2,372)
Transfer between reserves	-	-	(1,097)	-	1,097	-
Total other comprehensive income	105	1,283	(1,445)	491	(8,419)	(7,985)
Profit for the year	-	-	20	-	359	379
Total comprehensive income for the year	105	1,283	(1,425)	491	(8,060)	(7,606)
	-	-	-	-	-	-
Cancelled/forfeited share options	-	-	-	-	-	-
Balance 31 December 2019	1,103	2,312	5,314	2,014	18	10,761

	Share capital £000s	Share premium £000s	Retained earnings £000s	Other reserves £000s	Non-controlling interests £000s	Total £000s
Balance at 1 January 2018	998	1,029	4,307	1,387	3,110	10,831
Currency translation adjustments	-	-	-	70	100	170
Net gain on available for sale financial assets	-	-	-	319	-	319
Transfer of interest rate swap gain	-	-	253	(253)	-	-
Total other comprehensive income	-	-	253	136	100	489
Profit for the year	-	-	2,179	-	4,868	7,047
Total comprehensive income for the year	-	-	2,432	136	4,968	7,536
Cancellation of Investment in own shares	-	-	-	-	-	-
Cancelled/forfeited share options	-	-	-	-	-	-
Balance 31 December 2018	998	1,029	6,739	1,523	8,078	18,367

Company Statement of Changes in Shareholders' Equity

for the year ended 31 December 2019

	Share capital £000s	Share premium £000s	Retained earnings £000s	Share Options reserve £000s	Other reserves £000s	Total £000s
Balance at 1 January 2019	998	1,029	3,729	-	1,281	7,037
Share Issue	105	1,283	-	-	-	1,388
Dividend Paid	-	-	(199)	-	-	(199)
Net gain on available for sale financial assets	-	-	-	-	151	151
Total other comprehensive income	105	1,283	(199)	-	151	1,340
Profit for the year	-	-	952	-	-	952
Total comprehensive income for the year	105	1,283	753	-	151	2,292
Cancelled/forfeited/expired share options	-	-	-	-	-	-
Balance 31 December 2019	1,103	2,312	4,482	-	1,432	9,329

	Share capital £000s	Share premium £000s	Retained earnings £000s	Share Options reserve £000s	Other reserve £000s	Total £000s
Balance at 1 January 2018	998	1,029	3,666	-	962	6,655
Net gain on available for sale financial assets	-	-	-	-	319	319
Total other comprehensive income	-	-	-	-	319	319
Profit for the year	-	-	63	-	-	63
Total comprehensive income for the year	-	-	63	-	319	382
Cancelled/forfeited/expired share options	-	-	-	-	-	-
Balance 31 December 2018	998	1,029	3,729	-	1,281	7,037

Consolidated Cash Flow Statement

for the year ended 31 December 2019

	Year ended 31 December 2019 £000s	Year ended 31 December 2018 £000s
Cash flows from operating activities		
Cash generated/(used) from operations	(2,688)	8,890
Deferred Tax Movement	154	-
Finance costs	(684)	-
Finance income	(77)	-
Tax received	-	-
Interest paid	-	(4,410)
Cash flows from operating activities - total Group	(3,295)	4,480
Cash flows from investing activities		
Purchase of property, plant and equipment	-	(1)
Purchase of fixtures and fittings	(2)	-
Purchase of subsidiary	-	6,842
Purchase of non-current financial assets	-	(204)
Purchase of current financial assets	(3,780)	(39)
Purchase of associate	(1)	-
Proceeds received on disposal of subsidiary less divested cash	49	
Sale of non-current financial assets	-	-
Return of share capital and share premium to non-controlling interest	(2,372)	
Sale of current financial assets	-	76
Cash acquired in lieu of bank guarantee	(1,518)	-
Intangible fixed assets	-	3,795
Interest received	77	17
Cash flows from investing activities - total Group	(7,547)	10,486
Cash flows from financing activities		
Finance lease capital repayments	(296)	
Finance lease interest paid	(15)	
Other loans interest paid	699	
Share Capital Raised	105	
Share Premium Raised	1,283	-
Loans Received	1,360	-
Dividend paid to parent shareholders	(199)	
Dividend paid to non-controlling interests	(6,557)	
Repayment of loan receivable	(2,389)	16,145
Repayment of mezz loan	-	(10,333)
Repayment of borrowings	-	(4,903)
Exchange movements on foreign subsidiaries	(444)	
Cash flows from financing activities - total Group	(6,453)	909
Net decrease in cash and cash equivalents	(17,295)	15,875
Cash and cash equivalents at beginning of year	20,509	2,462
Cash and cash equivalents at end of year	3,214	18,337
Cash and cash equivalents at end of year - discontinued operation		2,172
Net cash and cash equivalents at end of year	3,214	20,509

Reconciliation of Operating Profit to Net Cash Inflow from Operating Activities

for the year ended 31 December 2019

	Year ended 31 December 2019 £000s	Year ended 31 December 2018 £000s
Operating profit on ordinary activities	379	11,854
Depreciation and amortisation	241	3,657
Movement in fair value on financial assets	1	68
Net profit on financial liability	-	(150)
Profit on sale of subsidiary	-	(6,823)
Result of associated company	-	5
Foreign currency translation	-	(19)
Decrease/(increase) in trade and other receivables	(542)	880
Decrease in trade and other payables	(2,767)	(582)
Net cash inflow from operating activities	(2,688)	8,890

Company Cash Flow Statement
for the year ended 31 December 2019

	Year ended 31 December 2019 £000s	Year ended 31 December 2018 £000s
Cash flows from operating activities		
Cash generated/(used) from operations	(4,807)	471
Finance Costs	84	
Finance Income	(22)	
Dividends Received	(1,756)	-
Income tax paid	-	-
Cash flows from operating activities	(6,501)	471
Cash flows from investing activities		
Dividends Received	1,756	-
Purchase of subsidiary	-	(1)
Purchase of fixtures and fittings	(2)	-
Purchase of available for sale assets	(20)	-
Purchase of subsidiary	(11)	-
Purchase of non-current financial assets	-	(204)
Return of share capital and share premium from subsidiary	2,373	-
Purchase of associate	(1)	
Purchase of current financial assets	(37)	(39)
Sale of current financial assets	-	76
Interest received	22	-
Cash flows from investing activities	4,080	(168)
Cash flows from financing activities		
Finance lease - capital repayments	(296)	-
Finance lease - interest paid	(15)	-
Other loans interest paid	(69)	-
Loans Received	1,360	-
Dividend Paid	(199)	-
Shares capital raised	105	-
Share Premium Raised	1,283	
Cash flows from financing activities	2,169	-
Net increase in cash and cash equivalents	(252)	303
Cash and cash equivalents at beginning of year	387	84
Cash and cash equivalents at end of year	135	387

Reconciliation of Operating Profit/(Loss) to Net Cash Inflow/(Outflow) from Operating Activities
for the year ended 31 December 2019

	Year ended 31 December 2019 £000s	Year ended 31 December 2018 £000s
Operating profit/(loss) on ordinary activities	952	91
Depreciation	242	5
Movement in fair value on financial assets	(10)	2
Increase in trade and other receivables	(4,490)	(179)
Increase/(decrease) in trade and other payables	(1,501)	557
Net cash inflow/(outflow) from operating activities	(4,807)	471

1 Principal accounting policies

iAM Capital Group PLC ("the Company") is a public limited company incorporated and domiciled in the United Kingdom.

The principal accounting policies applied in the presentation of these group financial statements are set out below. These policies have been consistently applied to all the years presented.

(a) Basis of preparation

The group financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”) as adopted by the European Union (“EU”).

The group financial statements have been prepared on the going concern basis under the historical cost convention, except for the measurement of certain financial assets that are held at fair value. The directors are confident that for the foreseeable future, the Group will continue to meet its liabilities as they fall due.

The Company is taking advantage of the exemption in section 408 of the Companies Act 2006 not to present its individual income statement and related notes that form part of the financial statements.

(b) New IFRS's and interpretations

i) Standards effective in 2019:

A new standard is effective for the first time for 2019. The Group has adopted the amendments and revisions to standards as detailed below:

IFRS 16	Leases

The company adopted IFRS 16 Leases retrospectively from 1 January 2019 but has not restated comparatives for the 2018 reporting period, as permitted under the specific transition provisions in the standard. The reclassifications and the adjustments arising from the new leasing rules are therefore recognised in the opening balance sheet on 1 January 2019. The new accounting policies are disclosed in note 1 (t).

On adoption of IFRS 16, the company recognised lease liabilities in relation to leases which had previously been classified as ‘operating leases’ under the principles of IAS 17 Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee’s incremental borrowing rate as of 1 January 2019. The weighted average lessee’s incremental borrowing rate applied to the lease liabilities on 1 January 2019 was 3%

	£
Operating lease commitments disclosed as at 31 December 2018	875,000
Discounted using the lessee’s incremental borrowing rate of at the date of initial application	599,974
(Less): short-term leases not recognised as a liability	-
(Less): low-value leases not recognised as a liability	-
Lease liability recognised as at 01 January 2019	**599,974**
Of which are:	
Current lease liabilities	234,642
Non-current lease liabilities	365,332

Measurement of right-of-use assets

The associated right-of use asset was measured at the amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the Statement of Financial Position as at 31 December 2018.

Adjustments recognised in the Statement of Financial Position on 1 January 2019

The change in accounting policy affected the following items in the balance sheet on 1 January 2019:

- right-of-use assets – increase by 599,974
- lease liabilities – increase by 599,974

ii) Standards and interpretations not yet adopted

At the date of authorisation of these financial statements, the company has not early adopted the following amendments to standards and interpretations that have been issued but are not yet effective:

Standard or Interpretation	**Effective for annual periods commencing on or after**
Amendments to IAS 1 and IAS 8 definition of material	1st January 2020
Amendments to IFRS 3 - definition of a business	1st January 2020
Conceptual Framework - Amendments to References to the Conceptual Framework in IFRS Standards	1st January 2020

(c) Critical accounting estimates and judgements

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities. If in the future such estimates and assumptions, which are based on management’s best judgement at the date of preparation of the financial statements deviate from actual circumstances, the original estimates and assumptions will be modified as appropriate in the period in which the circumstances change. The areas where a higher degree of judgement or complexity arise, or areas where assumptions and estimates are significant to the consolidated financial statements, are discussed below.

i) Fair value assessment of Available-for-sale financial assets

Management must make judgements concerning the fair value of its Available-for-sale financial assets. Judgements and assessments are made using standard pricing techniques and models, as well as consideration of the current economic climate when estimating the fair value of investments held where quoted prices are not available from active markets.

ii) Acquisition of subsidiary

Fair value of the consideration transferred and fair value of the assets acquired and liabilities assumed, measured on a provisional basis.

(d) Consolidation

Subsidiaries

The Group financial statements include the financial statements of the Company and its subsidiaries. Subsidiaries are all entities over which the Company has the power to govern the operating and financial policies so as to obtain benefits from their activities. The financial statements of subsidiaries are included in the Group's financial statements from the date on which control is transferred to the Group to the date that control ceases.

i) Business combinations

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill.

All intra-Group transactions and balances are eliminated on consolidation.

ii) Non-controlling interests

Non-controlling interests are measured at their proportionate share of the acquiree's identifiable net assets at the date of acquisition.

iii) Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting and are initially recognised at cost. The Group's share of its associates' post-acquisition profits or losses is recognised in the income statement, and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying value of the investment.

Gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

(e) Segment reporting

A business segment is a group of assets and operations engaged in providing services that are subject to risks and returns that are different from those of other business segments. The Group's activities are divided into three business segments: Green Energy which is being disposed of, Hedge Fund Management and Consultancy Services. These reflect the Group's internal reporting segments.

A geographical segment is engaged in providing services within a particular economic environment that is subject to risks and returns that are different from those of segments operating in other economic environments. During the year the Group operated in two geographical segments (Europe and North America). No geographical segment analysis has been shown as our internal review is on the basis of business segments only.

The Group distinguishes between discontinued operations to those of a continuing nature in its segmental reporting analysis.

(f) Foreign currency translation

i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency").

The consolidated financial statements are presented in pounds sterling (GBP), whilst the Group's functional currency is the Euro. The Board believes that by presenting the financial statements in GBP it provides an enhanced understanding of the underlying information to the users of the financial statements.

ii) Transactions and balances

Foreign currency transactions are translated into the relevant Group entity's functional currency using the exchange rate prevailing at the date of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

iii) Group companies

The results and financial position of all the group entities that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- income and expenses for each income statement are translated at average exchange rates for the relevant accounting periods; and
- all resulting exchange differences are included in the cumulative translation adjustment reserve within equity.

Cumulative translation differences are taken to the income statement on the disposal of a net foreign operation.

(g) Tangible assets

i) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation. Cost includes expenditure that is directly attributable to the acquisition of the assets.

Depreciation is calculated using the straight-line method to allocate the cost of each asset to its residual value over its estimated useful life as follows:

Motor vehicles	3 - 5 years
Computer and communication equipment	3 - 5 years
Furniture, fixtures and fittings *	4 - 6 years
Leasehold improvements	5 years
Freehold land	Not Depreciated
Right of Use Assets	Over the remaining life of asset

*For specific items of artwork, included within furniture, fixtures and fittings, whose residual value is expected to be at least equal to cost, no depreciation is provided. The cost of such artwork as at 31st December 2019 is £74,000 (2018: £74,000).

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each statement of financial position date. An asset's carrying amount is written down immediately to its recoverable amount if its carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the income statement.

(h) Investments in subsidiaries

Investments in subsidiaries are stated at cost less impairment.

(i) Impairment of non-financial assets

Assets that are subject to amortisation or depreciation are reviewed for impairment whenever there is an indication that the carrying amount may not be recoverable.

An impairment loss is recognised in the income statement in the period that it is incurred. An impairment loss is the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is determined with reference to the higher of the asset's value in use and fair value less costs to sell. Value in use is calculated by discounting the expected future cash flows obtainable as a result of the asset's continued use, including those from its ultimate disposal, at an appropriate pre-tax discount rate. For the purposes of assessing impairment, assets are grouped into Cash-Generating Units (CGUs), which are the lowest levels for which there are separately identifiable cash flows.

(j) i) Financial assets - Non-derivative

Financial assets are classified as "financial assets at fair value through profit or loss", "available-for-sale" or "loans and receivables". Financial assets are classified into their respective category at the initial recognition date.

Financial assets at fair value through profit or loss: These financial assets are initially recognised at fair value with any subsequent changes in fair value recognised in the income statement. Assets in this category are usually held for short-term gain and are classified as current assets if they are either held for trading or expected to be realised within 12 months of the statement of financial position date.

Available-for-sale: These financial assets are initially recognised at fair value with any subsequent changes in fair value recognised directly in equity. When an asset is disposed of or impaired, any cumulative gain or loss previously recognised in equity is transferred to the income statement.

Loans and receivables: Loans and receivables are non-derivative financial assets with fixed or determinable payments. They are included in current assets except for those with maturities greater than 12 months after the statement of financial position date, which are included in non-current assets. Loans and receivables are included in trade and other receivables in the statement of financial assets.

The Group assesses at each statement of financial position date whether there is objective evidence that a financial asset is impaired. Any impairment loss is recognised in the income statement.

Forward Currency Contracts are classified as financial assets or financial liabilities through profit or loss. They are measured at fair value and gains or losses arising from changes in fair value are recognised in profit or loss.

ii) Financial assets - Derivatives

The Group's activities expose it primarily to the financial risks of changes in market prices, foreign currency exchange rates and interest rates. Derivative transactions which the Group may enter into, to economically hedge its exposure, include futures, forwards and swaps. The Group does not hold or issue derivative instruments for trading purposes.

Derivative financial instruments are initially recorded at fair value on the date at which the derivative contract is entered into and are subsequently remeasured at fair value. The fair value of forward currency contracts are calculated by reference to current forward exchange rates for contracts of similar maturity dates. Changes in fair value of derivatives financial instruments are recognised in the Statement of Comprehensive Income.

(k) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less allowances for credit losses. An allowance account for credit losses is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. The amount of the allowance for credit losses is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The allowance for credit losses is recognised in the income statement.

(l) Cash and cash equivalents

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

(m) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the statement of financial position date.

(n) Share-based compensation

The Group operates equity-settled, share-based compensation plans. The fair value of the employee services received in exchange for the share options is recognised as an expense, with a corresponding credit recognised in equity. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted. At each statement of financial position date, the Group revises its estimates of the number of options that are expected to become exercisable. It recognises the impact of the revision to original estimates, if any, in the income statement, with a corresponding adjustment to equity.

(o) Deferred income tax

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 Group financial statements. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability settled based on tax rates (and laws) that have been enacted or substantially enacted by the statement of financial position date.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

(p) Revenue recognition

Revenue represents the fair value of consideration received for the provision of services and is stated net of value-added tax, rebates and after eliminating intra-group sales.

Revenue includes the following:

Management and performance fees

Management fees are calculated as a percentage of net assets under management and are recognised in the period in which the services are rendered.

Performance fees are calculated as a percentage of the net appreciation in a fund's net asset values at the end of a performance period. The length of a performance period varies between funds and usually covers periods ranging from between 3 to 12 months. Performance fees are recognised when the amount of the fee can be reliably measured, which is normally at the end of the performance period. Where a fund's performance period covers the statement of financial position date, performance fees are recognised based on reasonable estimates that consider the particular fund's performance to the statement of financial position date and whether evidence exists that suggests that the current performance will be sustainable to the end of the performance period.

Green Energy revenues

Revenue relates to the sale of electricity provided by the photovoltaic plants owned by the Group. This income includes incentive tariffs received by the Manager of the Energy Services ("Gestore dei Servizi Energetici" or "GSE") based on the energy produced by the plants according to the mechanism provided by the c.d. "Energy Account".

Consultancy Services

Consultancy Services comprises fees received for advice given, which is recognised on a time-proportion basis over the period of the service.

Finance income

Finance income comprises of interest income, which is recognised on a time-proportion basis using the effective interest method.

(q) Cost of sales
i) Fund Management
Cost of sales comprises of commissions and distribution fees payable to intermediaries, distributors and other third parties and are charged to the Income Statement over the period in which the service is provided.

ii) Green Energy

Cost of sales comprises the costs of technical and professional services received as well as the use of third-party assets.

(r) Employee benefits
Short-term employee benefits and company contribution to employee defined contribution plans are recognised as expenses in the period in which they are incurred.

(s) Available for sale investments
Non-current assets and disposal groups classified as held for sale are measured at the lower of carrying amount and fair value less cost to sell.

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. Management must be committed to the sale which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

When the Group is committed to a sale plan involving the sale or loss of control of a subsidiary, all the assets and liabilities of the subsidiary are classified as held for sale when the criteria described above are met.

(t) Leases
At inception of the contract, the company assesses whether a contract is, or contains, a lease. It recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee. The right-of-use assets are presented separately in note 8 and the lease liabilities are presented seperately in note 15.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the company uses its incremental borrowing rate. It is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, plus lease payments made on or before the commencement day, less any lease incentives received and plus any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

2 Segmental reporting

(a) Business segments

We have considered the requirements of IFRS 8 and since we only internally review our business on the basis of the hedge fund, consultancy service and the green energy units as opposed to any geographical basis, do not see the requirement for any geographical analysis.

The Group is organised into three business segments Green Energy (which is in the process of being discontinued), Hedge Fund and Consultancy Services together with a segment for the central operating costs. The segmental results are as follows:-

Business Type					**Discontinued**	
	Hedge Fund	**Consultancy**	**Central Operating costs**	**Continuing Operations**	**Green Energy**	**Group**
31 December 2019	**£000s**	**£000s**	**£000s**	**£000s**	**£000s**	**£000s**
Revenue from external customers	525	265	-	790	47	837
Cost of sales	(70)		(546)	(616)	-	(616)
Net Revenue	455	265	(546)	174	47	221
Operating costs	(473)	-	(970)	(1,443)	(47)	(1,490)
Depreciation and amortisation	-	-	(242)	(242)	-	(242)
Currency exchange differences	(21)	-	(102)	(123)	-	(123)
Profit on sale of subsidiary	-	-	-	-	(147)	(147)
Net (loss)/gain on financial assets / liabilities	-	-	1,610	1,610	-	1,610
Share of loss of associate	-	-	-	-	-	-
Operating profit/(loss)	(39)	265	(250)	(24)	(147)	(171)
External interest receivable and similar income	-	-	71	71	6	77
External interest payable and similar expense	-	-	(106)	(106)	790	684
Inter-segment interest receivable	-	-	-	-	-	-
Inter-segment interest payable	-	-	-	-	-	-
Profit/(loss) before taxation	(39)	265	(285)	(59)	649	590

Included within the Revenue from external customers of £837,000 are amounts £525,000 (within hedge fund segment) and £265,000 (within consultancy segment), each of which generate more than 10% of the total external income.

	Hedge Fund	Consultancy	Central costs	Green Energy	Inter-segment elimination	Group
	£000s	£000s	£000s	£000s	£000s	£000s
Segment assets	3,869	-	9,041	77	-	12,987
Segment liabilities	(349)	-	(1,916)	39	-	(2,226)
	3,520	-	7,125	116	-	10,761
Capital expenditure on segment assets	-	-	2	-	-	2

2 Segmental reporting (continued)

31 December 2018	Hedge Fund £000s	Consultancy £000s	Central Operating costs £000s	Continuing Operations £000s	Discontinued Green Energy £000s	Group £000s
Revenue from external customers	954	17	-	971	13,202	14,173
Cost of sales	(218)	-	-	(218)	(2,544)	(2,762)
Net Revenue	736	17	-	753	10,658	11,411
Operating costs	(445)	-	(871)	(1,316)	(1,503)	(2,819)
Depreciation and amortisation	-	-	(3)	(3)	(3,652)	(3,655)
Currency exchange differences	17	-	-	17	-	17
Profit on sale of subsidiary	-	-	-	-	6,823	6,823
Net (loss)/gain on financial assets / liabilities	(37)	-	119	82	-	82
Share of loss of associate	-	-	(5)	(5)	-	(5)
Operating profit/(loss)	271	17	(760)	(472)	12,326	11,854
External interest receivable and similar income	-	-	17	17	1	18
External interest payable and similar expense	-	-	98	98	(4,595)	(4,497)
Inter-segment interest receivable	-	-	-	-	-	-
Inter-segment interest payable	-	-	-	-	-	-
Profit/(loss) before taxation	271	17	(645)	(357)	7,732	7,375

Included within the Revenue from external customers of £14,173,000 are amounts of £10,708,000 (within green energy) received from one customer and £nil (within hedge fund segment) and £nil (within consultancy segment), each of which generate more than 10% of the total external income.

	Hedge Fund £000s	Consultancy £000s	Central costs £000s	Green Energy £000s	Inter-segment elimination £000s	Group £000s
Segment assets	4,325	-	10,286	15,292	(4,300)	25,603
Segment liabilities	(460)	-	(6,695)	(4,381)	4,300	(7,236)
	3,865	-	3,591	10,911	-	18,367
Capital expenditure on segment assets	-	-	1	-	-	1

(b) Geographical segments

The Group's operations are deemed to have been carried out in Europe and North America.

3 Operating Profit

Operating profit is stated after charging/(crediting):

	2019 £000s	2018 £000s
Depreciation of property, plant and equipment	(242)	3,657
Exchange (gain)/loss	123	(17)
Operating lease rentals - land & buildings	-	138
Audit services		
- fees payable to the Group's auditors for the audit of IAM Capital	16	21
- fees payable to the Group's auditors in respect of auditing subsidiaries	7	
- audit related regulatory	-	86
Tax services	6	6
Other assurance services	21	32

4 Staff costs and employees

Staff costs including Directors' emoluments:

	2019 £000s	2018 £000s
Wages and salaries (Including bonuses)	694	425
Social security costs	70	42
Other staff costs	25	33
Total	789	500

The average monthly number of persons employed by the Group including Executive Directors was 17 (2018: 15) and is analysed as follows:

	2019	2018
Asset Management	12	10
Administration	5	5
Total	17	15

Directors' emoluments:

	2019 £000s	2018 £000s
Group		
Directors' emoluments	139	128

The highest paid Director received salary and related benefits of £70,000 (2018: £82,000), which included £1,200 contributions to a pension scheme .

5 Net finance costs

Group	2019 £000s	2018 £000s
Interest income on:		
Barclays Bank deposit accounts	-	1
Union Bancaire Privee deposit accounts	42	16
ING Bank deposit accounts	12	1
Other Loans	23	-
Finance income	77	18
Interest expenses on:		
Secured bank loans	-	(3,192)
Secured bond issue	-	(1,019)
Unsecured third party loan	4	(298)
Other loans	680	12
ING Bank deposit accounts	-	-
Finance costs	684	(4,497)
Net finance costs recognised in profit or loss	761	(4,479)

Finance costs accrued in previous years in respect of amounts loaned from group undertakings and non-controlling interests were waived in 2019. Accordingly, finance costs have been reversed in 2019 in respect of interest that's no longer payable. The reversal of finance cost payable to group undertakings in this regard has been eliminated on consolidation and the reversal of finance costs of £716,596 in respect of non-controlling interests is included within interest payable on other loans.

6 Taxation

(a) Analysis of tax charge for the year

	2019 £000s	2018 £000s
Current tax		
Current tax on profits for the year	211	656
Adjustments in respect of prior periods		
Total current tax	211	656
Deferred tax	-	(328)
Effects of changes in corporation tax rates	-	-
Origination and reversal of temporary differences	-	-
Total tax charge for the year	211	328

(b) Factors affecting the tax charge for the year

	2019 £000s	2018 £000s
Profit before taxation	590	7,375
Tax calculated at the domestic tax rates applicable to profits in the respective countries	112	618
Effect of:		
Other differences leading to an increase (decrease) in the tax charge	(190)	-
Disallowable expenses and non-taxable income	(8)	5
Capital allowances in excess of depreciation	(2)	(1)
Other tax adjustments	4	-
Deferred tax adjustments	-	(328)
Unrelieved tax losses and other deductions in the period	295	34
Total tax charge/(credit) for the year	211	328

7 Earnings per share

The calculation of Earnings per Share ("EPS") is based on profit that is attributable to equity owners of the parent Company only.

Potential ordinary shares have only been included in the diluted EPS calculation where their effect has been dilutive to basic EPS.

Details of the figures used in calculating basic and diluted EPS are shown below:

	2019 £000s	2018 £000s
Total profit from continuing operations used in calculating basic and diluted EPS	(97)	219
Total profit used in calculating basic and diluted EPS	20	2,179
	No. '000s	No. '000s
Weighted average number of ordinary shares used in calculating basic EPS	21,579	19,969
Effect of dilutive potential ordinary shares:		
- share options	-	-
- shares to be issued	-	-
- contingently issuable shares	-	-
Weighted average number of ordinary shares used in calculating diluted EPS	21,579	19,969

Basic EPS from continuing operations has been calculated using the profit from continuing operations (£97,000) (excluding non-controlling interests) divided by the weighted average number of ordinary shares 21,579,094

Diluted EPS from continuing operations has been calculated using the profit from continuing operations (£97,000) (excluding non-controlling interests) divided by the weighted average number of ordinary shares 21,579,094.

8 Tangible fixed assets

Group	Right of Use Assets £000s	Land and Buildings £000s	Plant and Equipment £000s	Vehicles & equipment £000s	Fixtures & fittings £000s	Leasehold improvements £000s	Total £000s
Cost							
At 1st January 2019	-	-	-	123	299	249	671
Adoption of IFRS 16 on 1 January 2019	600	-	-	-	-		600
Additions	-	-	-	-	2	-	2
Disposal of subsidiary	-	-	-	-	-	-	-
Movement on exchange	-	-	-	-	-	-	-
At 31st December 2019	600	-	-	123	301	249	1,273
Depreciation							
At 1st January 2019	-	-	-	(123)	(222)	(249)	(594)
Charge in the year	(239)	-	-	-	(2)		(241)
Disposal of subsidiary			-	-	-	-	-
Movement on exchange	-	-	-	-	-	-	-
At 31st December 2019	(239)	-	-	(123)	(224)	(249)	(835)
Net Book Value							
At 31st December 2019	361	-	-	- a		-	438
Cost							
At 1st January 2018	-	1,928	90,469	123	303	249	93,072
Additions	-	-	-	-	1	-	1
Disposal of subsidiary	-	(1,928)	(90,469)	-	(5)	-	(92,402)
Movement on exchange	-	-	-	-	-	-	-
At 31st December 2018	-	-	-	123	299	249	671
Depreciation							
At 1st January 2018	-	-	(27,955)	(121)	(222)	(249)	(28,547)
Charge in the year	-	-	(3,650)	(2)	(5)	-	(3,657)
Disposal of subsidiary	-		31,605	-	5	-	31,610
Movement on exchange	-	-	-	-	-	-	-
At 31st December 2018	-	-	-	(123)	(222)	(249)	(594)
Net Book Value							
At 31st December 2018	-	-	-	-	77	-	77

Company	Right of Use Assets £000s	Vehicles & equipment £000s	Fixtures & fittings £000s	Leasehold improvements £000s	Total £000s
Cost	-				
At 1st January 2019		123	299	249	671
Adoption of IFRS 16 on 1 January 2019	600			-	600
Additions		-	2	-	2
Disposals		-	-	-	-
At 31st December 2019	600	123	301	249	1,273
Depreciation					
At 1st January 2019		(123)	(222)	(249)	(594)
Charge in the year	(239)	-	(2)	-	(241)
Disposals		-	-	-	-
At 31st December 2019	(239)	(123)	(224)	(249)	(835)
Net Book Value					
At 31st December 2019	360	-	77	-	438
Cost					
At 1st January 2018	-	123	297	249	669
Additions	-	-	1	-	1
Disposals	-	-	-	-	-
At 31st December 2018	-	123	298	249	670
Depreciation					
At 1st January 2018	-	(121)	(218)	(249)	(588)
Charge in the year	-	(2)	(3)	-	(5)
Disposals	-	-	-	-	-
At 31st December 2018	-	(123)	(221)	(249)	(593)
Net Book Value					
At 31st December 2018	-	-	77	-	77

9 Trade and other receivables

Amounts due within one year	Group		Company	
	2019	2018	2019	2018
	£000s	£000s	£000s	£000s
Trade receivables (Note 20)	290	179	291	20
VAT and other tax receivables	-	-	-	-
Amounts owed by group undertakings	-	-	4,757	674
Other receivables	298	148	260	131
Prepayments & Accrued Income	322	41	14	7
Total	910	368	5,322	832

Included in other receivables is a loan owed from E M Arbib, a director, amounting to £33,382 (2018 - £24,994). The loan was repaid within 9 months of year end.

10 Cash and cash equivalents

	Group		Company	
	2019	2018	2019	2018
	£000s	£000s	£000s	£000s
Cash at bank and in hand	3,214	20,509	135	387
Total cash and cash equivalents	3,214	20,509	135	387

11 Equity-accounted investees

Associates

The Group's equity interest in its material associate, Sweet Stay Holdings, is 45%.

The Group's equity interest in its material associate in 2018, Integrated Capital S.R.L. was 50%. During 2019 the company was liquidated.

	Group and Company	
	2019	2018
	£000s	£000s
Percentage ownership interest	45%	50%
Non-current assets	-	-
Current assets	1	19
Current liabilities	-	-
Net assets	1	19
Carrying amount of interest in associate	1	9
Revenue	-	-
Loss from continuing operations	-	(10)
Group's share of operating loss	-	(5)

In 2019 the Group's share of profit from associated entities is immaterial and has not been reflected.

12 Financial assets

(a) Movement in fair value

Non-current Available-for-sale financial assets	Group 2019 £000s	 2018 £000s	Company 2019 £000s	 2018 £000s
Movement in fair value				
At 1st January	4,300	3,835	4,015	3,530
Additions	57	204	57	204
Disposals	-	-	-	-
Transfer to Current available-for-sale financial assets	-	-	-	-
Movement on exchange	(11)	27	-	9
Realised gain through profit and loss	-	-	-	-
Impairment through profit and loss	-	(66)	-	(28)
Net gain/(loss) in movement in fair value through other comprehensive income	150	300	150	300
At 31st December	4,496	4,300	4,222	4,015

In 2010, the Company announced that it had agreed to invest up to $4 million in a JRJ Limited Partnership forming part of JRJ Ventures which had recently acquired approximately 75 per cent of Marex Group Ltd. In March 2011 Marex Group Ltd acquired Spectron Group Ltd, and as a participant in the ownership of Marex Group Ltd, the Company participated in the financing of the acquisition and invested a further £0.8m into this transaction.

During 2017 the Group received equity interests in CGI 1100 Holdco LLC and CGI 1100 Sponsorship Capital LLC in lieu of consultancy fees earned. The equity interests in these two US entities were assigned at par value by iAM Invest Ltd to its 100% owned US subsidiary, namely Integrated Alternative Investments USA LLC. At the year end, the Board have taken a decision to keep the impairment on the valuation of these equity interests at 40% (2018: 40%) and 75% (2018: 75%) respectively.

In June, 2018, the Company closed on an investment in Heritage Family Office Partners Ltd ("Heritage"), an Israeli limited company. Heritage offers family office administrative and consulting services to a global client base. In the transaction the Company invested US$ 272,000 in debt and equity in exchange for a 15% interest in Heritage. In 2019, the company invested a further US$ 29,950 into the company shown here as an addition.

Current Available-for-sale financial assets	Group 2019 £000s	 2018 £000s	Company 2019 £000s	 2018 £000s
Movement in fair value				
At 1st January	186	205	186	204
Additions	3,723	39	-	39
Disposals	-	(76)	-	(76)
Transfer from Non-Current available-for-sale financial assets	-	-	-	-
Movement on exchange	19	1	19	2
Realised gain through profit and loss	-	-	-	-
Impairment through profit and loss	-	(2)	-	(2)
Net gain in movement in fair value through other comprehensive income	-	19	-	19
At 31st December	3,928	186	205	186

The Group's current Available-for-sale financial assets includes shares in a US company listed on the OTC Bulletin Board ("OTCBB"). These shares were received as per an agreement in payment for consulting income earned in a prior year. In 2013, a further full impairment was recognised by the Board due to its view that any potential realisable value was looking increasing unlikely. No change to this stance was considered necessary in the current year.

The Group's other investments are principally in various funds and equities from the Integrated Recovery subsidiary. Further investment additions to these funds were made in the year totalling £3,723,000.

12 Financial assets (continued)

(b) Fair value hierarchy

The following table analyses "Available-for-sale" and "Fair value through profit and loss" financial assets carried at fair value. The fair value hierarchy levels have been defined as follows:

- Instruments with unadjusted quoted prices in active markets for identical assets as Level 1.
- Instruments valued using inputs other than quoted prices for the instruments, but where those inputs are observable either directly or indirectly as Level 2.
- Instruments using valuation techniques for which any significant input is not based on observable market data as Level 3

	Group		Company	
	2019	2018	2019	2018
Available-for-sale financial assets - Non-current	£000s	£000s	£000s	£000s
Level 1	-	-	-	-
Level 2	-	-	-	-
Level 3	4,496	4,300	4,222	4,015
	4,496	4,300	4,222	4,015

	Group		Company	
	2019	2018	2019	2018
Available-for-sale financial assets - Current	£000s	£000s	£000s	£000s
Level 1	3,723	-	-	-
Level 2	205	186	205	186
Level 3	-	-	-	-
	3,928	186	205	186

	Group		Company	
	2019	2018	2019	2018
Fair value through profit and loss financial assets - Current	£000s	£000s	£000s	£000s
Level 1	-	-	-	-
Level 2	-	-	-	-
Level 3	-	-	-	-
	-	-	-	-

During the period there were no transfers between Level 1 and Level 2 valuation methods and no transfer into or out of Level 3 valuation method.

Level 1 instruments represent listed corporate bonds and listed shares, the value for which comes from quoted prices on active markets.

For valuations of the investments in funds managed by the Group which do not have redemption restrictions, the net asset value of the fund is used, which is calculated by a third party. These investments are shown as Level 2 instruments.

Level 3 instruments represent the investment in JRJ Ventures, the holding of shares listed on the OTCBB, as well as investments in funds managed by the Group, which are all considered to be more illiquid in nature due to redemption restrictions. These investments are not considered to have a quoted market price in an active market.

As the investment in JRJ Ventures is not listed on any stock exchange, a quoted price in an active market is not available. In considering the fair value to be attributed to this investment, the Board takes into account various ratios of comparable companies discounted for the minority holding and private status of the entity, as well as the reported net assets of the underlying investment and its assessment of the actual trading of Marex Spectron. This year the Board concluded that based on the underlying net assets of the investment, there warranted a gain in value to the carrying value of this investment as a result of positive performance.

13 Investments

Company	Subsidiaries £000s	Employee Trusts £000s	Total £000s
Cost			
At 1st January 2019	6,031	-	6,031
Additions	11	-	11
Disposals	(2,373)	-	(2,373)
At 31st December 2019	3,669	-	3,669
Impairment			
At 1st January 2019	-	-	-
Disposals	-	-	-
Charge for the year	-	-	-
At 31st December 2019	-	-	-
Net book value at 31st December 2019	3,669	-	3,669
Cost			
At 1st January 2018	6,031	-	6,031
Additions	-	-	-
Disposals	-	-	-
At 31st December 2018	6,031	-	6,031
Impairment			
At 1st January 2018	-	-	-
Disposals	-	-	-
Charge for the year	-	-	-
At 31st December 2018	-	-	-
Net book value at 31st December 2018	6,031	-	6,031

A list of the Company's subsidiaries and details of the changes in ownership interest during the year can be found at Note 21.

14 Deferred tax

	Group 2019 £000s	Group 2018 £000s	Company 2019 £000s	Company 2018 £000s
Deferred tax assets				
Italian tax relating to Green Energy business	-	154	-	-
	-	154	-	-

Apart from that which has already been recognised in the financial statements, the group has deferred tax assets of £1,914,085 (2018: £1,482,000) in respect of tax losses, which have not been recognised due to the lack of certainty as to the utilisation of these assets.

The Company has deferred tax assets of £1,783,667 (2017: £1,482,000) in respect of tax losses, which have not been recognised due to the lack of certainty as to the utilisation of these assets.

15 Loans and borrowings

	Group 2019 £000s	Group 2018 £000s	Company 2019 £000s	Company 2018 £000s
Non-current liabilities				
IFRS16 lease liabilities	62	-	62	-
Unsecured third party loan	1,360	2,389	1,360	2,389
	1,422	2,389	1,422	2,389
Current liabilities				
Secured bank loans	-	-	-	-
IFRS16 lease liabilities	242	-	242	-
Unsecured third party loan	-	-	-	-
	242	-	242	-

Terms and repayment schedule

	Curr	Nominal interest rate	Year of Maturity	Face Value 2019 £000s	Carrying Amount 2019 £000s	Face Value 2018 £000s	Carrying Amount 2018 £000s
Unsecured third party loan	GBP	Fixed 6%	2025	800	800	-	-
Unsecured third party loan	EUR	Fixed 5%	2025	560	560	-	-
Unsecured third party loan	EUR	Fixed 12%	2036	-	-	2,389	2,389
				1,360	1,360	2,389	2,389

16 Trade and other payables

	Group 2019 £000s	Group 2018 £000s	Company 2019 £000s	Company 2018 £000s
Current				
Trade payables	208	178	6	30
Amounts owed to group undertakings	-	-	2,692	3,341
Other creditors	129	1,194	-	-
Other taxation and social security costs	28	12	28	12
Accruals and deferred income	200	1,945	273	1,117
Total	565	3,329	2,999	4,500

17 Share capital

	2019 £000s	2019 Number of ordinary 5p shares 000s	2018 £000s	2018 Number of ordinary 5p shares 000s
Authorised:				
At 1st January	9,425	188,504	9,425	188,504
At 31st December	9,425	188,504	9,425	188,504
Allotted and fully paid:				
At 1st January	998	19,969	998	19,969
Share Issue	105	2,103	-	-
At 31st December	1,103	22,072	998	19,969

There were no changes in the year to the Company's Authorised share capital. 2,103,000 new shares were issued in the year. The Company now has 22,072,245 shares in issue.

18 Related parties

Group

Transactions between the Group and related parties during the year were as follows:

	Revenue		Expenses	
	2019	2018	2019	2018
	£000s	£000s	£000s	£000s
Current				
Related companies	27	-	(320)	398
Directors	-	-	-	(14)
Total	-	-	384	384

Amounts outstanding between the Group and related parties at the year end were as follows:

	Amounts owed by related parties		Amounts owed to related parties	
	2019	2018	2019	2018
	£000s	£000s	£000s	£000s
Related companies	229	-	(52)	141
Directors	33	25	-	-
Total	262	25	(52)	141

The related companies are made up of Sweetstay Holdings, Arcap & Risiomenda. Sweetstay Holdings is a company which IAM Capital have significant influence over and make up the £229,000 amounts owed by related parties. Arcap Partners Ltd, where E. Arbib is a Director, charge us for the provision of consultancy and introducer Services. Arcap Partners Ltd controls Risiomenda Ltd which has received rental payments from the group which are included in the above analysis. Directors have loan accounts for day to day expenses and re-chargeables in the normal course of business, which are periodically cleared and repaid to the company.

Key Management Personnel

The Group considers Executive and Non-Executive Directors to be key management personnel. Remuneration paid to key management personnel during the year was as follows:

	2019	2018
	£000s	£000s
Short-term employee benefits	138	128
Share-based payments	-	-
Total	138	128

Company

Details of transactions between the Company and its subsidiaries which are related parties are as follows:

	2019	2018
	£000s	£000s
Management fees receivable from iAM Invest Investments Ltd	(124)	(225)
Management fees payable to iAM Invest Ltd	-	-
Dividend receivable from IEH Ltd	(124)	-
Share Capital returned from IEH LTD	(2,374)	-
Dividend receivable from iAM Invest Ltd	(430)	(690)

Amounts outstanding between the Company and its subsidiaries at the year end were as follows:

	2019	2018
	£000s	£000s
Amounts due to iAM Invest Ltd	(2,691)	(3,341)
Amounts due from Integrated Recovery Ltd	4,758	674

19 Operating lease commitments

The group leases land and buildings. Following the adoption of IFRS 16 effective from 1st January 2019, the leases are no longer classified as operating leases. The group has not restated comparatives, as permitted under the specific transition provisions in the standard.

At 31st December the Group was committed to make the following minimum payments under non-cancellable leases of land and buildings falling due as follows:

	2019 £000s	2018 £000s
Within one year	-	250
Between two and five years	-	625
After five years	-	-
Total	-	875

20 Financial risk management

The Group operates in different countries and is exposed to a number of financial risks and particularly currency risk.

Currency risk

The Group publishes its consolidated financial statements in Sterling, but conducts its business in a number of different currencies but principally the Euro and US Dollar. As a result the Group is exposed to foreign exchange risk due to exchange rate movements which affect the Group's transactional revenues and the translation of the earnings and net assets of its overseas operations.

The Group constantly reviews its position and where necessary will hedge a portion of the transactional exposures of its subsidiaries which have a functional currency of Sterling. This exposure review principally highlights the net management fees expected to be generated by the UK based fund management companies from existing AUM. Such exposure is principally to the Euro and US Dollar and hedging, if deemed necessary is carried out by means of forward foreign exchange contracts. No additional hedging was undertaken during 2019 due to the continuing relative low level of management fee income.

Hedging arrangements have not been accounted for under IAS 39 hedge accounting rules.

At 31 December 2019, the total amount of US Dollar's hedged was $Nil (2018: $Nil). The fair value of the open hedging contracts was £Nil (2018: £Nil) and this if applicable would have been included in accruals and deferred income.

Should additional exposure be generated by material changes in either Euro or US Dollar denominated AUM or by probable crystallisation of foreign currency denominated performance fees, further hedging may be taken out if the rates available at the time of such changes becoming apparent are deemed to be favourable.

Hedging of the Group's other transactional exposures, the translation of the results of our operations in Europe whose functional currency is the Euro are not hedged as such transactions create movements in the profit and loss account, which are offset by equal and opposite effect in reserve. Movements do nonetheless affect reported earnings.

The Group also has significant exposure to the Euro arising from its foreign operations at the end of the reporting period and to its US Dollar cash reserves. This is not normally hedged other than through foreign currency debt. As with the translation of its foreign operations' results, other hedging could expose the Group to significant net cash flows and profit and loss distortions, as demonstrated by the effect of holding surplus assets in the foreign operations in Sterling.

At 31 December 2019, if the Euro had strengthened/weakened by 10% against Sterling with all other variables held constant, pre-tax result would increase/(decrease) by £128,000/(£104,000) respectively [2018: £63,000/(£51,000)], principally as a result of the increase/decrease in assets and liabilities denominated in foreign currencies; other components of equity would increase/(decrease) by £171,000/(£217,000) respectfully [2018: £638,000/(£413,000)], principally as a result of the unhedged portion of net investment in foreign operations.

At 31 December 2019, if the US Dollar had strengthened/weakened by 10% against Sterling with all other variables held constant, pre-tax result would increase/(decrease) by £80,000/(£66,000) respectively [2018: £60,000/(£49,000)], principally as a result of the increase/decrease in assets and liabilities denominated in foreign currencies.

Interest rate risk

The Group has limited other exposure to interest rate risk on its cash positions and borrowings. Such exposures are managed as efficiently as possible given that working capital needs to be maintained in different operating subsidiaries and inter-company exposure may be subject to regulatory limits. Cash and cash equivalents are usually invested in short term cash deposits with maturities no greater than three months. The effect of a 100 basis points increase/decrease in interest rates would not have a material impact on pre-tax profits or equity.

Liquidity risk

The Group has exposure to liquidity risk where it has insufficient financial resources that may be used to settle liabilities as they fall due. Overdraft facilities are maintained to cover any short term occurrences and the Group seeks to ensure that it maintains sufficient liquidity not only to finance its ongoing operations but, where possible, to assist in funding proposed acquisitions or unanticipated events. As noted above, cash and cash equivalents are usually on a short-term basis.

Financial liabilities consist of a bank overdraft repayable on demand - they also include the trade and other payables.

20 Financial risk management (continued)

Credit risk
The Group has exposure to credit risk in respect of its fund management business and treasury operations.

Trade receivables for fee debtors in operations are analysed below.

	2019 £000s	2018 £000s
Trade receivables - Operating		
Receivable from Sweetstay	202	
Other	88	-
Carrying amount	290	-

Trade receivables for fee debtors in the fund management businesses are analysed below.

	2019 £000s	2018 £000s
Trade receivables - Fund management		
Neither past due nor impaired		
Low risk	-	179
Carrying amount	-	179
Past due but not impaired		
Low risk	-	-
Carrying amount	-	-
Past due but not impaired consists of:		
31 to 60 days	-	-
61 to 90 days	-	-
91 to 120 days	-	-
Over 120 days	-	-
	-	-
Total Carrying amount	290	179

Group	2019 £000s	2018 £000s
Trade receivables (note 9)		
Operating	290	-
Fund management	-	179
Carrying amount	290	179

For treasury operations, only financial institutions of an investment grade are used.

Price Risk
The Group's holding of "Fair value through profit and loss" financial assets, which consist of quoted shares, is sensitive to a wide range of market prices. The following table details the Group's sensitivity to a 15% (2018: 15%) fall in market prices, that would effect the value of its "Fair value through profit and loss" financial assets at the statement of financial position date.

	Group		**Company**	
	2019 £000s	2018 £000s	2019 £000s	2018 £000s
Current assets	(558)	-	-	-

Capital risk management
The Group manages its capital to ensure that all entities within the Group are able to operate as going concerns and exceed any minimum externally imposed capital requirements. The capital of the Group and Company consists of equity attributable to the equity owners of the parent company, comprising issued share capital, share premium, retained earnings and other reserves as disclosed in the Statement of Changes in Shareholders' Equity.

One operating subsidiary within the Group is subject to the requirements of their respective regulators, primarily the Financial Conduct Authority (“FCA”) in the UK. This subsidiary held surplus capital over it's respective requirements throughout the year of ownership.

21 Principal subsidiary undertakings

The following information is given in respect of those subsidiary undertakings which, in the opinion of the directors, principally affect the consolidated profits or assets of the Company. They are wholly-owned subsidiary undertakings of the Company except where shown and their issued share capital consists of equity shares.

	Country of incorporation	31 December 2019 % Owned	31 December 2018 % Owned
Hedge Fund Management			
iAM Invest Ltd	UK	100%	100%
Integrated Alternative Investments USA LLC	USA	100%	100%
Integrated Recovery Ltd	BVI	100%	100%
Green Energy interests			
Integrated Energy Holdings Ltd	UK	53.7%	53.7%
Integrated Energy Holdings SA	Luxembourg	-	27.0%
Integrated E-Energy Investments Sarl	Luxembourg	27.0%	27.0%
Other			
IAM Capital Management SARL	Luxembourg	100%	100%
iDixon Hospitality Ltd	UK	100%	100%

22 Discontinued operations

In December 2019, the Group's subsidiary Integrated Energy Holdings SA was liquidated.

	2019 £000s
Cash disposed of	(49)
Net cash inflow on disposal of discontinued operation	(49)
Net assets disposed (other than cash):	
Trade and other receivables	(32)
Trade and other payables	181
	149

The results of the discontinued operation and the amount of income from discontinued operations attributable to the owners of the parent, are shown in the Consolidated Income Statement on page 15.

Earnings per share from discontinued operations, are also shown in the Consolidated Income Statement on page 15 and note 7.

Retention

Pursuant to a Shares Purchase Agreement in 2018 between Integrated E-Energy Investments Sarl ("Seller") and EF Solare Italia S.p.A. ("Purchaser"), pursuant to which the Purchaser bought the solar PV portfolio in which the Company owned a controlling interest, and pursuant to the escrow agreement contemplated thereby, €1 million of the purchase price (the "Escrowed Funds") for the solar PV portfolio was deposited into escrow to secure potential liabilities of the Seller under the Purchase Agreement. Any Escrowed Funds remaining in escrow on 21 January 2021 will be released to Seller. The Company did not record the Escrowed Funds as sales in 2018 proceeds due to the potential that all or part of the Escrowed Funds may be drawn upon by Purchaser to satisfy Seller's contingent liabilities under the Purchase Agreement.

Statement of cash flows

The statement of cash flows includes the following amounts relating to discontinued operations:

	2019 £000s	2018 £000s
Operating activities	(323)	(2,383)
Investing activities	-	3,795
Financing activities	(253)	(4,903)
Net cash from discontinued operations	(576)	(3,491)

23 Contingent liabilities

From time to time the Group is engaged in disputes on employment and / or other related matters. Such matters are inherently subject to many uncertainties and the Group cannot predict their outcome. There are no issues which are currently expected to have a material adverse impact on the Group's results or net assets.

24 Events after the reporting date

In June, 2019 we formally incorporated iAM Capital Fund S.C.A. SICAV-RAIF, structured as a Luxembourg-based fund platform. The group is currently working towards the first closing of its sub-fund ICE II.

The Company, as all other businesses, has been affected by the worldwide outbreak of COVID-19 and the subsequent measures put in place to stop the spread of the virus. The impact is largely expected to affect the investment fund the Company manages as its portfolio consists of real estate investments, mainly in middle and southern Europe. More specifically this situation is expected to delay the sale of the full portfolio which in turn could lead to the management fee (and performance fees, where applicable) payments to the Company being delayed due to the illiquid nature of the underlying portfolio and therefore impacting the Company's cash flow.

The group has taken active measures to mitigate the effects of the crisis and support its cashflow in the short term. It further intends to make use of the support made available by the government because the launch of its new fund had been postponed by a further three months and this has had a significant impact on the projected P&L and cash flow of the Company and the group for the financial year 2020. However, the Company is well capitalised and has sufficient access to liquid assets for the short to medium term and is therefore in a strong position to withstand the crisis and get itself in a position to take advantage of opportunities when they arise.

Company Information

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