

IAM INVEST LIMITED

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

REGISTRATION NUMBER 04007950

IAM INVEST LIMITED

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IAM INVEST LIMITED

Officers and Professional Advisers

Directors

E. M. Arbib
D. Baron
M. Segall

Registered Office

4 Hill Street
Mayfair
London
W1J 5NE

Bankers

Barclays Bank Plc
Business Banking Larger Business
Floor 28, 1 Churchill Place
Canary Wharf
London
E14 5HP

Auditors

Sopher + Co LLP
Chartered Accountants & Statutory Auditors
5 Elstree Gate
Elstree Way, Borehamwood
Hertfordshire, WD6 1JD

Strategic Report

Overview

The directors present the Strategic Report, Directors' Report and the financial statements of IAM Invest Limited (the "Company") for the year ended 31 December 2019.

The principal activity of the Company is the provision of investment management and investment advisory services. The Company specialises in the provision of services in the Hedge Funds market. There have not been any significant changes in the nature of principal activities during the year. The Company continues to manage a special situations investment vehicle based in Luxembourg.

Business review

The Company is authorised and regulated by the Financial Conduct Authority.

The directors are confident that despite the low level of assets under management in its Funds business, the Company will continue to trade profitably in the future. The Company continues to actively manage its cost base in line with the level in assets under management.

Key Performance Indicators

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

	2019 £	2018 £	Change
Turnover	649,133	1,112,950	-42%
Profit for the year before tax	85,135	430,445	-80%
Total capital resources, net of deductions	3,519,416	3,864,281	-9%

Future developments

The directors intend to manage the business in a prudent manner, while seeking to find suitable acquisition and other corporate opportunities to make the business more efficient in the long run. A second special situations vehicle has been set up but the launch has been postponed due to reasons beyond our control. Please see note 16 for further details.

Going concern

The Company has sufficient liquid resources. The directors are confident that the Company will continue to meet its liabilities as they fall due for the foreseeable future and therefore prepare the financial statements on the going concern basis.

Principal risks and uncertainties

The principal risk attached to the management of Hedge Funds is investment risk, being the poor performance of the underlying funds, either absolutely or relative to their peer group. This could result in a decrease in both management and performance fees received by the Company and in redemptions by investors leading to a decrease in Assets Under Management with similar effect. This risk is mitigated by the use of a robust and highly developed investment process which is implemented by skilled and experienced staff and the operation of a separate risk management function independent of the investment function which both ensures the investment team's adherence to the internal procedures as well as monitoring the portfolios against a range of pre-determined criteria using sophisticated risk management software. The outbreak of Corona virus in 2020 has also created a risk to the company and the steps taken to mitigate this are outlined in the subsequent events section (note 16).

Creditor Payment Policy

The Company 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 and to make payment in accordance with the payment terms.

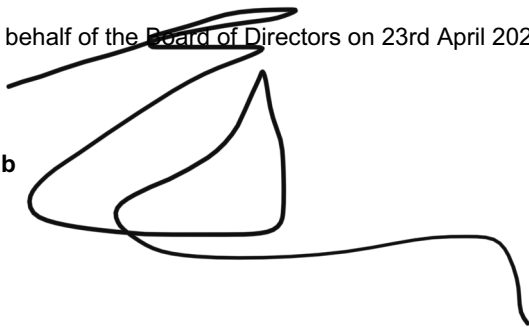
Directors' statement of compliance with the duty to promote the success of the Company

The board of directors of IAM Invest Limited considers that the directors have acted in the way they consider, in good faith, would be most likely to 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 and two sub-funds were added in July and November respectively, however, neither were opened to investors yet due to various reasons and the launch has since been postponed. Please see the post balance sheet events in note 16 for further reference with regards to the situation in 2020. With the resulting delay in the Company's projected revenue 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 so that it can act quickly and decisively with the aim to take advantage of any 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.
- As board of directors we aim to act responsibly and fairly in how the Company engages with suppliers, service providers and in an open and cooperative way with its regulatory body, the FCA. 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 satisfy the senior management & certification regime and 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 Company has a sole member but it takes into consideration acting fairly towards other members of the group.

Signed on behalf of the Board of Directors on 23rd April 2020 by:

E. M. Arbib
Director

A large, stylized handwritten signature in black ink, consisting of several loops and a long horizontal tail, positioned to the right of the name and title.

Directors' Report

The directors submit their report together with the audited financial statements of IAM Invest Limited (the "Company") for the year ended 31 December 2019.

Directors

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

E. M. Arbib

D. Masetti (resigned on 31 July 2019)

M. Segall

D. Baron (appointed 25 November, 2019)

Third Party Indemnity

Qualifying third party indemnity provisions for the benefit of the directors were in force during the year under review and remain in force at the date of approval of the director's report and financial statements.

Pillar 3 Disclosures

Details of the Company's unaudited Pillar 3 disclosures, required under Chapter 11 of the Financial Conduct Authority's Prudential Sourcebook for Banks, Building Societies and Investment Firms ("BIPRU"), will be published on our website.

Results and Dividends

The Company made a profit of £ 85,135 (2018: £ 430,445).

A dividend of £ 430,000 was paid in the year (2018: £ 690,000).

Post Balance Sheet Events

Please refer to note 16.

Auditors

In accordance with the Companies Act 2006, the Company has elected to dispense with the obligation to appoint auditors annually.

Each of the persons who are directors at the time when the directors' report is approved has confirmed that :

- (a) so far as each director is aware, there is no relevant audit information of which the Company's auditors are 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 auditors for that purpose, in order to be aware of any information needed by the Company's auditors in connection with preparing their report and to establish that the Company's auditors are aware of that information.

Signed on behalf of the Board of Directors on 23rd April 2020 by:

E. M. Arbib
Director



Statement of Directors' Responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company 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 applicable UK Accounting Standards have been followed, 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 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 Auditors' Report to the Shareholders of IAM Invest Limited

Opinion

We have audited the financial statements of IAM Invest Limited (the "company") for the year ended 31 December 2019, which comprise the Income Statement, the Balance Sheet, the Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and,
- have been properly 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 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 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 other 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.

Independent Auditors' Report to the Shareholders of IAM Invest Limited

Opinion on 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 Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and 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 company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic or 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, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement on page 4, 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 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 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. This description forms part of our Auditors' Report.

Independent Auditors' Report to the Shareholders of IAM Invest Limited

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.

Sophier + Co LLP

Martyn Atkinson FCA (Senior Statutory Auditor)

for and on behalf of
Sophier + Co LLP

Chartered Accountants
Statutory Auditors

5 Elstree Gate
Elstree Way
Borehamwood
Hertfordshire
WD6 1JD

23rd April 2020

IAM INVEST LIMITED

Income Statement for the year ended 31 December 2019

	Note	2019 Total £	2018 Total £
Turnover	1c, 2	649,133	1,112,950
Cost of Sales	2	(70,165)	(217,792)
Gross Profit		<u>578,968</u>	<u>895,158</u>
Administrative Expenses		(493,833)	(464,713)
Profit on Ordinary Activities before Taxation		85,135	430,445
Tax on profit on ordinary activities	6	-	-
Profit for the financial year		<u><u>85,135</u></u>	<u><u>430,445</u></u>

All of the activities of the company are classed as continuing. There were no recognised gains or losses for 2019 or 2018 other than those included in the income statement.

The notes on pages 12 - 18 form an integral part of these financial statements.

IAM INVEST LIMITED

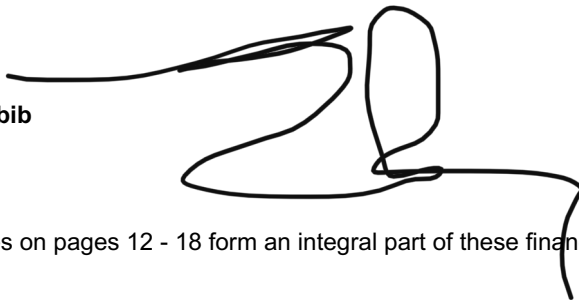
COMPANY REGISTRATION NUMBER 04007950

Balance Sheet at 31 December 2019

	Note	2019 £	2018 £
Assets			
Investment in subsidiary	7	783	783
Current Assets			
Debtors	8	3,313,178	3,797,171
Cash at bank and in hand		281,274	241,639
Total Assets		<u>3,595,235</u>	<u>4,039,593</u>
Current Liabilities			
Creditors: amounts falling due in less than one year	9	(75,819)	(175,312)
Total Assets less Current Liabilities		<u><u>3,519,416</u></u>	<u><u>3,864,281</u></u>
Capital and Reserves			
Called up share Capital	12	2,687,778	2,687,778
Other equity capital	12	680,000	680,000
Other reserves		53,000	53,000
Profit and Loss Account		98,638	443,503
Shareholders' Funds		<u><u>3,519,416</u></u>	<u><u>3,864,281</u></u>

These financial statements were approved by the Board of Directors on 23rd April 2020 and are signed on its behalf by:

E. M. Arbib
Director



The notes on pages 12 - 18 form an integral part of these financial statements.

Statement of Changes in Equity for the year ended 31 December 2019

	Called up share capital £	Other equity capital £	Other reserves £	Profit and loss account £	Total £
At 1st January, 2018	2,687,778	680,000	53,000	703,058	4,123,836
Profit for the year	-	-	-	430,445	430,445
Dividend paid	-	-	-	(690,000)	(690,000)
At 31st December, 2018	2,687,778	680,000	53,000	443,503	3,864,281
Profit for the year	-	-	-	85,135	85,135
Dividend paid	-	-	-	(430,000)	(430,000)
At 31st December, 2019	<u>2,687,778</u>	<u>680,000</u>	<u>53,000</u>	<u>98,638</u>	<u>3,519,416</u>

The notes on pages 12 - 18 form an integral part of these financial statements.

Notes to the Financial Statements for the year ended 31 December 2019

1 Principal Accounting Policies

(a) Basis of Preparation

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies [see note 1(k)].

The company is also a wholly-owned subsidiary included in the consolidated financial statements of its immediate parent undertaking which is established under the law of an EEA state and is therefore exempt from the requirement to prepare consolidated financial statements under section 400 of the Companies Act 2006.

IAM Invest Limited is a limited liability company incorporated and domiciled in England & Wales, with its registered office address and business address at 4 Hill Street, Mayfair, London W1J 5NE. The company's functional and presentational currency is the British Pound Sterling (£).

(b) Reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);

This information is included in the consolidated financial statements of iAM Capital Group PLC as at 31 December 2019 and these financial statements may be obtained from Companies House.

(c) Turnover

Turnover represents the fair value of consideration received for the provision of investment management and advisory services in the United Kingdom net of value-added tax, rebates and discounts allowed. Turnover is recognised when the amount of revenue can be reliably measured and when it is probable that future economic benefits will flow to the entity.

(d) Foreign currencies

Foreign currency transactions are translated into British Pound Sterling (£) 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.

(e) Current and deferred taxation policy

The tax expense for the year comprises current and deferred tax. Tax is recognised in the income statement.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date. Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met. Deferred tax balances are not recognised in respect of permanent differences. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

(f) Defined Contribution Pension Plan

The company contributes to a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity. Once the contributions have been paid the company has no further payment obligations.

The contributions are recognised as an expense in the Consolidated Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the company in independently administered funds.

Notes to the Financial Statements for the year ended 31 December 2019

1 Principal Accounting Policies (continued)

(g) Going concern

The Company has sufficient liquid resources and ongoing investment advisory and management contracts. The directors are confident that the Company will continue to meet its liabilities as they fall due for the foreseeable future and therefore prepare the financial statements on the going concern basis.

(h) Holiday pay accrual

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the balance sheet date.

(i) Basic Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable and loans to related parties.

Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. The company does not have debt instruments that are payable or receivable in more than one year.

Financial assets that are measured at cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the income statement.

Cash is represented by cash in hand and deposits with financial institutions.

(j) Investment in subsidiary

Investments in subsidiaries are measured at cost less accumulated impairment.

(k) Judgements in applying accounting policies and key sources of estimation uncertainty

The information required to calculate the management and performance fees to be accrued at the year end is not always available at the date of the approval of the accounts. Management has therefore used their judgement and expertise, including considering market conditions specific to the Asset Under Management, to calculate reasonable estimates of what should be accrued at the year end.

Management use their judgement to determine whether there are indicators of impairment of the Company's assets. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the assets.

Notes to the Financial Statements for the year ended 31 December 2019**2 Turnover and Cost of Sales**

Turnover is attributable to the Company's principal activity and primarily comprises of 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 balance sheet date, performance fees have been recognised based on reasonable estimates that consider the particular fund's performance to the balance sheet date and where evidence exists that suggests that the current performance will be sustainable to the end of the performance period.

	2019 £	2018 £
An analysis of Turnover is as follows :		
Management Fees receivable	305,563	367,643
Performance Fees receivable	55,335	428,079
Other income	288,235	317,228
	<u>649,133</u>	<u>1,112,950</u>

The whole of the turnover is attributable to geographic markets outside the United Kingdom.

Cost of Sales

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.

3 Operating Profit

Operating profit on ordinary activities is stated after charging/(crediting):

	2019 £	2018 £
Exchange loss on translation	21,317	(17,701)
Management Re-charge Expense	123,936	225,000
Provision against Inter-Co Account	-	37,294
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	6,600	6,000
Fees payable to the Company's auditor for other services:		
- Tax compliance services	<u>3,000</u>	<u>3,000</u>

Notes to the Financial Statements for the year ended 31 December 2019**4 Directors' Remuneration**

	2019	2018
	£	£
Salaries	34,948	36,985
Consultancy Fee	1,221	-
	<u>36,169</u>	<u>36,985</u>

Directors' remuneration equates amounts paid to directors for qualifying services as directors of the Company.

5 Staff Costs (excluding directors' remuneration)

	2019	2018
	£	£
Wages and salaries	210,214	96,685
Social security costs	27,270	13,187
Pension costs	4,164	1,745
	<u>241,648</u>	<u>111,617</u>

The average monthly number of employees (including directors) during the period was 7 (2018: 5).

All employees are engaged in marketing activities.

6 Tax on profit on ordinary activities

	2019	2018
	£	£
(a) Analysis of (credit)/charge in the year		
UK corporation tax on result for the period	-	-
Adjustments in respect of prior periods	-	-
	<u>-</u>	<u>-</u>

Notes to the Financial Statements for the year ended 31 December 2019

6 Tax on profit on ordinary activities (Continued)

	2019 £	2018 £
(b) Factors affecting the tax charge for the year		
The tax assessed for the year is lower than (2018: lower than) the standard rate of corporation tax in the UK of 19% (2018: 19%). The differences are explained below.		
Profit on ordinary activities before tax	85,135	430,445
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 19% (2018: 19%)	16,176	81,785
Adjustment in respect of:		
Expenses not deductible for tax purposes	-	25
Capital allowances in excess of depreciation	(235)	(286)
Group relief	(15,941)	(81,524)
Tax charge/(credit) for the period	-	-

7 Investment in subsidiary

	2019 £	2018 £
100% equity interest in Integrated Alternative Investments US LLC	783	783
	783	783

Direct subsidiary undertakings - The following were subsidiary undertakings of the company:

<u>Name</u>	<u>Country of Incorporation</u>	<u>Class of shares</u>	<u>Holding</u>	<u>Principal activity</u>
Integrated Alternative Investments US LLC	USA	Ordinary	100%	Investment

At 31 December 2019 the subsidiary had Share Capital of £783 and Reserves of £nil.

8 Debtors

	2019 £	2018 £
Trade debtors	303,365	158,571
Other debtors	44,659	11,135
Amounts due from group companies	2,964,203	3,625,605
Prepayments and accrued income	951	1,860
	3,313,178	3,797,171

9 Creditors

	2019 £	2018 £
Trade creditors	9,477	147,759
Accruals and deferred income	66,342	27,553
	75,819	175,312

Notes to the Financial Statements for the year ended 31 December 2019**10 Financial instruments**

The Company only enters into transactions that result in the recognition of basic financial assets and liabilities. It does not have financial assets and liabilities measured at fair value.

11 Deferred Tax

The Company has the following net deferred tax asset which has not been recognised as its recovery cannot be ascertained.

	2019 £	2018 £
Depreciation in advance of capital allowances	1,069	1,304
	<u>1,069</u>	<u>1,304</u>

12 Share Capital

	2019 £	2018 £
Allotted, called up and fully paid		
2,687,778 (2018: 2,687,778) Ordinary shares of £1 each	2,687,778	2,687,778
680,000 (2018: 680,000) Redeemable, non-cumulative preference shares of £1 each	680,000	680,000
	<u>3,367,778</u>	<u>3,367,778</u>

The redeemable shares are redeemable upon request at the sole discretion of the Company and rank pari passu in all respects with regards to voting rights and the winding up of the business with the ordinary shares.

13 Reserves**Other Reserves**

Other Reserves represents an undistributable reserve account established in 2006, when its ultimate parent undertaking at the time made a contribution to the Company. The contribution was made without any additional claim over the equity of the Company and there was no right to seek repayment.

Profit and Loss

The profit and loss reserve contains the cumulative balance of retained profit and losses since the company started trading. It is a distributable reserve.

Notes to the Financial Statements for the year ended 31 December 2019

14 Related Party Transactions

Key management personnel include all directors who together have authority and responsibility for planning, directing and controlling the activities of the company. Compensation to key management personnel consists only of the directors' remuneration as set out in note 4.

During the year, the company made sales totaling £124,075 (2018 : £Nil) to a group company which is not owned 100% by the group. There were no balances outstanding as at the year end.

15 Immediate and Ultimate Controlling Party

The Company's immediate and ultimate controlling party is iAM Capital Group PLC, a company registered in England and Wales, the financial statements of which can be obtained from 4 Hill Street, London, W1J 5NE.

16 Events after the Reporting Date

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 of which the Company is a part of, 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 has been postponed by at least a further three months and this has 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.