

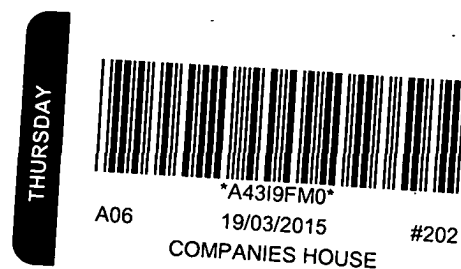
# **Amius Group Limited**

Report and Consolidated Financial Statements

Year ended

30 September 2014

Company number 08198098



**Amius Group Limited**  
**Report and Consolidated Financial Statements**  
**for the year ended 30 September 2014**

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**Directors**

A Brickell  
M Bormann  
N Ng

**Registered office**

25 Berkeley Square  
London  
W1J 6HN

**Company number**

08198098

**Auditor**

BDO LLP  
55 Baker Street  
London  
W1U 7EU

**Amius Group Limited**  
**Strategic Report**  
**for the year ended 30 September 2014**

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## **STRATEGIC REPORT**

The Strategic Report is prepared in accordance with The Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013.

## **OVERVIEW**

The principal activity of the Company is to provide management and related administrative expertise and services to subsidiary companies. The principal activity of the Group is the arranging of and dealing in bespoke risk management products for agricultural commodities. The Group also offers brokerage services for commodities, equities and structures bespoke financial instruments for clients. The Group's strategy is to serve its clients by using a boutique based approach, whilst striving to deliver shareholder return. The objective of the risk management solutions employed in partnership with our clients is to enable clients to effectively manage commodity price risk, meet budgets, stabilise price inputs and ultimately secure profit margins.

## **RESULTS**

The consolidated profit and loss account is set out on page 7 and shows the profit for the year.

## **BUSINESS REVIEW AND FUTURE DEVELOPMENTS**

The profit on ordinary activities after taxation for the financial year was \$1,891,000 (2013: \$4,098,000). Amius Group disposed 18.69% of its shareholding in Amius Limited effective 1 January 2014. Amius Limited acquired 100% of the share capital of Amius Investor Services Limited (formerly known as Armajaro Securities Limited), a company regulated by the Financial Conduct Authority as of 1<sup>st</sup> October 2013. The Group has benefitted from the collaboration of both businesses and will be working towards consolidating them in the near future.

The board actively monitors Company and Group performance and market penetration using several Key Performance Indicators ('KPIs'). The Shareholders' funds in the Group have strengthened to \$8,513,779 (2013: \$7,294,323). The Directors are looking forward to the continued growth of the Group.

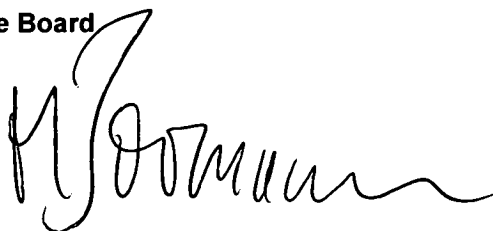
## **PRINCIPAL RISKS AND UNCERTAINTIES**

The Group faces a number of challenges and uncertainties in the normal course of business. Operational risks are inherent in the Group's business activities and are covered in more detail on pages 3 and 4 in the Directors' report and on pages 27 and 28 in the notes to the financial statements. Other uncertainties faced by the Group in the course of its business include: liquidity, funding and market risks; the valuation of financial assets and liabilities in volatile markets; exposure to macro-economic and geopolitical uncertainty and changes to regulatory rules and regulations.

**By order of the Board**

M Bormann  
**Director**

6 March 2015



**Amius Group Limited**  
**Report of the Directors**  
**for the year ended 30 September 2014**

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The Directors present their annual report and audited consolidated financial statements of Amius Group Limited and its subsidiaries ("the Group") for the year ended 30 September 2014.

## **DIRECTORS**

The Directors during the year were as follows:

A Brickell  
M Bormann  
N Ng (appointed 24<sup>th</sup> March 2014)

## **DIVIDENDS**

The Directors have not recommended the payment of a dividend (2013: \$Nil).

## **DIRECTORS' AND OFFICERS' INDEMNITIES**

The Company maintains insurance against liabilities for all Directors and officers of the Company and wholly owned subsidiary companies during the financial year and at the date of this report.

## **FINANCIAL RISK MANAGEMENT**

### **Overview**

The Group's activities expose it primarily to the financial risks in commodity markets, as well as changes in interest rates and foreign currency exchange rates. The Group enters into a variety of derivative financial instruments to manage its exposure to these, including futures and options contracts in order to hedge exposure to underlying price changes. The Group further performs daily value at risk analysis (VAR) and operates strict trading position and VAR limits.

### **Operational risk**

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events, it is inherent in every business operation and covers a wide spectrum of potential issues. The Group manages this risk by operating in a control-based environment in which the processes are documented, authorisation is independent and transactions are reconciled and monitored. This is supported by a programme of periodic independent reviews undertaken by the Group compliance function.

### **Credit risk**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. The Group carries out detailed credit analysis and applies a ratings based approach when assessing risk and approving limits. To manage the level of credit risk, the Group deals primarily with counterparties with good credit standing and enters into netting agreements whenever possible.

Further disclosures are given in note 25 to the financial statements.

**Amius Group Limited**  
**Report of the Directors (continued)**  
**for the year ended 30 September 2014**

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**DIRECTORS' RESPONSIBILITIES**

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

Company law requires the Directors to prepare financial statements for each financial period. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of the profit or loss of the Group and Company for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**AUDITORS**

The current Directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the Company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The Directors are not aware of any relevant audit information of which the auditors are unaware.

BDO LLP have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

**By order of the Board**

M Bormann  
Director  
6 March 2015



# Amius Group Limited

## Independent auditor's report

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### INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF AMIUS LIMITED

We have audited the financial statements of Amius Group Limited for the year ended 30 September 2014 which comprise the consolidated and company profit and loss accounts, the consolidated and company balance sheets, the consolidated cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### Respective responsibilities of Directors and auditors

As explained more fully in the statement of Directors' responsibilities, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's (FRC's) Ethical Standards for Auditors.

#### Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the FRC's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

#### Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and the parent Company's affairs as at 30 September 2014 and of the Group's and Company's profit or loss for the year ended 30 September 2014;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Strategic report and Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

#### Matters on which we are required to report by exception

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

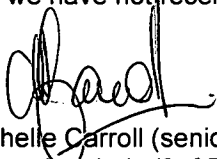
- adequate accounting records have not been kept by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or

# Amius Group Limited

## Independent auditor's report (*continued*)

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- we have not received all the information and explanations we require for our audit.



Michelle Carroll (senior statutory auditor)  
For and on behalf of BDO LLP,  
London,  
United Kingdom.

6 March 2015

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

# Amius Group Limited

## Consolidated profit and loss account for the year ended 30 September 2014

	Note	2014 \$'000	2013 \$'000
<b>Trading result</b>	1, 2	13,562	5,055
Cost of sales		(3,207)	-
Gross profit		<u>10,355</u>	<u>5,055</u>
Administrative expenses		<u>(7,096)</u>	<u>(347)</u>
<b>Operating profit</b>	3	3,259	4,708
Share of operating profit of associate undertaking		<u>(815)</u>	<u>590</u>
<b>Profit on ordinary activities before interest and tax</b>		2,444	5,298
Interest payable and similar charges	4	(141)	(10)
Taxation on profit on ordinary activities	6	<u>(412)</u>	<u>(1,190)</u>
<b>Profit for the period on ordinary activities after taxation</b>		1,891	4,098
Minority Interests		<u>(1,176)</u>	<u>(1,292)</u>
<b>Profit for the year</b>		<u><u>715</u></u>	<u><u>2,806</u></u>

All amounts relate to continuing activities.

There are no recognised gains and losses other than the profit for the year ended 30 September 2014.

The notes on pages 12 to 28 form part of these financial statements.



# Amius Group Limited

## Company profit and loss account for the year ended 30 September 2014

		2014 \$'000	2013 \$'000
	Note		
Trading result	1,2	152	1,147
Administrative expenses		(70)	35
<b>Operating profit</b>	3	82	1,182
Profit on sale of investment	9	286	-
Impairment of associate investment	9	(2,897)	-
Dividends received		-	2,450
<b>Profit / (Loss) before interest and tax</b>		(2,529)	3,632
Interest received	23	59	-
Interest payable and similar charges	4	(83)	-
<b>Profit / (Loss) before tax</b>		(2,553)	3,632
Taxation on profit on ordinary activities	6	(13)	(281)
<b>Profit / (Loss) for the year</b>		<u>(2,566)</u>	<u>3,351</u>

All amounts relate to continuing activities.

There are no recognised gains and losses other than the profit for the year ended 30 September 2014.

The notes on pages 12 to 28 form part of these financial statements.

# Amius Group Limited

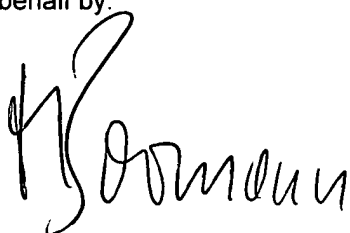
## Consolidated balance sheet for the year ended 30 September 2014

	Note	2014 \$'000	2013 \$'000
<b>Fixed assets</b>			
Intangible assets	7	-	(512)
Tangible fixed assets	8	221	88
Debtors: amounts falling due after one year	12	1,107	-
Investments	9	500	914
<b>Current assets</b>			
Debtors: amounts falling due within one year	10	13,952	5,937
Cash at bank and in hand		9,754	7,931
		<u>23,706</u>	<u>13,868</u>
<b>Creditors: amounts falling due within one year</b>	11	<u>(7,207)</u>	<u>(3,681)</u>
<b>Net current assets</b>		16,499	10,187
<b>Creditors: amounts falling due after one year</b>	13	(852)	-
<b>Net assets</b>		<u>17,475</u>	<u>10,677</u>
<b>Capital and reserves</b>			
Share capital	15	1,694	1,593
Share premium		3,299	2,896
Profit and loss account	16	3,521	2,806
<b>Shareholders' funds</b>		<u>8,514</u>	<u>7,295</u>
<b>Minority interests</b>	19	8,961	3,382
		<u>17,475</u>	<u>10,677</u>

The notes on pages 12 to 28 form part of these financial statements.

The financial statements were authorised and approved by the Board of Directors on 6 March 2015 and signed on its behalf by:

M Bormann  
Director



**Amius Group Limited**  
**Company balance sheet**  
**for the year ended 30 September 2014**

	Note	2014 \$'000	2013 \$'000
<b>Fixed assets</b>			
Investments	9	6,262	8,400
<b>Current assets</b>			
Debtors: amounts falling due within one year	10	60	461
Cash at bank and in hand		295	57
		<u>355</u>	<u>518</u>
<b>Creditors: amounts falling due within one year</b>	11	<u>(839)</u>	<u>(1,078)</u>
<b>Net current liabilities</b>		(484)	(560)
<b>Net assets</b>		<u>5,778</u>	<u>7,840</u>
<b>Capital and reserves</b>			
Share capital	15	1,694	1,593
Share premium account		3,299	2,896
Profit and loss account	16	785	3,351
<b>Shareholders' funds</b>		<u>5,778</u>	<u>7,840</u>

The notes on pages 12 to 28 form part of these financial statements.

The financial statements were authorised and approved by the Board of Directors on 6 March 2015 and signed on its behalf by:

M Bormann  
Director



# Amius Group Limited

## Consolidated cash flow statement for the year ended 30 September 2014

		2014	2013
	Note	\$'000	\$'000
<b>Net cash (outflow) / inflow from operating activities</b>	18	(3,116)	3,518
<b>Dividends from associate undertaking</b>		-	2,450
<b>Taxation</b>		(1,049)	(47)
<b>Capital expenditure</b>			
Payments to acquire tangible fixed assets	8	(233)	(88)
<b>Financing activities</b>			
Interest paid	4	(141)	(10)
Issue of ordinary share capital	15	5,004	2
Increase in borrowings		-	773
Capital contributed by minority interests		-	325
<b>Investing activities</b>			
Purchase of subsidiary undertakings	20	(280)	1,008
Investments	9	(500)	-
Movement in investment holdings		2,138	-
<b>Increase in cash</b>		<u>1,823</u>	<u>7,931</u>

The notes on pages 12 to 28 form part of these financial statements.

# Amius Group Limited

## Notes forming part of the financial statements for the year ended 30 September 2014

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### 1. Accounting Policies

The financial statements are prepared in accordance with applicable United Kingdom law and United Kingdom Generally Accepted Accounting Practice ("UK GAAP"). The particular accounting policies adopted are described below.

#### *Basis of accounting*

The accounts have been prepared under the historical cost convention, modified to include the revaluation of traded financial instruments.

#### *Going concern*

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the Directors' Report on pages 3 and 4. This report describes the financial position of the Group. In addition, note 25 to the financial statements includes the Group's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments and its exposure to credit risk and liquidity risk.

The Group has considerable financial resources together with a growing customer base. As a consequence, the Directors believe that the Group is well placed to manage its business risks successfully.

After making enquiries, the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

#### *Basis of consolidation*

The Group's accounts consolidate the accounts of Amius Group Limited and its subsidiary undertakings. The results of subsidiaries acquired or sold are consolidated for the years from or to the date on which control passed.

#### *Goodwill*

Goodwill, including negative goodwill, arising on the acquisition of a subsidiary undertaking is the difference between the fair value of the consideration paid and the fair value of assets and liabilities acquired. Goodwill is capitalised and recognised through the profit and loss account over the director's estimate of its useful economic life.

#### *Trading result*

The trading result represents gains made from managing and dealing in bespoke risk management products, trading of structured notes on a matched principal basis, brokerage commissions for soft commodities and cash equities transactions and is accounted for when the underlying transactions are executed.

#### *Functional and reporting currency*

The functional and reporting currency of the Group is US Dollars.

# Amius Group Limited

## Notes forming part of the financial statements for the year ended 30 September 2014

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### 1. Accounting Policies (*continued*)

#### *Foreign currencies*

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction or, if hedged, at the forward contract rate. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date or, if appropriate, at the forward contract rate. Any gain or loss arising from a change in exchange rates is included as an exchange gain or loss in the profit and loss account.

#### *Taxation*

Corporation tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted by the balance sheet date.

#### *Dividends*

Dividends are recognised in the year in which they are paid.

#### *Deferred taxation*

Deferred taxation is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax at a future date, at rates expected to apply when these timing differences crystallise. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

#### *Amounts due from brokers*

Amounts due from brokers represent the Group's net position held with brokers, comprising of the net accumulated unrealised gains and losses on exchange traded futures and options and cash posted as variation margin against such positions. These financial assets and liabilities are offset and the net amounts are reported in the balance sheet as there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously. On the basis of operational complexity, the offsetting criteria applied is at an entire financial asset or financial liability level, not in relation to individual identifiable cash flows.

#### *Financial instruments*

Financial assets and financial liabilities are recognised on the balance sheet when the Group has become a party to the contractual provisions of the instrument. Financial instruments are de-recognised when all the de-recognition criteria of FRS 26 are met and the Group no longer controls the contractual rights that comprise the financial instrument. This is normally the case when the instrument is sold, or all of the cash flows attributable to the instrument are passed through to an independent third party.

Subsequent to initial recognition, all financial assets and financial liabilities are recognised at fair value through profit or loss. Gains and losses arising from changes in the fair value of the 'financial assets or financial liabilities at fair value through profit or loss' category are presented in the profit and loss account within trading result in the period in which they arise.

# Amius Group Limited

## Notes forming part of the financial statements for the year ended 30 September 2014 (*continued*)

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### 1. Accounting Policies (*continued*)

Financial assets are classified into the following specific categories:

#### *Fair value through profit or loss*

The Group classifies its derivative financial instruments as held for trading. These amounts include unrealised gains from exchange traded futures and options and from a mark-to-market valuation on forward OTC contracts.

#### *Loans and receivables*

Trade and other debtors that have determinable payments that are not quoted in an active market are classified as loans and receivables. They are measured at amortised cost using the effective interest method, less any impairment.

#### *Fair value estimation*

The fair value of financial assets and liabilities traded in active markets (such as publicly traded derivatives) are based on quoted market process at the close of trading on the reporting date.

The fair value of financial assets and liabilities that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques. The Group uses a variety of methods and management make assumptions and judgements based on market conditions existing at each reporting date. Valuation techniques used include the use of option pricing models and other valuation techniques commonly used by market participants.

#### *Tangible fixed assets*

Tangible fixed assets are stated at cost, net of accumulated depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, other than land, at rates calculated to write off the cost or valuation, less estimated residual value of each asset on a straight-line basis over its expected useful life as follows:

Computer equipment	3 years
Furniture and fittings	3 years
Office equipment	3 years

Residual value is calculated on prices prevailing at the date of acquisition.

### 2. Trading result

The trading result is wholly attributable to the principal activities of the Group, which is the provision of bespoke over-the-counter transactions in commodity markets, brokerage transactions in equities and structuring of financial instruments. The principal activity of the Company is to provide management and related administrative expertise and services to subsidiary companies. The principal activities are undertaken in the United Kingdom and the trading result is stated net of VAT.

# Amius Group Limited

Notes forming part of the financial statements  
for the year ended 30 September 2014 (continued)

## 3. Consolidated operating profit

Operating profit is stated after charging:	2014	2013
	\$'000	\$'000
Staff costs (see note 5)	2,242	206
Auditors' remuneration - audit services	84	44
Foreign exchange loss / (gain)	136	(48)
Impairment of goodwill	178	(85)

## 4. Interest payable and similar charges

	Group 2014 \$'000	Company 2014 \$'000	Group 2013 \$'000	Company 2013 \$'000
On loans	141	83	10	-
	<b>141</b>	<b>83</b>	<b>10</b>	<b>-</b>

## 5. Staff costs and Directors' emoluments

Staff costs during the period, including the Directors, were as follows:

	2014	2013
	\$'000	\$'000
Wages and salaries	2,242	206

The average number of employees, including the Directors, during the year was 28 (2013: 3).

The Directors' emoluments for the year totalled \$850,000 (2013: \$52,000) and includes amounts recharged to subsidiaries.

All staff are employed by Amius Group Limited. Amius Group Limited makes an appropriate charge to subsidiary companies for its use of staff, including Directors. The emoluments of the individuals who are Directors of both Amius Group Limited and Amius Limited are included into the financial statements of Amius Group Limited. The remuneration of the Directors who received remuneration for the qualifying service to the subsidiary Company was \$512,000 (2013: \$52,000). The highest paid Director received remuneration of \$273,000 (2013: \$52,000).



# Amius Group Limited

Notes forming part of the financial statements  
for the year ended 30 September 2014 (continued)

## 6. Taxation on profit on ordinary activities

	Group 2014 \$'000	Company 2014 \$'000	Group 2013 \$'000	Company 2013 \$'000
(a) Analysis of charge in the year				
Corporation tax	619	13	1,087	281
Share of associate undertaking's tax charge	(179)	-	123	-
Total current tax for the year	440	13	1,210	281
Adjustment in respect of prior periods	(56)	-	-	-
Deferred tax	28	-	(20)	-
Total tax for the year	412	13	1,190	281

### (b) Factors affecting current tax charge

Profit on ordinary activities before tax	2,303	58	5,288	1,182
Profit on ordinary activities at the standard rate of corporation tax in the UK of 22% (2013: 23.5%)	507	13	1,243	278
Effects of:				
Expenses not deductible for tax purposes	24	-	3	3
Excess allowance for research and development	(84)	-	-	-
Adjustment in respect of prior periods	(57)	-	-	-
Impairment of goodwill	50	-	(20)	-
Tax related to associates	179	-	(139)	-
Current tax charge for the period	619	13	1,087	281

## 7. Intangible fixed assets

	2014 \$'000	2013 \$'000
<b>Cost</b>		
At 1 October 2013	(512)	-
Additions	26	(597)
Disposals	664	-
Impairment during the year	(178)	85
<b>Net Book Value</b>		
At 30 September 2014	(0)	(512)

# Amius Group Limited

Notes forming part of the financial statements  
for the year ended 30 September 2014 (*continued*)

## 8. Tangible fixed assets

	Computer Equipment \$'000	Furniture & Fittings \$'000	Office equipment \$'000	Total \$'000
<b>Cost</b>				
At 1 October 2013	88	-	-	88
Additions	199	18	16	233
<b>At 30 September 2014</b>	<b>287</b>	<b>18</b>	<b>16</b>	<b>321</b>
<b>Depreciation</b>				
At 1 October 2013	-	-	-	-
Charge for the year	92	2	6	100
<b>At 30 September 2014</b>	<b>92</b>	<b>2</b>	<b>6</b>	<b>100</b>
<b>Net Book Value</b>				
At 1 October 2013	88	-	-	88
<b>At 30 September 2014</b>	<b>195</b>	<b>16</b>	<b>10</b>	<b>221</b>

## 9. Investments

	Group 2014 \$'000	Company 2014 \$'000	Group 2013 \$'000	Company 2013 \$'000
Deposit	500	-	-	-
Investment in subsidiary undertaking	-	6,262	-	5,503
Investment in associate undertaking	-	-	914	2,897
	<b>500</b>	<b>6,262</b>	<b>914</b>	<b>8,400</b>

### *Principal group investments*

The Company has a direct investment in the following subsidiary undertakings and associates, which principally affected the profits or net assets of the Group:

### **Principal**

Subsidiary undertakings	Activity	Country of incorporation	Share class	Holding
Amius Limited	Brokerage	Great Britain	Ordinary	50.1%

### **Associates**

Armajaro OTC Limited	Brokerage	Great Britain	Ordinary	24.52%
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Amius Group Limited and Amius Limited have financial years ending 30 September. Armajaro OTC Limited has a 31 December financial year end.

# Amius Group Limited

## Notes forming part of the financial statements for the year ended 30 September 2014 (continued)

	2014 \$'000	2013 \$'000
<b>Group investment in subsidiary undertaking</b>		
At 1 October 2013	5,503	-
Additions	2,254	5,590
Disposals	(1,495)	(87)
<b>Net Book Value</b>		
<b>At 30 September 2014</b>	<b>6,262</b>	<b>5,503</b>

The subsidiary undertaking increased its share capital through the issuance of 4,500,000 new shares of \$1.00 each (note 15). The Company subscribed for 2,254,000 shares.

The Company sold 18.69% of its holding in Amius Limited to minority shareholders effective 1 January 2014. Accordingly, the cost of the Company's holding in the subsidiary undertaking decreased by \$1,495,000 (2013: \$nil) to 50.1% (2013: 68.79%).

	2014 \$'000	2013 \$'000
<b>Group investment in associate undertaking</b>		
At 1 October 2013	914	-
Additions	-	2,897
Operating profit / (loss) for the period	(815)	590
Taxation on profit on ordinary activities	179	(123)
Dividends received	-	(2,450)
Impairment during the year	(278)	-
<b>Net Book Value</b>		
<b>At 30 September 2014</b>	<b>-</b>	<b>914</b>

The associate undertaking realised a loss during the year as a result of a counterparty default. As a result, the investment in the associate was impaired in full.

### 10. Debtors: amounts falling due within one year

	Group 2014 \$'000	Company 2014 \$'000	Group 2013 \$'000	Company 2013 \$'000
Amounts due from brokers				
- due within one year	2,310	-	2,810	-
Financial assets at fair value through profit or loss				
- due within one year	9,265	-	1,660	-
Amounts due from subsidiary companies	-	51	-	459
Unpaid share capital	-	-	1,000	-
Trade debtors	2,191	-	405	2
Other debtors	129	9	42	-
Deferred tax asset (note 14)	57	-	20	-
	<b>13,952</b>	<b>60</b>	<b>5,937</b>	<b>461</b>

# Amius Group Limited

Notes forming part of the financial statements  
for the year ended 30 September 2014 *(continued)*

## 11. Creditors: amounts falling due within one year

	Group 2014 \$'000	Company 2014 \$'000	Group 2013 \$'000	Company 2013 \$'000
Financial liabilities at fair value through profit or loss				
- due within one year	709	-	761	-
Trade creditors	3,831	-	730	-
Corporation tax payable	29	13	876	281
Deferred tax liability (note 14)	47	-	-	-
Other creditors	367	-	477	-
Short term borrowings	809	809	773	773
Accruals and deferred income	1,415	17	64	24
	<b>7,207</b>	<b>839</b>	<b>3,681</b>	<b>1,078</b>

## 12. Debtors: amounts falling due after one year

	Group 2014 \$'000	Company 2014 \$'000	Group 2013 \$'000	Company 2013 \$'000
Financial assets at fair value through profit or loss				
- due greater than one year	1,107	-	-	-
	<b>1,107</b>	<b>-</b>	<b>-</b>	<b>-</b>

## 13. Creditors: amounts falling due after one year

	Group 2014 \$'000	Company 2014 \$'000	Group 2013 \$'000	Company 2013 \$'000
Amounts due to brokers				
- due greater than one year	839	-	-	-
Financial liabilities at fair value through profit or loss				
- due greater than one year	13	-	-	-
	<b>852</b>	<b>-</b>	<b>-</b>	<b>-</b>

# Amius Group Limited

Notes forming part of the financial statements  
for the year ended 30 September 2014 (continued)

## 14. Deferred tax

	Group \$'000	Company \$'000
Deferred tax asset brought forward	20	-
Deferred tax asset acquired	82	-
Deferred tax credit / (debit) in profit and loss account	(28)	-
Deferred tax adjustment in respect of prior periods	(64)	-
Net deferred tax asset carried forward	<u>10</u>	<u>-</u>

Deferred tax is provided as follows:

	Group \$'000	Company \$'000
Tax losses	57	-
Fixed asset timing differences	(47)	-
Provision for deferred tax	<u>10</u>	<u>-</u>

Deferred tax has been provided at 21% (2013: 23%) because of the uncertainty as to the average rate of tax that will apply when the underlying time differences will reverse.

## 15. Share capital

	2014 \$'000	2013 \$'000
<b>Allotted, called up and fully paid</b>		
Ordinary shares of \$1 each	1,694	1,593
Total share capital	<u>1,694</u>	<u>1,593</u>

The Company passed a written resolution to increase the share capital of the Company through the issuance of 101,793 new shares of \$1.00 each. Total capital raised amounted to \$505,888, of which \$403,095 was attributable to share premium.

The Subsidiary undertaking, Amius Limited passed a written resolution to increase the share capital of the Company by \$4,500,000 through the issuance of 4,500,000 new shares of \$1.00 each.

# Amius Group Limited

## Notes forming part of the financial statements for the year ended 30 September 2014 *(continued)*

### 16. Profit and loss account

	Group \$'000 2014	Company \$'000 2014	Group \$'000 2013	Company \$'000 2013
At 1 October 2013	2,806	3,351	-	-
Profit after tax for the year	715	(2,566)	2,806	3,351
At 30 September 2014	<u>3,521</u>	<u>785</u>	<u>2,806</u>	<u>3,351</u>

### 17. Reconciliation of movement in shareholders' funds

	2014 \$'000	2013 \$'000
Opening equity shareholders' funds	7,295	-
Issue of share capital	101	1,593
Share premium on issue of shares	403	2,896
Profit after tax for the year	715	2,806
Net shareholder's funds at 30 September 2014	<u>8,514</u>	<u>7,295</u>

### 18. Reconciliation of operating profit to net cash (outflow) / inflow from operating activities

	2014 \$'000	2013 \$'000
Operating profit	3,259	4,708
Change in debtors	(7,907)	(2,836)
Change in creditors	3,874	1,731
Depreciation	99	-
Impairment of investment in associate undertaking	(2,619)	-
Impairment of goodwill	178	(85)
Net cash flow from operating activities	<u>(3,116)</u>	<u>3,518</u>

### 19. Minority interests

	2014 \$'000	2013 \$'000
Opening minority interests	3,382	-
Profit on ordinary activities after taxation	1,176	1,292
Capital contributed by minority interests	3,740	2,497
Increase / (Dilution) of minority interests	663	(407)
At 30 September 2014	<u>8,961</u>	<u>3,382</u>

# Amius Group Limited

Notes forming part of the financial statements  
for the year ended 30 September 2014 (continued)

## 20. Purchase and sale of subsidiary undertakings

AGL sold 18.69% of its stake in Amius Limited to minority shareholders effective 1 January 2014 at a profit of \$236,485. Accordingly, the cost of AGL's investment in Amius Limited decreased by \$1,495,000.

On 1 October 2013, Amius Limited acquired 100% of the share capital of Amius Investor Services Limited for \$1,109,000.

In calculating the goodwill arising on acquisition, the fair value of net assets of Amius Investor Services Limited was as follows:

	\$'000
Cash at bank and in hand	829
Goodwill	26
Debtors	879
Creditors due within one year	(625)
Total purchase price	1,109
Less: Cash acquired at Amius Investor Services Limited	(829)
Cash flow on acquisition net of cash acquired	280

The goodwill from acquisition was fully impaired during the year.

The net outflow of cash arising from the acquisition of Amius Investor Services Limited was as follows:

	\$'000
Cash at bank and in hand	829
Debtors	879
Creditors due within one year	(625)
Net assets	1,083
Cash consideration	1,109
Net assets acquired (as above)	(1,083)
Goodwill arising on acquisition	26
Impairment during the year	(26)
	-

## 21. Analysis of changes in net funds

	2014 \$'000	Cashflow \$'000	2013 \$'000
Cash at bank and in hand	9,754	1,823	7,931
	9,754	1,823	7,931

# Amius Group Limited

## Notes forming part of the financial statements for the year ended 30 September 2014 (continued)

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### 22. Non-cash transactions

During the prior year, Amius Limited capitalised shareholder loans of \$1,172,039 from Ecom Agrotrade Limited (formerly Armajaro Trading Limited).

### 23. Related party transactions

#### Amius Limited

Amius Group Limited ("AGL") provided management and other administrative services to subsidiary undertakings in the value of \$152,000 (2013: \$1,146,764). At 30 September 2014, \$51,036 (2013: \$458,978) was owed to AGL.

AGL advanced an unsecured short term loan to Amius Limited on 22 April 2014 in the amount of \$2,254,500 (2013: \$nil). Interest was payable at 6% per annum over 360 days and amounted to \$58,617 (2013: \$nil) over the period. The loan was fully paid at the end of the year.

#### Armajaro OTC Limited

During the year, a subsidiary company, Amius Limited entered into OTC derivative transactions with Armajaro OTC Limited ("AOTC"), a company related by common ownership with the Group, which resulted in payments totalling \$433,094 being made to AOTC on settlement of trades (2013: payments totalling \$96,821 made to Amius Limited). At 30 September 2014, there was mark to market exposure on open trades of \$214,911 with AOTC (2013: \$nil).

AOTC was charged \$3,143,442 (2013: \$80,213) in service charges during the year for the provision of staff, administrative and infrastructure services.

As at 30 September 2014, \$53,183 (2013: \$80,213 owed to) was outstanding from AOTC.

#### Other transactions

The Company holds an unsecured loan facility in the amount of £500,000, as disclosed in note 11, from Mrs Brickell, who is not a director but is related to a director and the company's ultimate controlling party.

### 24. Parent undertaking and ultimate controlling party

The ultimate controlling party of the Group is Adrian Brickell.



# Amius Group Limited

Notes forming part of the financial statements  
for the year ended 30 September 2014 (continued)

## 25. FRS 29: 'Financial Instruments: Disclosures'

FRS 29 Financial Instruments: Disclosure contains definitions of financial assets and liabilities and describes different categories of each. Below is an analysis of the financial assets and liabilities into these categories for the Group:

<b>Financial Assets 2014</b>	<b>At fair value through profit and loss \$'000</b>	<b>Loans and receivables \$'000</b>
<b>Amounts falling due within one year</b>		
Financial assets at fair value through profit or loss	9,265	-
Amounts due from brokers	2,310	-
Trade and other debtors	-	2,310
Cash at bank and in hand	-	9,459
<b>30 September 2014</b>	<b>11,575</b>	<b>11,769</b>
<b>Amounts falling due greater than one year</b>		
Financial assets at fair value through profit or loss	1,014	93
<b>30 September 2014</b>	<b>1,014</b>	<b>93</b>
<b>Financial Assets 2013</b>	<b>At fair value through profit and loss \$'000</b>	<b>Loans and receivables \$'000</b>
<b>Amounts falling due within one year</b>		
Financial assets at fair value through profit or loss	1,660	-
Amounts due from brokers	2,810	-
Trade and other debtors	-	1,467
Cash at bank and in hand	-	7,931
<b>30 September 2013</b>	<b>4,470</b>	<b>9,398</b>
<b>Financial Liabilities 2014</b>	<b>At fair value through profit and loss \$'000</b>	<b>Other financial liabilities \$'000</b>
<b>Amounts falling due within one year</b>		
Financial liabilities at fair value through profit or loss	709	-
Trade and other creditors	-	5,663
<b>30 September 2014</b>	<b>709</b>	<b>5,663</b>

# Amius Group Limited

Notes forming part of the financial statements  
for the year ended 30 September 2014 (continued)

## FRS 29: 'Financial Instruments: Disclosures' (continued)

Financial Liabilities 2014	At fair value through profit and loss \$'000	Other financial liabilities \$'000
<b>Amounts falling due greater than one year</b>		
Financial liabilities at fair value through profit or loss	13	-
Amounts due to brokers	839	-
<b>30 September 2014</b>	<b>852</b>	<b>-</b>
<b>Financial Liabilities 2013</b>	<b>At fair value through profit and loss \$'000</b>	<b>Loans and receivables \$'000</b>
<b>Amounts falling due within one year</b>		
Financial liabilities at fair value through profit or loss	761	-
Trade and other creditors	-	2,920
<b>30 September 2013</b>	<b>761</b>	<b>2,920</b>

Financial assets and liabilities are carried at fair value defined as follows:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 – inputs other than quoted prices included within level 1 that are observable for the asset or liability.
- Level 3 – inputs for the asset or liability that are not based on observable market data.

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability.

# Amius Group Limited

## Notes forming part of the financial statements for the year ended 30 September 2014 (continued)

### 25. FRS 29: 'Financial Instruments: Disclosures' (continued)

The following table analyses within the fair value hierarchy the Group's assets and liabilities measured at fair value at 30 September 2014:

2014	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>Financial Assets</b>				
OTC derivatives	-	9,231	1,046	10,277
Amounts due from brokers	2,310	-	-	2,310
<b>Total financial assets</b>	<b>2,310</b>	<b>9,231</b>	<b>1,046</b>	<b>12,587</b>
<b>Financial Liabilities</b>				
OTC derivatives	-	722	-	722
Amounts due to brokers	839	-	-	839
<b>Total financial liabilities</b>	<b>839</b>	<b>722</b>	<b>-</b>	<b>1,561</b>

The following table analyses within the fair value hierarchy the Group's assets and liabilities measured at fair value at 30 September 2013:

2013	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Total \$'000
<b>Financial Assets</b>				
OTC derivatives	-	-	1,660	1,660
Amounts due from brokers	2,810	-	-	2,810
<b>Total financial assets</b>	<b>2,810</b>	<b>-</b>	<b>1,660</b>	<b>4,470</b>
<b>Financial Liabilities</b>				
OTC derivatives	-	-	761	761
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>761</b>	<b>761</b>

Investments whose values are based on quoted market prices in active markets, and are therefore classified within Level 1, comprise of amounts due from brokers, which include exchange traded futures and options positions and cash posted as margin. The Group does not adjust the quoted price for these instruments.

Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from other observable inputs).

Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

# Amius Group Limited

## Notes forming part of the financial statements for the year ended 30 September 2014 (continued)

### 25. FRS 29: 'Financial Instruments: Disclosures' (continued)

Level 3 valuations are reviewed on a daily basis by the Directors, considering the appropriateness of the valuation model inputs and the valuation results. The valuation model used to determine the fair value of the derivative contracts held by the Group uses observable inputs, with the exception of volatility of the underlying asset.

#### 30 September 2014

Description	Fair value at 30 September 2014 \$'000	Valuation Technique	Unobservable Input	Reasonable possible shift +/-	Change in valuation \$'000
OTC derivatives	9,265	Option pricing model	Price volatility of underlying asset	5-7%	1,046

#### 30 September 2013

Description	Fair value at 30 September 2013 \$'000	Valuation Technique	Unobservable Input	Reasonable possible shift +/-	Change in valuation \$'000
OTC derivatives	1,660	Option pricing model	Price volatility of underlying asset	8-10%	763

The change in valuation disclosed in the above table shows the impact that a shift in the unobservable input variables would have on the valuation result.

#### **Financial instrument risk exposure and management**

The Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies and processes for managing those risks and the methods used to measure them.

**Credit risk:** Credit risk is the risk that companies, financial institutions, and other counterparties will be unable to meet their obligations to the Group. The maximum exposure to credit risk is the fair value of the assets held as shown in the tables above.

**Cash:** Cash balances are held with institutional banks and the Directors view the credit risk of holding amounts with those institutions to be low. The Group continually reviews the creditworthiness of its banks to ensure that there are no indicators that would challenge this view.

**Other debtors:** Other debtor balances are sundry assets and are reviewed on an ongoing basis. As at 30 September 2014, other debtor balances were not overdue and were not considered impaired.

# Amius Group Limited

## Notes forming part of the financial statements for the year ended 30 September 2014 (continued)

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### 25. FRS 29: 'Financial Instruments: Disclosures' (continued)

**Counterparty risk:** All the Group's clearing brokers are regulated.

**Liquidity risk:** The Group maintains sufficient liquid assets to meet its liabilities as they fall due. The majority of assets are current, and are represented by trading book positions valued at market price, counterparty balances and cash. The liquidity of all positions is reviewed on a daily basis (see "Market Risk"). OTC deals will only be conducted with counterparties who have been assessed as having an acceptable credit risk. All liabilities are repayable on demand.

**Market risk:** Market risk arises from the Group's trading of financial instruments. It is the risk that the fair value of a financial instrument will fluctuate because of changes in interest rates (interest rate risk), foreign exchange rates (currency risk) or other market factors (price risk).

**Currency risk:** The Group is exposed to two forms of currency risk. The first results from the Group's trading positions being in currencies other than that used for reporting financial performance (US Dollars). This risk is managed within the limits of the trading book. The second arises because the Group has cash at brokers and at banks that is denominated in currencies other than US Dollars. Such exposures are minimal and are hedged when the exposure to the Group becomes significant.

**Interest rate risk:** Interest rate risk relates to the risk of loss due to fluctuations in both cash flows and the fair value of financial assets and liabilities due to changes in market interest rates.

**Concentration risk:** The Directors constantly monitor the trading positions of the Group to ensure that it is not exposing itself to an undue level of risk in one sector of the market.

**Operational risk:** The Group carefully monitors and manages operational risk. The Group has also developed a disaster recovery plan to ensure business continuity in the event of serious disruption to business operations. These arrangements are reviewed and evaluated at least annually.

**Capital:** The Group's objectives when maintaining capital are:

- To safeguard the Group's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- To provide an adequate return to shareholders by pricing products and services at a level commensurate with the relevant risks.

### 26. Post balance sheet events

On the 26<sup>th</sup> of November 2014, an agreement was entered into to combine the activities of Amius Limited and Amius Investor Services Limited and transfer a substantial part of the assets and liabilities of Amius Limited to Amius Investor Services Limited, effective 1 October 2014. Amius Limited received \$8,723,000 in shares as consideration for the transaction. A special resolution was passed to rename Amius Limited to Amius Services Limited and Amius Investor Services Limited to Amius Limited on the 26<sup>th</sup> of November 2014.