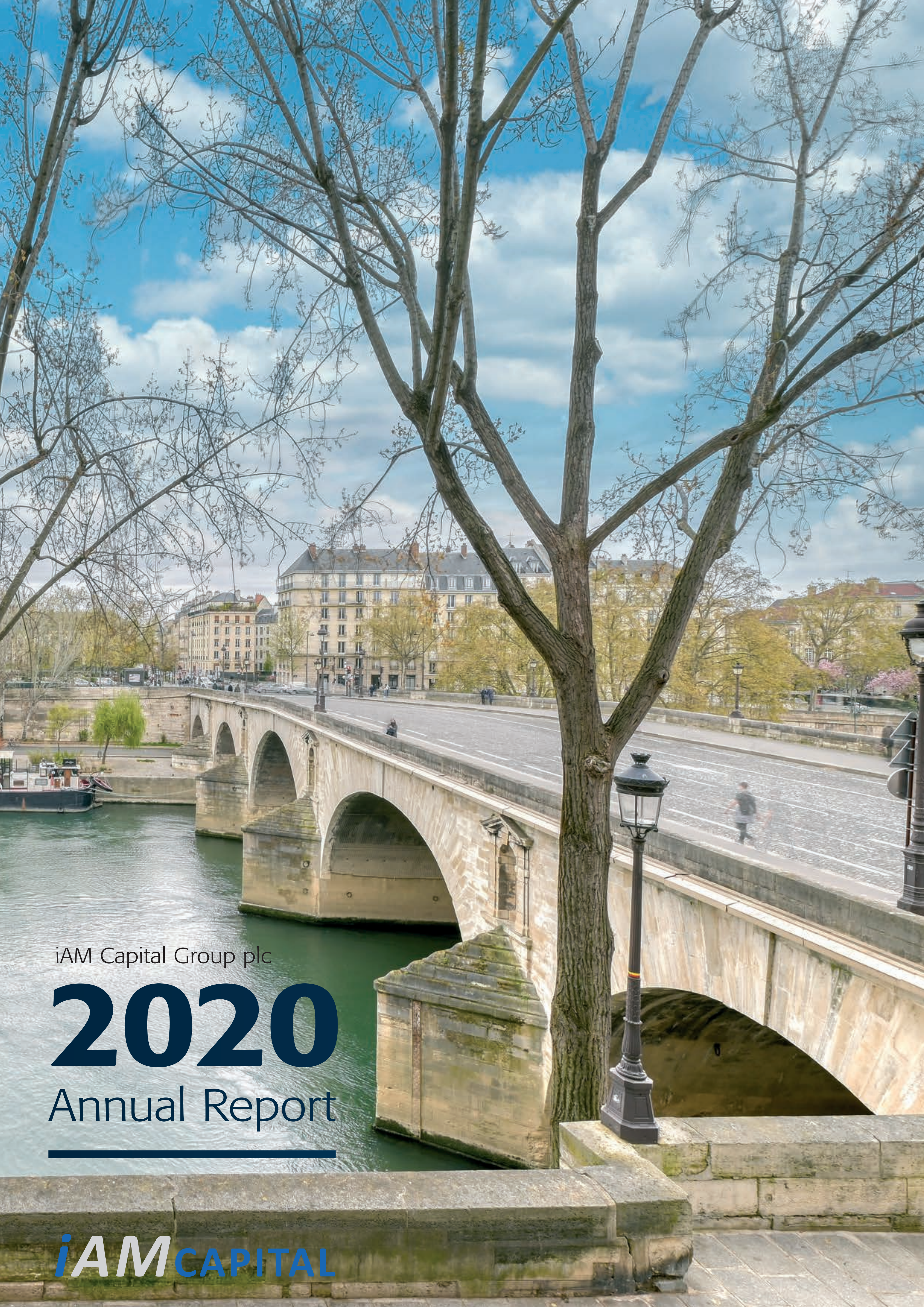


iAM Capital Group plc

2020
Annual Report

iAM CAPITAL

iAM Capital Group plc

At a glance

iAM Capital Group plc is an innovative alternative investment group that seeks to generate value for investors by managing and deploying capital into investment strategies across four principal asset classes: Alternative Investments, Real Estate, Green Energy, and Fintech. The company aims to achieve superior returns by accessing investment opportunities that are not typically available through traditional funds.

Financial Highlights

for the year ended 31st December 2020

Key Performance Indicators	2020	2019
Revenues	£1.2m	£0.8m
Operating Profit/(Loss)	(£0.7m)	(£0.2m)
EBITDA	(£0.4m)	£0.1m
Net Result After Tax	(£0.8m)	£0.4m
EPS	(0.03p)	0.09p

Contents

Chairman's Statement

Resilience allows us to be better prepared for a pickup in 2021.

In common with businesses around the world we have faced the challenges posed by Covid-19 with the lockdowns and restrictions it brought. However, the Group responded and adapted quickly and efficiently, implementing protocols to minimise the impact of the pandemic and to facilitate a smooth transition to enable our staff to work from home. The inevitable delay in the launch of the new real estate investment fund resulted in corresponding delays in management fee income but we are currently actively raising additional capital into our new fund and closing a number of new investment opportunities that we believe will be of great value to investors.

We are committed to continuing to grow our real estate management platform in Luxembourg and working in parallel on various compelling initiatives to invest some of the Company's own balance sheet resources.

During the second half of 2020, in anticipation of the eventual end of the pandemic, we recruited new staff to strengthen our core business development activities, particularly in the real estate and Fintech sectors.

Meanwhile, the Company's investment in JRJ Marex continues to perform well in a busy market for their services.

On behalf of shareholders, I would like to thank all our colleagues for their energy, commitment and achievements during this very difficult year in the shared hope that we soon return to less challenging conditions in every aspect of our lives as the pandemic subsides

J D S Booth
Chairman
25th August 2021

Chief Executive Officer's Review

Continuing to build, despite the challenges.

Despite the challenging year due to the Covid-19 pandemic, the Company completed the first close of the new real-estate compartment of its Luxembourg platform at the end of October. During the year, we also continued to assist in the rapid growth of our affiliated Fintech fund, FinTLV, and reviewed various renewable energy opportunities, some of which have already closed in 2021.

Our consolidated financial results for the year showed total gross revenue of £1,153,000 compared to £837,000 in 2019, and net loss after tax of £802,000 (compared to net profit after tax £379,000 in 2019). The loss was primarily attributable to the delayed launch of our new funds, due mostly to the impact of Covid-19.

Asset Management

At the end of October, we completed the first close of our new real estate fund ICE II, a compartment of the iAM Capital Fund, our Luxembourg platform that is structured as a Reserved Alternative Investment Fund (the "RAIF"). The platform 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. We continue to raise capital into ICE II with the final close expected in Q4 2021.

During the year we completed the liquidation of our Integrated Green Opportunities Fund and distributed the remaining cash.

Balance Sheet Investments

During the year we added a number of investments to our balance sheet: our initial investment into our ICE II Fund, a small investment in a private placement of Next Insurance, and an increase in our holdings in our IAO Fund. Our remaining principal balance sheet investments are comprised of our investment in JRJ Partner 2 Limited Partnership, through which we hold our MarexSpectron investment. During the year MarexSpectron reported another year with record financial results. However, its planned public offering in June, 2021 was postponed due to market conditions and it is now uncertain if we will realize an exit in this investment in 2021.

Cost Structure and Balance Sheet

In 2020, we recalibrated the composition of our core team given our renewed and increased focus on the Italian and French real estate markets. Our comparable cost from continuing operations in 2020 were £1,880,000 as opposed to £1,808,000 in 2019. Our staff count remained stable with 18 employees at the beginning of 2020 compared to 19 at the end of 2020.

Corporate Fundraising

During 2020 no capital was raised. Our gross cash plus marketable securities position remains strong at £5,828,000. The Company's cash balance stands at £807,000, with a further £5,021,000 invested in a portfolio of liquid assets and marketable securities.

Results Summary
Continuing operations only

	Fund Management £ 000	Consultancy £ 000	Central Operating Costs £ 000	2020 Total £ 000	2019 Total £ 000
Turnover	866	287	-	**1,153**	790
Cost of sales	(143)	-	(471)	**(614)**	(616)
Net Revenue	723	287	(471)	**539**	174
Depreciation and amortisation	-	-	(247)	**(247)**	(242)
Operating costs	(485)	-	(992)	**(1,477)**	(1,443)
Operating profit/(loss) before currency exchange differences	238	287	(1,711)	**(1,186)**	(1,511)
Currency exchange differences	3	-	(107)	**(104)**	(123)
Other operating income			124	**124**	
Net (loss)/profit on financial assets	-	-	480	**480**	1610
Share of loss of associate	-	-	-	**-**	
Operating profit/(loss)	241	287	(1,213)	**(685)**	(24)
Net finance and other income	-	-	(75)	**(75)**	(35)
Profit/(loss) before tax	241	287	(1,288)	**(760)**	(59)

Operating Margins
Operating margins were negative in 2020. There was a net foreign currency exchange loss of £104,000 compared with £123,000 in 2019. Margins were negative primarily due to (i) the delayed launch of the iAM Capital Fund S.C.A. SICAV-RAIF and its corresponding management fee, (ii) the mixed performance of our financial assets, and (iii) certain other exceptional costs.

Capital and Cash Flow

	2020 £000s	2019 £000s
Net assets	10,338	10,761
Net current assets	6,955	7,248
Cash at bank	807	3,214

We are very excited finally to see some real light at the end of this Covid-19 tunnel. We believe we are well poised to take advantage of market opportunities as they present themselves in a post-pandemic environment.

I would like to thank all our staff for their continuing support and commitment.

E M Arbib
Chief Executive Officer
25 August 2021

A Year in Review

During a difficult year for businesses in general we launched our ICE II fund with a compelling pipeline of opportunities.

ICE II Real Estate Fund

In November 2020, to capitalise on the success of IREO to date, we successfully completed the first close of the new ICE II fund, a compartment of the iAM Capital Fund S.C.A SICAV-RAIF. ICE II focuses on creating capital growth through value-added enhancements, innovative financing, and organic growth in rental rates.

Together with our strong local partner network, we have been diligently building a strong real estate pipeline for the fund in Italy and France. Our network allows us exposure to exclusive off-market opportunities and the ability to efficiently execute and manage investments. The pipeline currently contains many attractive opportunities we are currently working on.

We are also continuing to focus on raising further capital before the final close of the fund in April 2022.

IREO Real Estate Fund

Our first-generation real estate fund, IREO, was launched in April 2015 and has since invested in a portfolio of 13 transactions consisting of a mix of residential, retail and hospitality properties predominantly located across Italy and France, having exited 2 early US exposures to date for strong returns. Our investment philosophy for the fund remains unchanged, investing alongside strong local partners who commit capital to the transaction and are responsible for local asset management.

Although we had originally earmarked 2020 as a year to focus on further strategic exits for IREO, the pandemic limited our ability to optimally dispose of some assets. In 2020, we successfully managed to dispose of 3 full assets in Paris, along with further pre-sales on other Italian assets, substantially reducing portfolio exposure and uncertainty at the height of the pandemic, and allowing us to distribute capital to investors.

In the meantime we focused our efforts on continuing value-add works on the remaining portfolio in close partnership with our local partners and asset managers. At the end of December 2020, the portfolio consisted of 4 assets in Milan and 4 in Paris.

In 2020, IREO suffered some mark-to-market losses, most notably on one of our main retail assets in Milan, leading to a full year NAV performance of approximately -13%, whilst retaining a cumulative NAV performance since inception of +51%. However, we continue to maximise value through value-add asset management and optimal sales processes, and in early 2021 continued to sell assets at good valuations. We aim to distribute further capital to investors throughout 2021.

Green Energy

After the successful sale of our 34.3 MW solar energy portfolio in Italy at the end of 2018, and a good return from a small investment we made in a green energy operating business in 2019, we began to reinvest significant time in the green energy sector in 2020, setting up an investment pipeline and partnerships that we aim to develop into further selected green energy holdings over the next few years.

The momentum towards reaching low emissions targets is gaining in the US and in Europe, and we expect low carbon infrastructure to receive significant public and private investment over the coming decade.

Fintech

Over the past 3 years, the FinTLV Ventures LP Fund, in which our CEO and a board member are members of the investment committee and General Partners, has received excellent traction in the FinTech space in Israel and abroad, most notably in InsurTech. They have increased funds under management significantly in past few years, expanded their co-investment base, and made a number of investments reaching global headlines.

One of the most notable FinTLV portfolio companies, Hippo insurance, providing homeowner and liability insurance to customers utilising the power of AI and big data, agreed to go public in early 2021 through a SPAC at a valuation of $5 billion.

Corporate Transactions

Our investment in Marex Spectron continued to perform strongly in 2020, reporting record results, with the trend continuing this year.

Notwithstanding the significant impact of the pandemic and the sudden halt to tourism on the hospitality sector, our investment thesis in the short-term lettings market and the niche business model of the Professional Host continues to gain traction in the market. The pandemic has accelerated the shift towards our version of the 'new economy hospitality', with travelers prioritising clean, private space, with fewer shared services.

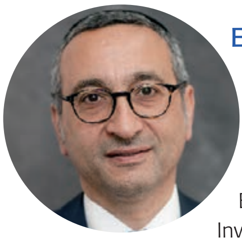
Our investments in Sweet Inn and Sweet Stay took some mark-to-market losses over 2020, as the sudden uncertainty in hospitality played out in company valuations. However, in early 2021 we are pleased to say this trend is reversing and the market is seeing substantial investment and higher valuations, paring some of these losses. We strongly believe that the 'new normal' in hospitality will continue to favour the Professional Host, and we continue to have conviction in our investment thesis in this sector.

Board of Directors

John Booth

Chairman

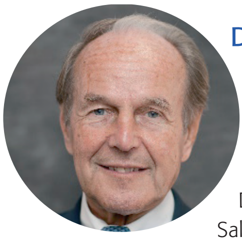
John Booth is a non-executive chairman of iAM Capital Group plc. He also chairs Maintel Holdings plc and serves as a non-executive director for several public and private companies. John began his financial career at Merrill Lynch and has since held senior positions at Hutton International Associates, Prudential Securities and Bankers Trust International plc. John co-founded Link Group, serving as Chairman until its sale to ICAP plc in 2008.



Emanuel Arbib

CEO

Emanuel Arbib is the CEO of iAM Capital Group plc and is the co-founder and Executive Chairman of iAM Invest Ltd, a wholly owned subsidiary. Previously Emanuel was a Director of Capital Management Limited, a family office specialising in real estate, alternative investments and fixed income. From there, Emanuel became a Director of the Trident Rowan Group Inc., a NASDAQ listed company that controlled Moto Guzzi SpA, the Italian motorbike manufacturer. Emanuel has over 25 years' experience in proprietary real estate investing, finance and banking.



Detlef Bierbaum

Director

Detlef Bierbaum is a non-executive director of iAM Capital Group plc. Until 2007 Detlef was a general partner of Sal. Oppenheim jr & Cie. KGaA, Cologne and served on the board of directors of the Association of German Banks. He has had an extensive financial career at some of the most significant European Institutions. At Sal. Oppenheim, Detlef oversaw institutional asset management, mutual funds, private equity, business and alternative investments.

Luigi Marchesini

Director

Luigi Marchesini is a non-executive director of iAM Capital Group Plc. Luigi has over 40 years' experience in the Italian Real Estate Market. He is the founder of Galotti Spa, a major Real Estate Company in Italy, operating in Milan, Bologna and Rome. Galotti Spa has been designing projects for over 60 years whose distinctive factor is quality, efficiency and respect for the environment. Over the past 10 years, Galotti has enhanced over 2 500 000 sqm of territory and completed over 250 000 sqm of residences, 200 000 sqm of commercial areas and 300 000 sqm of offices.

Mark Segall

Director

Mark Segall is a non-executive director of iAM Capital Group plc. He is the founder of Kidron Corporate Advisors LLC, a boutique representing public and private companies and Kidron Capital Advisors an SEC registered broker dealer (member FINRA and SIPC). Prior to forming Kidron, Mark was the Co-CEO of Investec Inc., the US investment banking arm of Investec Group. Before this he was a partner in the New York based law firm, Kramer Levin Naftalis & Frankel LLP. He serves on the Board of Directors of several public and private companies including National CineMedia, Inc. and Bel Fuse, Inc.

Johanna Arbib

Director

Johanna is a director of iAM Capital Group plc. She was an Advisor and Director of AFI SpA, one of Italy's leading private real estate companies. From 2008 to 2014, she was Senior Advisor to Patron Capital, an international real estate firm. She is also a Senior Advisor to the SATOR Group, an Italian private equity fund with interests in banking, real estate and media. Between 2015 and 2020, Johanna has held the position of President and CEO of the Jerusalem Foundation. Between 2009 and 2014, she held the position of Chair of the World Board of Trustees of Keren Hayesod - United Israel Appeal, one of the largest philantrophic organisations.

Strategic Report

The Directors present the Group Strategic Report, Directors' Report and the audited financial statements of IAM Capital Group PLC for the year ended 31 December 2020.

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 the Group's business activities during 2020 along with future developments and risk management is given in the Chairman's Statement and the Chief Executive's Review on pages 1 to 3.

Business review

Financial key performance indicators

In 2020 we continued to operate our traditional businesses with an increase in overall turnover compared to 2019. 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 Opportunities 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.

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. See note 20 of the financial statements for details on how this risk is managed.

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 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.

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.

	2020 Existing Total £000s	2019 Existing Total £000s	Change
Turnover	1,153	790	+46%
Operating costs net of depreciation and FX	1,477	1,443	+2%
Operating result	(685)	(24)	
Net assets	10,338	10,761	-3%

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.

By Order of the Board

J D S Booth
Director
25th August 2021

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.

S172 Report

Directors' statement of compliance with duty to promote the success of the group.

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 2020.

- The Group continues to focus on managing its investment funds, raise capital into its newly launched fund including a co-investment by the Group. The Group will invest its own balance sheet where it comes across attractive opportunities that fit its long-term strategy. The board of directors will closely monitor the ongoing developments around COVID-19 and prepare the Group such that it can act quickly and decisively to mitigate any risk and take advantage of new opportunities.
- The Group operates a policy of equal opportunities in recruitment, promotion and training for all their employees. The Group 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 Group engages with suppliers and service providers. Further information regarding the Group's Creditor Payment Policy can be found in the Strategic Report section.
- The Group focusses on having a positive impact on the community and environment both through its focus on investing in renewable energy projects and as part of its investment processes for the investment funds the Group manages. The integration of Environmental, Social and Governance ("ESG") considerations into the Group's investment decision making processes and ownership practices is part of the commitment of board of directors to act in the best long-term interest of the Group and all its stakeholders. The Group actively seeks to achieve improvements in its ESG practices and implementation across its investment strategies and its own operations. The ESG policy can be found on the Group's website.
- The Group has implemented compliance policies as best practice and to satisfy the senior management & certification regime requirements of its regulated entity 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 report and the financial statements for the year ended 31 December 2020.

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

Mr D Bierbaum

Mr J D S Booth

Mr M B Segall

Mr. L Marchesini

Results and Dividends

The loss attributable to equity holders for the year ended 31st December 2020 was £710,00 (2019 - profit of £20,000).

The directors do not propose the payment of a dividend for the year ended 31 December 2020 (2019 - £nil).

Donations

During the year the Group made charitable donations totaling £100,000 (2019 - £900).

During the year the Group made political donation totalling £nil (2019 - £nil).

Third-Party Indemnity Provision

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

Disclosure of information to auditors

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

- so far as the director is aware, there is no relevant audit information of which the company and the group's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company and the group's auditors are aware of that information.

By Order of the Board

J D S Booth
Director
25 August 2021

Subsequent Events

In early February the final consideration from the ER1 sale (solar portfolio) was released from the escrow account and this has subsequently been distributed to the shareholders, including the Company. The Company continues to raise capital into its IAM Capital Fund while reviewing new investment opportunities across the group. The continued impact of COVID-19 on the performance of its assets is actively being monitored.

For more information, please refer to note 23 in the financial statements.

Employees

The Group operates an equal opportunity policy in the recruitment, promotion and training of all its employees. The Group believes that empoyees 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 September 2021. 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 a resolution will be proposed at the Annual General Meeting to reappoint them as Auditor of the Company.

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, Jacobus Verkleij, 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 who attended a number of meetings during the year. The Directors who served on the Committee during the year were John Booth (Chairman) and Mark Segall. 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.

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 Group Strategic Report, the Directors' Report and the consolidated financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and International Financial Reporting Standards ("IFRS") as adopted by the European Union. 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 the group and of the profit or loss of the group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the group's financial statements and then apply them consistently;
- make judgments 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 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 the group and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

By Order of the Board

J D S Booth
Director
25 August 2021

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

Opinion

We have audited the financial statements of IAM Capital Group Plc for the year ended 31 December 2020, which comprise the Group Statement of Comprehensive Income, the Group and Company Statements of Financial Position, the Group and Company Statement of Cash Flows, the Group and Company 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 International Financial Reporting Standards (IFRSs) as adopted by the European Union.

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 2020 and of the Group's loss for the year then ended; and
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- 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 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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent Company's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

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.

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 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. explanations we require for our audit.

Responsibilities of the directors

As explained more fully in the Directors' Responsibilities Statement set out on page 10, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the Company through discussions with directors and other management, and from our commercial knowledge and experience of the financial services sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the Company, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment, health and safety legislation which are applicable;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- understanding the design of the Group's and Company's remuneration policies.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with the tax authorities, relevant regulators and legal advisors.

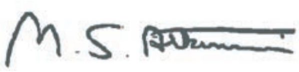
There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any..

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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.

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 or 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

25 August 2021

Financial Statements

Consolidated Statement of Comprehensive Income
for the year ended 31 December 2020

	Note	Continuing operations 2020 £000s	Discontinued operations 2020 £000s	Total 2020 £000s	Continuing operations 2019 £000s	Discontinued operations 2019 £000s	Total 2019 £000s
Revenue		1,153	-	1,153	790	47	837
Cost of sales		(614)	-	(614)	(616)	-	(616)
Net revenue		539	-	539	174	47	221
Operating costs		(1,828)	-	(1,828)	(1,808)	(47)	(1,855)
Other Operating Income		124	-	124	-	-	-
Net profit on trading		480	-	480	1,610	-	1,610
Profit on sale of subsidiary		-	-	-	-	(147)	(147)
Operating (loss)/profit	3	(685)	-	(685)	(24)	(147)	(171)
Finance income	5	6	-	6	71	6	77
Finance expense	5	(81)	-	(81)	(106)	790	(684)
(Loss)/profit before taxation		(760)	-	(760)	(59)	649	590
Taxation	6	(42)	-	(42)	5	(216)	(211)
(Loss)/profit for the year		(802)	-	(802)	(54)	433	379
Attributable to :							
Total							
Owners of the parent		(710)	-	(710)	(97)	117	20
Non-controlling interest		(92)	-	(92)	43	316	359
		(802)	-	(802)	(54)	433	379
Earnings per share	7						
Total							
Basic		-0.03p	0.00p	-0.03p	-0.45p	0.54p	0.09p
Diluted		-0.03p	0.00p	-0.03p	-0.45p	0.54p	0.09p

Consolidated Statement of Comprehensive Income
for the year ended 31 December 2020

	Note	Year ended 31 December 2020 £000s	Year ended 31 December 2019 £000s
Profit for the year		(802)	379
Currency translation differences on overseas operations		(3)	(466)
Net gain/(loss) on available for sale financial assets	12	331	150
Total comprehensive income for the year		(474)	63
Total comprehensive income attributable to :			
Owners of the parent		(475)	3
Non-controlling interest		1	60
		(474)	63

Consolidated Statement of Financial Position

as at 31 December 2020

	Note	As at 31 December 2020 £000s	As at 31 December 2019 £000s
Assets			
Non-current assets			
Tangible fixed assets	8	223	438
Equity-accounted investees	11	2	1
Financial assets	12	4,558	4,496
		4,783	4,935
Current assets			
Trade and other receivables	9	1,474	910
Cash and cash equivalents	10	807	3,214
Other financial assets	12	5,892	3,928
		8,173	8,052
Total assets		12,956	12,987
Liabilities			
Non-current liabilities			
Loans and borrowings	15	(1,400)	(1,422)
		(1,400)	(1,422)
Current liabilities			
Loans and borrowings	15	(512)	(242)
Trade and other payables	16	(706)	(565)
Tax payable			3
		(1,218)	(804)
Total liabilities		(2,618)	(2,226)
Net assets		10,338	10,761
Capital and Reserves			
Called up share capital	17	1,103	1,103
Share Premium Account		2,312	2,312
Capital redemption reserve		672	672
Exchange difference reserve		578	582
Available for sale financial assets reserve		1,091	760
Retained earnings		4,625	5,314
Equity attributable to equity owners of the parent		10,381	10,743
Non-controlling interests		(43)	18
Total equity		10,338	10,761

Company Statement of Financial Position

as at 31 December 2020

	Note	As at 31 December 2020 £000s	As at 31 December 2019 £000s
Assets			
Non-current assets			
Tangible fixed assets	8	223	438
Investment in subsidiaries	13 & 21	3,669	3,669
Investment in associate	11	2	1
Financial assets	12	4,558	4,222
		8,452	8,330
Current assets			
Trade and other receivables	9	4,135	5,322
Cash and cash equivalents	10	303	135
Other financial assets	12	897	205
		5,335	5,662
Total assets		13,787	13,992
Non-current liabilities			
Loans and Borrowings	15	(1,400)	(1,422)
		(1,400)	(1,422)
Current liabilities			
Loans and Borrowings	15	(64)	(242)
Trade and other payables	16	(3.239)	(2,999)
		(3,303)	(3,241)
Total liabilities		(4,703)	(4,663)
Net assets		9,084	9,329
Capital and Reserves			
Called up share capital	17	1,103	1,103
Share Premium Account		2,312	2,312
Capital redemption reserve		672	672
Available for sale financial assets reserve		1,091	760
Retained earnings		3,906	4,482
Total equity		9,084	9,329

Consolidated Statement of Changes in Shareholders' Equity

for the year ended 31 December 2020

	Share capital £000s	Share premium £000s	Retained earnings £000s	Other reserves £000s	Non-controlling interests £000s	Total £000s
Balance at 1 January 2020	1,103	2,312	5,314	2,014	18	10,761
Currency translation adjustments	-	-	-	(4)	-	(4)
Net gain/(loss) on available for sale financial assets	-	-	-	331	-	331
Dividend Adjustment	-	-	21	-	31	52
Loss for the year	-	-	(710)	-	(92)	(802)
Balance 31 December 2020	1,103	2,312	4,625	2,341	(43)	10,338

	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
Dividends Paid	-	-	(199)	-	(6,557)	(6,756)
Capital Repaid	-	-	-	-	(2,372)	(2,372)
Transfer between reserves	-	-	(1,097)	-	(1,097)	-
Profit for the year	-	-	20	-	359	379
Balance 31 December 2019	1,103	2,312	5,314	2,014	18	10,761

Company Statement of Changes in Shareholders' Equity

for the year ended 31 December 2020

	Share capital £000s	Share premium £000s	Retained earnings £000s	Other reserves £000s	Total £000s
Balance at 1 January 2020	1,103	2,312	4,482	1,432	9,329
Net gain on available for sale financial assets	-	-	-	331	331
Loss for the year	-	-	(576)	-	(576)
Balance 31 December 2020	1,103	2,312	3,906	1,763	9,084

	Share capital £000s	Share premium £000s	Retained earnings £000s	Other reserve £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
Profit for the year	-	-	952	-	952
Balance 31 December 2019	1,103	2,312	4,482	1,432	9,329

Consolidated Cash Flow Statement
for the year ended 31 December 2020

	Year ended 31 December 2020 £000s	Year ended 31 December 2019 £000s
Cash flows from operating activities		
Cash generated/(used) from operations	(1,668)	(2,688)
Deferred Tax Movement	-	154
Finance costs	81	(684)
Finance income	(6)	(77)
Tax Paid	(9)	-
Cash flows from operating activities - total Group	(1,602)	(3,295)
Cash flows from investing activities		
Purchase of tangible fixed assets	(5)	(2)
Purchase of non-current financial assets	(237)	-
Capital repayment received from non-current asset investments	204	-
Purchase of available for sale assets	(3,031)	(3,780)
Sale of available for sale assets	1,840	-
Purchase of associate	-	(1)
Proceeds received on disposal of subsidiary less divested cash	-	(49)
Return of share capital and share premium to non-controlling interest	-	(2,372)
Cash acquired in lieu of bank guarantee	-	(1,518)
Interest received	6	77
Cash flows from investing activities - total Group	(1,223)	(7,547)
Cash flows from financing activities		
Finance lease capital repayments	(4)	(296)
Finance lease interest paid	(1)	(15)
Other loans interest paid	(25)	699
Share Capital Raised	-	105
Share Premium Raised	-	1,283
Loans Received	448	1,360
Dividend paid to parent shareholders	-	(199)
Dividend paid to non-controlling interests	-	(6,557)
Repayment of loan receivable	-	(2,389)
Exchange movements on foreign subsidiaries	-	(444)
Cash flows from financing activities - total Group	418	(6,453)
Net decrease in cash and cash equivalents	(2,407)	(17,295)
Cash and cash equivalents at beginning of year	3,214	20,509
Net cash and cash equivalents at end of year	807	3,214

Reconciliation of Operating Profit to Net Cash Inflow from Operating Activities

for the year ended 31 December 2020

	Year ended 31 December 2020 £000s	Year ended 31 December 2019 £000s
Operating profit on ordinary activities	(802)	379
Depreciation on owned assets	6	2
Depreciation on right of use assets net of rental payments	(10)	(10)
Profit on sale of available for sales assets	52	-
Unrealised movement in fair value on financial assets	(415)	1
Unrealised foreign currency (gains)/losses	100	-
Profit on disposal of tangible fixed assets	(10)	-
Decrease/(increase) in trade and other receivables	(732)	(542)
Decrease in trade and other payables	(143)	(2,518)
Net cash inflow from operating activities	(1,668)	(2,688)

Company Cash Flow Statement
for the year ended 31 December 2020

	Year ended 31 December 2020 £000s	Year ended 31 December 2019 £000s
Cash flows from operating activities		
Cash generated/(used) from operations	681	(4,807)
Finance Costs	87	84
Finance Income	(6)	(22)
Dividends Received	-	(1,756)
Income tax paid	-	-
Cash flows from operating activities	762	(6,501)
Cash flows from investing activities		
Dividends Received	-	1,756
Purchase of subsidiary	-	(11)
Purchase of tangible fixed assets	(5)	(2)
Purchase of non-current financial assets	(237)	-
Capital repayment received from non-current asset investments	204	-
Purchase of current financial assets	(551)	(20)
Return of share capital and share premium from subsidiary	-	2,373
Purchase of associate	-	(1)
Purchase of current financial assets	-	(37)
Interest received	-	22
Cash flows from investing activities	(589)	4,080
Cash flows from financing activities		
Finance lease - capital repayments	(4)	(296)
Finance lease - interest paid	(1)	(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	(5)	2,169
Net increase in cash and cash equivalents	168	(252)
Cash and cash equivalents at beginning of year	135	387
Cash and cash equivalents at end of year	303	135

Reconciliation of Operating Profit/(Loss) to Net Cash Inflow/(Outflow) from Operating Activities
for the year ended 31 December 2020

	Year ended 31 December 2020 £000s	Year ended 31 December 2019 £000s
Operating profit/(loss) on ordinary activities	(576)	952
Depreciation on owned assets	6	2
Depreciation on right of use assets net of rental payments	(10)	(10)
Movement in fair value on financial assets	29	(10)
Unrealised foreign currency (gains)/losses	(27)	-
Profit on disposal of tangible fixed assets	(10)	-
Increase in trade and other receivables	(595)	(406)
Increase/(decrease) in trade and other payables	70	(601)
Decrease in amounts owed to/from group undertakings	1,794	(4,734)
Net cash inflow/(outflow) from operating activities	681	(4,807)

Notes to the Financial Statements

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 financial statements are set out below. These policies have been consistently applied to all the years presented.

(a) **Basis of preparation**

The 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 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 in these financial statements.

(b) **New IFRS's and interpretations**

i) **Standards effective in 2020:**

The Group has adopted the amendments and revisions to standards as detailed below:

Amendments to IAS 1 and IAS 8 definition of material

Amendments to IFRS 3 - definition of a business

"Conceptual Framework - Amendments to References to the Conceptual Framework in IFRS Standards"

None of these amendments have had a material impact on the accounts or disclosures.

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
Amendment to IFRS 16, 'Leases' – Covid-19 related rent concessions	1 June 2020
Amendments to IAS 1, Presentation of financial statements' on classification of liabilities	1 January 2021
Amendments to IFRS 9, IAS 39, IFRS7, IFRS4 and IFRS16 Interest Rate Benchmark Reform - Phase 2	1 January 2021
Amendments to IFRS 3, IAS 16, IAS 17 and some annual improvements on IFRS 1, IFRS 9, IAS 41 and IFRS16	1 January 2022

(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 two business segments: 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

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
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 2020 is £74,000 (2019: £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.

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) 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.

(o) 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.

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.

(p) 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.

(q) 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.

(r) 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.

(s) 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 separately 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 fund management and consultancy services units as opposed to any geographical basis, do not see the requirement for any geographical analysis.

The Group is organised into two business segments Fund Management and Consultancy Services together with a segment for the central operating costs. The segmental results are as follows:-

Business Type 31 December 2020	Fund Management £000s	Consultancy £000s	Central Operating costs £000s	Group £000s
Revenue from external customers	866	287	-	1,153
Cost of sales	(143)	-	(471)	(614)
Net Revenue	723	287	(471)	539
Operating costs	(485)	-	(992)	(1,477)
Other operating income	-	-	124	124
Depreciation and amortisation	-	-	(247)	(247)
Currency exchange differences	3	-	(107)	(104)
Net (loss)/gain on financial assets / liabilities	-	-	480	480
Operating profit/(loss)	241	287	(1,213)	(685)
External interest receivable and similar income	-	-	6	6
External interest payable and similar expense	-	-	(81)	(81)
Profit/(loss) before taxation	241	287	(1,288)	(760)

Included within the Revenue from external customers of £1,153,000 are amounts £866,000 (within fund management segment) and £288,000 (within consultancy segment), each of which generate more than 10% of the total external income.

	Fund Management £000s	Consultancy £000s	Central costs £000s	Group £000s
Segment assets	3,751	-	9,205	12,956
Segment liabilities	(241)	-	(2,376)	(2,617)
	3,510	-	6,829	10,339
Capital expenditure on segment assets	-	-	31	31

31 December 2019	Fund Management £000s	Consultancy £000s	Central Operating costs £000s	Continuing Operations £000s	Discontinued Green Energy £000s	Group £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 of £525,000 (within fund management segment) and £265,000 (within consultancy segment), each of which generate more than 10% of the total external income.

	Fund Management £000s	Consultancy £000s	Central costs £000s	Green Energy £000s	Inter-segment elimination £000s	Group £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

(b) **Geographical segments**

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

3 Operating Profit

Operating profit is stated after charging/(crediting):

	2020 £000s	2019 £000s
Depreciation of property, plant and equipment	(247)	(242)
Exchange gain/(loss)	(104)	(123)
Audit services		
- fees payable to the Group's auditors for the audit of IAM Capital	14	16
- fees payable to the Group's auditors in respect of auditing subsidiaries	12	7
Tax services	-	6
Other assurance services	5	21

4 Staff costs and employees

Staff costs including Directors' emoluments:

	2020 £000s	2019 £000s
Wages and salaries (Including bonuses)	717	694
Social security costs	72	70
Other staff costs	28	25
Total	817	789

The average monthly number of persons employed by the Group including Executive Directors was 19 (2019: 17) and is analysed as follows:

	2020	2019
Asset Management and administration	19	17
Total	19	17

Directors' emoluments:

	2020	2019
	£000s	£000s
Group		
Directors' emoluments	124	139

The highest paid Director received salary and related benefits of £41,922 (2019: £70,000), which included £814 (2019: £1,200) contributions to a pension scheme .

5 Net finance costs

	2020	2019
Group	£000s	£000s
Interest income on:		
Union Bancaire Privee deposit accounts	-	42
ING Bank deposit accounts	-	12
Other Loans	6	23
Finance income	6	77
Interest expenses on:		
Unsecured third party loan	-	4
Other loans	81	680
Finance costs	81	684
Net finance costs recognised in profit or loss	75	607

6 Taxation

(a) Analysis of tax charge for the year

	2020	2019
	£000s	£000s
Current tax		
Current tax on profits for the year	1	211
Adjustments in respect of prior periods	41	-
Total current tax	42	211
Deferred tax	-	-
Effects of changes in corporation tax rates	-	-
Origination and reversal of temporary differences	-	-
Total tax charge for the year	42	211

(b) Factors affecting the tax charge for the year

	2020	2019
	£000s	£000s
(Loss)/Profit before taxation	(760)	590
Tax calculated at the domestic tax rates applicable to (losses)/profits in the respective countries	(144)	112
Effect of:		
Other differences leading to an increase (decrease) in the tax charge	83	(190)
Disallowable expenses and non-taxable income	26	(8)
Capital allowances in excess of depreciation	(1)	(2)
Other tax adjustments	-	4
Deferred tax adjustments	-	-
Unrelieved tax losses and other deductions in the period	79	295
Total tax charge/(credit) for the year	42	211

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:

	2020 £000s	2019 £000s
Total loss from continuing operations used in calculating basic and diluted EPS	(710)	(97)
Total loss used in calculating basic and diluted EPS	(710)	20

	No. '000s	No. '000s
Weighted average number of ordinary shares used in calculating basic EPS	22,072	21,579
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	22,072	21,579

Basic EPS from continuing operations has been calculated using the loss from continuing operations £710,000 (excluding non-controlling interests) divided by the weighted average number of ordinary shares 22,072,245.

Diluted EPS from continuing operations has been calculated using the loss from continuing operations £710,000 (excluding non-controlling interests) divided by the weighted average number of ordinary shares 22,072,245.

8 Tangible fixed assets

Group	Right of Use Assets £000s	Vehicles & equipment £000s	Fixtures & fittings £000s	Leasehold improvements £000s	Total £000s
Cost					
At 1st January 2020	600	123	301	249	1,273
Additions	-	26	5	-	31
Disposals	-	(32)	-	-	(32)
At 31st December 2020	600	117	306	249	1,272
Depreciation					
At 1st January 2020	(239)	(123)	(224)	(249)	(835)
Charge in the year	(240)	-	(2)	-	(242)
Charge in the year on financed assets	-	(4)	-	-	(4)
Disposals	-	32	-	-	32
At 31st December 2020	(479)	(95)	(226)	(249)	(1,049)
Net Book Value					
At 31st December 2020	121	22	80	0	223
Cost					
At 1st January 2019	-	123	299	249	671
Adoption of IFRS 16 on 1 January 2019	600	-	-	-	600
Additions	-	-	2	-	2
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)
At 31st December 2019	(239)	(123)	(224)	(249)	(835)
Net Book Value					
At 31st December 2019	361	-	77	-	438

Company	Right of Use Assets £000s	Vehicles & equipment £000s	Fixtures & fittings £000s	Leasehold improvements £000s	Total £000s
Cost					
At 1st January 2020	600	123	301	249	1,273
Additions	-	26	5	-	31
Disposals	-	(32)	-	-	(32)
At 31st December 2020	600	117	306	249	1,272
Depreciation					
At 1st January 2020	(239)	(123)	(224)	(249)	(835)
Charge in the year	(240)	-	(2)	-	(242)
Charge in the year on financed assets		(4)			(4)
Disposals	-	32	-	-	32
At 31st December 2020	(479)	(95)	(227)	(249)	(1,049)
Net Book Value					
At 31st December 2020	121	22	79	0	223
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	361	-	77	-	438

9 Trade and other receivables

Amounts due within one year	Group		Company	
	2020	**2019**	**2020**	**2019**
	£000s	**£000s**	**£000s**	**£000s**
Trade receivables	225	290	221	291
VAT and other tax receivables	31	-	13	-
Amounts owed by group undertakings	-	-	3,137	4,757
Short term loans	448	-	448	-
Other receivables	560	298	226	260
Prepayments & Accrued Income	210	322	90	14
Total	1,474	910	4,135	5,322

Included in other receivables is a loan owed from a director, amounting to £17,781 (2019 - £33,382). The loan was repaid within 9 months of year end.

10 Cash and cash equivalents

	Group		Company	
	2020	**2019**	**2020**	**2019**
	£000s	**£000s**	**£000s**	**£000s**
Cash at bank and in hand	807	3,214	303	135
Total cash and cash equivalents	807	3,214	303	135

11 Equity-accounted investees

Associates

The Group's equity interest in its associates are comprised of a 45% holding in Sweet Dreams Holdings Limited and a 50% holding in KIAM Partners Limited.

	Group and Company	
	2020	2019
	£000s	£000s
Non-current assets	-	-
Current assets	2	1
Current liabilities	-	-
Net assets	2	1
Carrying amount of interest in associate	2	1
Revenue	-	-
Loss from continuing operations	-	-
Group's share of operating loss	-	-

In 2020 the Group's share of profit from associated entities is immaterial and has not been reflected.

12 Financial assets

(a) Movement in fair value

	Group		Company	
Non-current	**2020**	**2019**	**2020**	**2019**
Available-for-sale financial assets	**£000s**	**£000s**	**£000s**	**£000s**
Movement in fair value				
At 1st January	4,496	4,300	4,222	4,015
Additions	237	57	237	57
Transfers to other receivables	(274)	-	-	-
Capital returned	(204)	-	(204)	-
Transfer to Current available-for-sale financial assets	(28)	-	(28)	-
Movement on exchange	-	(11)	-	-
Realised gain through profit and loss	-	-	-	-
Unrealised gain/(losses) through the profit and loss	-	-	-	-
Impairment through profit and loss	-	-	-	-
Net gain/(loss) in movement in fair value through other comprehensive income	331	150	331	150
At 31st December	4,558	4,496	4,558	4,222

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 the year, Marex Group Ltd returned capital to the Company totaling $255,075.

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 September 2020, the Company closed on an investment in Next Insurance through S.P.V.N.I Limited Partnership, an Israeli based limited partnership. The Company invested US$ 300,000 in the company.

	Group		Company	
Current	**2020**	**2019**	**2020**	**2019**
Available-for-sale financial assets	**£000s**	**£000s**	**£000s**	**£000s**
Movement in fair value				
At 1st January	3,928	186	205	186
Additions	3,406	3,723	692	-
Transfer from Non-Current available-for-sale financial assets	27	-	27	-
Disposals	(1,907)	-	-	-
Movement on exchange	9	19	9	19
Unrealised gain/(losses) through the profit and loss	429	-	(36)	-
Impairment through profit and loss	-	-	-	-
Net gain in movement in fair value through other comprehensive income	-	-	-	-
At 31st December	5,892	3,928	897	205

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 totaling £3,406,000 (2019 - £3,723,000).

(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	
	2020	2019	2020	2019
Available-for-sale financial assets - Non-current	£000s	£000s	£000s	£000s
Level 1	-	-	-	-
Level 2	-	-	-	-
Level 3	4,558	4,496	4,558	4,222
	4,558	4,496	4,558	4,222

	Group		Company	
	2020	2019	2020	2019
Available-for-sale financial assets - Current	£000s	£000s	£000s	£000s
Level 1	4,995	3,723	-	-
Level 2	897	205	897	205
Level 3	-	-	-	-
	5,892	3,928	897	205

	Group		Company	
	2020	2019	2020	2019
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
Cost	
At 1st January 2020	3,669
Additions	-
Disposals	-
At 31st December 2020	3,669
Impairment	
At 1st January 2020	-
Disposals	-
Charge for the year	-
At 31st December 2020	-
Net book value at 31st December 2020	3,669
Cost	
At 1st January 2019	6,031
Additions	11
Disposals	(2,373)
At 31st December 2019	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

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

Apart from that which has already been recognised in the financial statements, the group has deferred tax assets of £2,005,974 (2019: £1,914,085) 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 £1,836,431 (2019: £1,783,667) 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		Company	
	2020 £000s	2019 £000s	2020 £000s	2019 £000s
Non-current liabilities				
IFRS16 lease liabilities	-	62	-	62
Hire purchase liabilities	20	-	20	-
Unsecured third party loan	1,380	1,360	1,380	1,360
	1,400	1,422	1,400	1,422
Current liabilities				
IFRS16 lease liabilities	61	242	61	242
Secured bank loans	448	-	-	-
Hire purchase liabilities	3	-	3	-
	512	242	64	242

Terms and repayment schedule

	Curr	Nominal interest rate	Year of Maturity	Face Value 2020 £000s	Carrying Amount 2020 £000s	Face Value 2019 £000s	Carrying Amount 2019 £000s
Unsecured third party loan	GBP	Fixed 6%	2025	800	800	800	800
Unsecured third party loan	EUR	Fixed 5%	2025	580	580	560	560
				1,380	1,380	1,360	1,360

16 Trade and other payables

	Group		Company	
	2020 £000s	2019 £000s	2020 £000s	2019 £000s
Current				
Trade payables	53	208	27	6
Amounts owed to group undertakings	-	-	2,863	2,692
Other creditors	105	129	46	-
Other taxation and social security costs	19	28	17	28
Accruals and deferred income	529	200	286	273
Total	706	565	3,239	2,999

17 Share capital

	2020 £000s	2020 Number of ordinary 5p shares 000s	2019 £000s	2019 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	1,103	22,060	998	19,969
Share Issue	-	-	105	2,103
At 31st December	1,103	22,060	1,103	22,072

There were no changes in the year to the Company's Authorised share capital. No 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	
	2020 £000s	2019 £000s	2020 £000s	2019 £000s
Current				
Related companies	-	27	(171)	(320)
Directors	-	-	-	-
Total	-	27	(171)	(320)

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	
	2020 £000s	2019 £000s	2020 £000s	2019 £000s
Related companies	202	229	(191)	(52)
Directors	48	33	-	-
Total	250	262	(191)	(52)

The related companies are made up of Sweetstay Holdings Limited, Arcap Partners Limited, Risiomenda Limited and Marquis Realty Holdings LLC. Sweetstay Holdings Limited is a company which IAM Capital has significant influence over and makes up the £202,000 amounts owed by related parties. E. Arbib is a member of the key management personnel at Arcap Partners Limited. Arcap Partners Limited controls Risiomenda Limited which has received rental payments from the group. Arcap Partner Limited also controls Marquis Realty Holdings LLC which charges commission on the management and performance fees in IAM Invest Limited and charges commission on business introductions made to the group. 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:

	2020 £000s	2019 £000s
Short-term employee benefits	124	138
Share-based payments	-	-
Total	124	138

Company

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

	2020 £000s	2019 £000s
Management fees receivable from iAM Invest Investments Ltd	(124)	(124)
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	(250)	(430)

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

	2020 £000s	2019 £000s
Amounts due from subsidiaries		
Integrated Recovery Ltd	3,035	4,758
Integrated Energy Holdings Ltd	84	-
IAM Capital Management SARL	19	-
Total	3,137	4,758
Amounts due to subsidiaries		
IAM Invest Limited	2,863	2,691
Total	2,863	2,691

19 Hire purchase commitments

At 31st December the Group was committed to make the following minimum payments under non-cancellable hire purchases of motor vehicles falling due as follows:

	2020 £000s	2019 £000s
Within one year	3	-
Between one and two years	4	-
Between two and five years	16	-
After five years	-	-
Total	23	-

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 2020 due to the continuing relative low level of management fee income.

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

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 2020, if the Euro had strengthened/weakened by 10% against Sterling with all other variables held constant, pre-tax result would increase/(decrease) by £124,000/(£112,000) respectively [2019: £128,000/(£104,000)], principally as a result of the increase/decrease in assets and liabilities denominated in foreign currencies.

At 31 December 2020, if the US Dollar had strengthened/weakened by 10% against Sterling with all other variables held constant, pre-tax result would increase/(decrease) by £539,000/(£490,000) respectively [2019: £80,000/(£66,000)], 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.

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.

	2020 £000s	2019 £000s
Trade receivables - Operating		
Receivable from Sweetstay	202	202
Other	23	88
Carrying amount	225	290

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

	2020 £000s	2019 £000s
Trade receivables - Fund management		
Neither past due nor impaired		
Low risk	-	-
Carrying amount	-	-
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	225	290

Group	2020 £000s	2019 £000s
Trade receivables (note 9)		
Operating	225	290
Fund management	-	-
Carrying amount	225	290

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% (2019: 15%) fall in market prices, that would affect the value of its "Fair value through profit and loss" financial assets at the statement of financial position date.

	Group		Company	
	2020	2019	2020	2019
	£000s	£000s	£000s	£000s
Current assets	(888)	(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 its 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 2020 % Owned	31 December 2019 % Owned
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 E-Energy Investments Sarl	Luxembourg	27.0%	27.0%
Other			
IAM Capital Management SARL	Luxembourg	100%	100%
iAldgate Hospitality Ltd (formerly iDixon Hospitality Ltd)	UK	100%	100%

22 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.

23 Events after the reporting date

The Company continues to assess the developments around the COVID-19 pandemic and the related the impact and opportunities for the investment funds, including related cash flows, it manages.

In early February the final consideration from the ER1 sale (solar portfolio) was released from the escrow account and this has subsequently been distributed to the shareholders, including the Company.

In July 2021 the Company completed the acquisition of a 4.5MWp solar PV portfolio in Southern Italy through one of its 100% owned subsidiaries. The finance for the acquisition was raised through a bridge loan facility of €7m out of which the Company subscribed for €1.1m with the balance coming from third parties.

Company Information

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