AfriAg plc

Annual Report and Financial Statements
for the year ended 31 December 2014

Registered number 002845V

AfriAg plc

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Company information

Directors	David Lenigas (Executive Chairman) Donald Strang (Finance Director) Hamish Harris (Executive Director)
Registered office	34 North Quay Douglas Isle of Man IM1 4LB
Nominated Adviser and Broker	Cairn Financial Advisers LLP 61 Cheapside London, EC2V 6AX United Kingdom
Auditor	Chapman Davis LLP Chartered Accountants and Registered Auditor 2 Chapel Court, London, SE1 1HH United Kingdom
Solicitors to English Law	Kerman & Co. LLP 200 Strand, London, WC2R 1DJ United Kingdom
Solicitors to Isle of Man Law	Dougherty Quinn The Chambers 58 Mount Pleasant Douglas Isle of Man IM1 2PU
Bankers	Lloyds Bank plc 39 Threadneedle Street, London, EC2R 8AU United Kingdom
Registrar, Registered Agent and Administrator	Cavendish Trust Company Limited 31-37 North Quay Douglas Isle of Man IM1 4LB
CREST Service Provider	Share Registrars Limited Suite E, First Floor, 9 Lion and Lamb Yard, Farnham, Surrey, GU9 7LL

Chairman's report (incorporating the strategic review)

I am pleased to present the annual report and financial statements for the year ended 31 December 2014.

This has been a period of much positive change for the Group, showing considerable growth from its small beginnings the previous year. The Company made a gross profit of £56,000 for 2014 from operations, which in the board's view is a solid start for such a new business that really only saw its activities coming together towards the latter part of the year.

The 40% investment in AfriAg SA (Pty) Ltd ("AfriAg SA") was made in July 2013. Since then, AfriAg SA has grown its fleet of AfriAg-branded and associated special purpose refrigerated trucks to 25, as at the date of this report, transporting various types of perishable food and agricultural-related produce around southern Africa and then transport these products to supermarkets in Europe, the Middle East and Asia by sea and air freight.

2014 saw an active airfreight year with AfriAg SA freighting 1,724 million kilogrammes of perishable goods from South Africa, on behalf of clients, to their export markets primarily in Europe and Asia.

Note: Any revenue due to the Company will be by way of periodic dividends from AfriAg SA. The Company is not anticipating any dividends in the short term as any excess working capital from AfriAg SA is being retained to assist with growing that business.

On 17 June 2014, the Company announced its intention to establish a new wholly-owned food marketing and sales and distribution division called AfriAg Marketing, in South Africa, with the prime focus of sourcing and then marketing fresh and frozen African produce within the southern African region as well as exporting from southern Africa to global markets. AfriAg Marketing was set up in August 2014, and commenced first operations in September 2014 with the first orders for export seafood received. Revenue for this division was £381,000 for the year with a resultant gross profit of £46,000.

Subsequent to the year end, and on the 5 February 2015, the Company announced that AfriAg SA had been awarded the contract to transport fresh produce farmed by Vanduzi, part of the Gatsby Foundation's sizeable Mozfoods (SA) operations in Mozambique, to countries such as South Africa, UK, Holland, Germany, and potential future markets include the UAE. The majority of Vanduzi's fresh produce ends up on UK and European supermarket shelves such as Sainsbury, Tesco, M&S, Aldi and Asda plus leading international fresh food supplier, Bakkavor.

This renewable 2 year contract with Mozfoods SA (trading as "Vanduzi") covers a co-operated, cost optimised, refrigerated delivery service, meeting the high transportation standards dictated by the Vanduzi farming operations. This further extends to export customers in the UK, EU and South Africa. In order to optimize vehicle usage and minimize costs, return loads of fresh produce purchased in South Africa will be transported back to Vanduzi, Mozambique.

Under this contract, AfriAg SA is now transporting around 30,000-35,000kg per week of Vanduzi's baby corn and chili orders through Zimbabwe into South Africa. Once at Johannesburg's International Airport, the produce is airfreighted worldwide to Vanduzi's customers. The remaining produce is being distributed by truck throughout South Africa.

Results for the period

The Group's net loss after taxation for the year was £835,000 (2013 - £306,000 loss).

£430,000 of this loss related to costs involved in the cancellation on 11 June 2014 of the Equity Swap Agreement for £600,000 in aggregate, as announced on 12 September 2013, with YA Global Master SPV, Ltd ("YAGM") and in return YAGM has become a strategic long term shareholder of AfriAg. In full consideration, AfriAg issued YAGM with 32.5 million new ordinary shares in the Company.

Current assets including cash at 31 December 2014 amounted to £945,000 (31 December 2013: £243,000).

Outlook

AfriAg has been gradually transitioning itself from its previous life as the defunct 3D Diagnostics Imaging plc, and the Board now considers that we are entering into a new and exciting growth period for the Company and is confident that the investments made by the Company are both encouraging and potentially rewarding. We will look to realise this potential over future years in addition to continuing to review other investment opportunities.

We are seeing continued growth in the overall business and the Company is actively reviewing the possibility of AfriAg Marketing acquiring its own 100% owned refrigerated truck fleet to augment the strong trucking logistics business of AfriAg SA.

The Board would like to take this opportunity to thank our shareholders, staff and consultants for their continued support.

I look forward to reporting further progress over the next period and beyond.

David Lenigas
Executive Chairman

25 June 2015

Directors' report

The directors present their report on the group and its audited financial statements for the year ended 31 December 2014.

Principal activity

As at 31 December 2014 the principal activity of the Group is that of investing by seeking to acquire a direct and/or indirect interest in projects and assets in the agriculture and logistics sectors. The Group currently has a focus on opportunities in Africa, Europe and the Middle East but will consider possible opportunities anywhere in the world.

Results and dividends

The income statement is set out on page 10 and has been prepared in Sterling, the functional and reporting currency of the company.

The Group's net loss after taxation attributable to equity holders of AfriAg plc for the year was £835,000 (2013 - £306,000 loss).

No dividends have been paid or proposed.

Review of the business and future developments

A full review of the Group's performance, financial position and future prospects is given in the Chairman's Report.

Directors and their interests

The interests of the Directors at 31 December 2014 in the ordinary share capital of the Company (all beneficially held) were as follows

	31 December 2014	**31 December 2013**
	No.	No.
David Lenigas	106,000,000	106,000,000
Donald Strang	40,000,000	40,000,000
Hamish Harris	40,000,000	40,000,000

In addition to the issued shares shown above, Donald Strang and Hamish Harris each hold options over 13,600,000 ordinary shares, exercisable at 0.1p at any time up to 31 December 2020.

David Lenigas holds 40,000,000 warrants which entitle him to subscribe for 40,000,000 new Ordinary Shares in the Company at a price of 0.1 pence per Ordinary Share, exercisable at any time up to 31 December 2015. David Lenigas also holds share options over a total of 13,000,000 Ordinary Shares in the Company at an exercise price of 0.1 pence per Ordinary Share.

Substantial shareholdings
Other than as summarised below, the Directors have not been advised of any individual interest, or group or interests held by persons acting together, which at 11 May 2015 exceeded 3% of the Company's issued share capital.

	Number of Ordinary Shares held	% of issued share capital
Pershing Nominees Ltd	238,000,000	17.23
Vidacos Nominees Limited	224,250,000	16.24
Forest Nominees Ltd	118,000,000	8.55
Ferlim Nominees Limited	78,200,000	5.66
Beaufort Nominees Limited	76,214,948	5.52
JIM Nominees Limited	69,086,337	5.00
Redmayne (Nominees) Limited	65,900,000	4.77
TD Direct Investing Nominees (Europe) Ltd	45,461,192	3.29
Barclayshare Nominees Ltd	42,478,141	3.08

Employees
The Company has no directly employed personnel.

Creditor payment policy
The policy of the Company is to:

(a) Agree the terms of payment with suppliers when settling the terms of each transaction;

(b) Ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and

(c) Pay in accordance with its contractual and other legal obligations provided suppliers comply with the terms and conditions of supply.

Directors' liability
As permitted by the Isle of Man Companies Act 2006, the Company has purchased insurance cover for the Directors against liabilities in relation to the Company.

Charitable donations
During the period, the Company made no charitable donations (2013 - £Nil).

Financial reporting
The Board has ultimate responsibility for the preparation of the annual audited accounts. A detailed review of the performance of the Company is contained in the Chairman's report. Presenting the Chairman's report and Director's Report, the Board seeks to present a balanced and understandable assessment of the Company's position, performance and prospects.

Internal control
A key objective of the Directors is to safeguard the value of the business and assets of the Company. This requires the development of relevant policies and appropriate internal controls to ensure proper management of the Company's resources and the identification and mitigation of risks which might serve to undermine them. The Directors are responsible for the Company's system of internal control and for reviewing its effectiveness. It should, however, be recognised that such a system can provide only reasonable and not absolute assurance against material misstatement or loss.

Risk management

The directors have in place a process of regularly reviewing risks to the business and monitoring associated controls, actions and contingency plans.

The Group's financial risk management policies are set out in Note 17.

Website publication

The directors are responsible for the maintenance and integrity of the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Corporate Governance

Audit and Remuneration Committees have been established and comprise Donald Strang and David Lenigas, and Donald Strang and Hamish Harris respectively.

The role of the Remuneration Committee is to review the performance of the executive Directors and to set the scale and structure of their remuneration, including bonus arrangements. The Remuneration Committee also administers and establishes performance targets for the Company's employee share schemes and executive incentive schemes for key management. In exercising this role, the terms of reference of the Remuneration Committee require it to comply with the Code of Best Practice published in the Combined Code.

The Audit Committee is responsible for making recommendations to the Board on the appointment of the auditors and the audit fee, and receives and reviews reports from management and the Company's auditors on the internal control systems in use throughout the Company and its accounting policies.

Going concern

The Directors note the losses that the Group & Company has made for the Year Ended 31 December 2014. The Directors have prepared cash flow forecasts for the period ending 30 June 2016 which take account of the current cost and operational structure of the Group & Company.

The cost structure of the Company comprises a high proportion of discretionary spend and therefore in the event that cash flows become constrained, costs can be quickly reduced to enable the Company to operate within its available funding.

These forecasts demonstrate that the Group & Company has sufficient cash funds available to allow it to continue in business for a period of at least twelve months from the date of approval of these financial statements. Accordingly, the financial statements have been prepared on a going concern basis.

Statement of directors' responsibilities

Isle of Man company law requires the directors to keep reliable accounting records which correctly explain the transactions of the Company, enable the financial position of the Company to be determined with reasonable accuracy at any time and allow financial statements to be prepared. The shareholders have resolved, in accordance with the Companies Act 2006 and the Articles of Association, that the directors prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Company and of its profit or loss for that period.

On this basis the directors have elected to prepare the financial statements for the Company in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union.

International Accounting Standard 1 requires that accounts present fairly for each financial period the company's financial position, financial performance and cash flows. This requires the faithful representation of the effects of transactions, other events and conditions in accordance with the definitions and recognition criteria for assets, liabilities, income and expenses set out in the International Accounting Standards Board's 'Framework for the preparation and presentation of accounts'. In virtually all circumstances, a fair presentation will be achieved by compliance with all applicable IFRSs. However, directors are also required to:

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

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with the Isle of Man Companies Act 2006. They have a general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Website publication

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the Isle of Man governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the Company's auditors are unaware.

Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the Company's auditors are aware of that information.

By order of the Board of Directors

David Lenigas
Director

25 June 2015

Independent auditor's report to the members of AfriAg plc

We have audited the financial statements of AfriAg plc for the period to 31 December 2014 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Statement of Changes in Equity, the Company Statement of Changes in Equity, the Consolidated Cash Flow Statement, the Company Cash Flow Statement, and the related notes. 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.

This report is made solely to the company's members, as a body, in accordance with Section 80c of the Isle of Man 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 directors' responsibilities statement set out on page 4, the directors are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit

A description of the scope of an audit of Financial Statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on accounts

In our opinion the accounts:

- 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 2014 and of the group's loss, and of the group's and parent company's cash flows for the year then ended;
- the group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union;
- the parent company financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union and as applied in accordance with the provisions of the Isle of Man Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Isle of Man Companies Act 2006.

Opinion on other matters prescribed by the Isle of Man Companies Act 2006

In our opinion the information given in the directors' report, for the financial period for which the financial statements are prepared, is consistent with the accounts.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Isle of Man 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 accounts 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.

Keith Fulton (Senior Statutory Auditor)
for and on behalf of Chapman Davis LLP
Chartered Accountants and Statutory Auditors
London
25 June 2015

Financial statements
Consolidated statement of comprehensive income for the period to 31 December 2014

	Note	Year ended 31 December 2014 £'000	Year ended 31 December 2013 £'000
Revenue	4	**391**	2
Cost of sales		**(335)**	-
Gross Profit		**56**	2
Administration expenses		**(436)**	(310)
Share Based Payment Charge		**(32)**	-
Operating (loss)	4-5	**(412)**	(308)
Share of associate result		**4**	2
Investment income	11	**3**	-
Realised loss on equity swap	14	**(430)**	-
(Loss) before taxation		**(835)**	(306)
Taxation	7	**-**	-
(Loss) for the period attributable to equity holders of the parent		**(835)**	(306)
Other comprehensive income			
(Loss)/gain on revaluation of available for sale investments		**(25)**	10
(Loss) on revaluation of derivative financial instrument		**-**	(300)
Transfer to income statement		**300**	-
Translation exchange (loss)		**(21)**	-
Other comprehensive income for the period net of taxation		**254**	(290)
Total comprehensive income for the year attributable to equity holders of the parent		**(581)**	(596)
Loss per share			
Basic and diluted	8	**(0.07)**	(0.03)

The accompanying accounting policies and notes form part of these financial statements.

Consolidated statement of financial position at 31 December 2014

	Note	31 December 2014 £'000	31 December 2013 £'000
Non-current assets			
Investments in associates	10	**1,333**	1,329
		1,333	1,329
Current assets			
Available for sale assets	11	**186**	211
Trade and other receivables	12	**292**	20
Derivative financial instrument	14	**-**	-
Cash and cash equivalents		**467**	12
		945	243
Total assets		**2,278**	1,572
Current liabilities			
Trade and other payables	13	**(492)**	(148)
		(492)	(148)
Net current assets		**453**	95
Net assets		**1,786**	1,424
Equity			
Share capital	15	**1,381**	1,055
Share premium account		**8,548**	7,963
Share based payment reserve		**213**	181
Revaluation reserves		**(15)**	(290)
Foreign currency reserve		**(21)**	-
Retained earnings		**(8,320)**	(7,485)
		1,786	1,424

The financial statements of AfriAg plc (registered number 002845V) were approved by the Board of Directors and authorised for issue on 25 June 2015 and were signed on its behalf by:

David Lenigas
Chairman

The accompanying accounting policies and notes form part of these financial statements.

Company statement of financial position at 31 December 2014

	Note	31 December 2014 £'000	31 December 2013 £'000
Non-current assets			
Investments in subsidiary undertakings	9	**-**	-
Trade and other receivables	12	**1,836**	1,327
		1,836	1,327
Current assets			
Available for sale assets	11	**186**	211
Trade and other receivables	12	**26**	20
Derivative financial instrument	14	**-**	-
Cash and cash equivalents		**62**	12
		274	243
Total assets		**2,110**	1,570
Current liabilities			
Trade and other payables	13	**(323)**	(148)
		(323)	(148)
Net current (liabilities)/assets		**(49)**	95
Net assets		**1,787**	1,422
Equity			
Share capital	15	**1,381**	1,055
Share premium account		**8,548**	7,963
Share based payment reserve		**213**	181
Revaluation reserves		**(15)**	(290)
Retained earnings		**(8,340)**	(7,487)
		1,787	1,422

The financial statements of AfriAg plc (registered number 002845V) were approved by the Board of Directors and authorised for issue on 25 June 2015 and were signed on its behalf by:

David Lenigas
Chairman

The accompanying accounting policies and notes form part of these financial statements.

Consolidated statement of changes in equity for the period to 31 December 2014

	Share capital	Share premium	Share based payment reserve	Foreign currency reserve	Revaluation reserves	Retained earnings	Total
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
At 31 December 2012	821	6,334	193	-	-	(7,191)	157
Loss for the period	-	-	-	-	-	(306)	(306)
Gain on revaluation of available for sale investments	-	-	-	-	10	-	10
(Loss) on revaluation of derivative financial instrument	-	-	-	-	(300)	-	(300)
Total Comprehensive Income	-	-	-	-	(290)	(306)	(596)
Shares issued (net of expenses)	234	1,629	-	-	-	-	1,863
Options and warrants exercised	-	-	(12)	-	-	12	-
Total contributions by and distributions to owners of the Company	234	1,629	(12)	-	-	12	1,863
At 31 December 2013	**1,055**	**7,963**	**181**	**-**	**(290)**	**(7,485)**	**1,424**
Loss for the period	-	-	-	-	-	(835)	(835)
Currency translation (loss)	-	-	-	(21)	-	-	(21)
(Loss) on revaluation of available for sale investments	-	-	-	-	(25)	-	(25)
(Loss) on revaluation of derivative financial instrument	-	-	-	-	300	-	300
Total Comprehensive Income	-	-	-	(21)	275	(835)	(581)
Shares issued (net of expenses)	326	585	-	-	-	-	911
Share based payment charge	-	-	32	-	-	-	32
Total contributions by and distributions to owners of the Company	326	585	32	-	-	-	843
At 31 December 2014	**1,381**	**8,548**	**213**	**(21)**	**(15)**	**(8,320)**	**1,786**

The accompanying accounting policies and notes form part of these financial statements.

AfriAg plc

Company statement of changes in equity for the period to 31 December 2014

	Share capital	Share premium	Share based payment reserve	Revaluation reserves	Retained earnings	Total
	£'000	£'000	£'000	£'000	£'000	£'000
At 31 December 2012	821	6,334	193	-	(7,191)	157
Loss for the period	-	-	-	-	(308)	(308)
Gain on revaluation of available for sale investments	-	-	-	10	-	10
(Loss) on revaluation of derivative financial instrument	-	-	-	(300)	-	(300)
Total Comprehensive Income	-	-	-	(290)	(308)	(598)
Shares issued (net of expenses)	234	1,629	-	-	-	1,863
Options and warrants exercised	-	-	(12)	-	12	-
Total contributions by and distributions to owners of the Company	234	1,629	(12)	-	12	1,863
At 31 December 2013	**1,055**	**7,963**	**181**	**(290)**	**(7,487)**	**1,422**
Loss for the period	-	-	-	-	(853)	(853)
(Loss) on revaluation of available for sale investments	-	-	-	(25)	-	(25)
Transfer to income statement	-	-	-	300	-	300
Total Comprehensive Income	-	-	-	275	(853)	(578)
Shares issued (net of expenses)	326	585	-	-	-	911
Share based payment charge	-	-	32	-	-	32
Total contributions by and distributions to owners of the Company	326	585	32	-	-	943
At 31 December 2014	**1,381**	**8,548**	**213**	**(15)**	**(8,340)**	**1,787**

The accompanying accounting policies and notes form part of these financial statements.

Consolidated cash flow statement for the period ended 31 December 2014

	Year ended 31 Dec 2014 £'000	Year ended 31 Dec 2013 £'000
Cash flows from operating activities		
Operating (loss)	**(412)**	(308)
(Increase) in trade and other receivables	**(272)**	(13)
Increase in trade and other payables	**344**	127
Share option charge	**32**	-
Net cash outflow in operating activities	**(308)**	(194)
Investing activities		
Investment income	**3**	-
Investment in assets held for sale	**-**	(201)
Investment in associate	**-**	(10)
Net cash outflow in investing activities	**3**	(211)
Financing activities		
Issue of share capital	**818**	616
Issue costs	**(37)**	(70)
Payment for derivative financial instrument	**-**	(300)
Net cash inflow from financing activities	**781**	246
Net increase/(decrease) and cash and cash equivalents	**476**	(159)
Cash and cash equivalents at beginning of period	**12**	171
Effect of foreign exchange on cash and cash equivalents	**(21)**	-
Cash and cash equivalents at end of period	**467**	12

The accompanying accounting policies and notes form part of these financial statements.

Company cash flow statement for the period ended 31 December 2014

	Year ended 31 Dec 2014 £'000	Year ended 31 Dec 2013 £'000
Cash flows from operating activities		
Operating (loss)	**(426)**	(308)
(Increase)/decrease in trade and other receivables	**(6)**	(13)
Increase/(decrease) in trade and other payables	**175**	127
Share option charge	**32**	-
Net cash outflow in operating activities	**(225)**	(194)
Investing activities		
Investment income	**3**	-
Investment in assets held for sale	**-**	(201)
Loans granted to subsidiaries	**(509)**	(10)
Net cash outflow in investing activities	**(506)**	(211)
Financing activities		
Issue of share capital	**818**	616
Issue costs	**(37)**	(70)
Payment for derivative financial instrument	**-**	(300)
Net cash inflow from financing activities	**781**	246
Net increase/(decrease) and cash and cash equivalents	**50**	(159)
Cash and cash equivalents at beginning of period	**12**	171
Cash and cash equivalents at end of period	**62**	12

The accompanying accounting policies and notes form part of these financial statements.

1 General information

AfriAg plc is a company incorporated in the Isle of Man under the Isle of Man Companies Act 2006. The address of the registered office is given on page 1. The nature of the Company's operations and its principal activities are set out in the directors' report on pages 4 to 7. AfriAg plc's shares are listed on the AIM market of the London Stock Exchange.

These accounts have been prepared in Sterling because that is the currency of the primary economic environment in which the Company operates.

New standards and interpretations not applied

IASB (International Accounting Standards Board) and IFRIC (International Financial Reporting Interpretations Committee) have issued the following standards and interpretations with an effective date after the date of these financial statements:

The following standards have been adopted by the group for the first time for the financial year beginning on or after 1 January 2014 and have a material impact on the Group and Company:
Amendment to IAS 32, 'Financial instruments: Presentation' on offsetting financial assets and financial liabilities. This amendment clarifies that the right of set-off must not be contingent on a future event. It must also be legally enforceable for all counterparties in the normal course of business, as well as in the event of default, insolvency or bankruptcy. The amendment also considers settlement mechanisms. The amendment did not have a significant effect on the group financial statements.

Amendments to IAS 36, 'Impairment of assets', on the recoverable amount disclosures for non-financial assets. This amendment removed certain disclosures of the recoverable amount of CGUs which had been included in IAS 36 by the issue of IFRS 13.

Amendment to IAS 39, 'Financial instruments: Recognition and measurement' on the novation of derivatives and the continuation of hedge accounting. This amendment considers legislative changes to 'over-the-counter' derivatives and the establishment of central counterparties. Under IAS 39 novation of derivatives to central counterparties would result in discontinuance of hedge accounting. The amendment provides relief from discontinuing hedge accounting when novation of a hedging instrument meets specified criteria. The Company has applied the amendment and there has been no significant impact on the Company financial statements as a result.

IFRIC 21, 'Levies', sets out the accounting for an obligation to pay a levy if that liability is within the scope of IAS 37 'Provisions'. The interpretation addresses what the obligating event is that gives rise to pay a levy and when a liability should be recognised. The Company is not currently subjected to significant levies so the impact on the Company is not material.

Other standards, amendments and interpretations which are effective for the financial year beginning on 1 January 2014 are not material to the Company.

New standards, amendments and interpretations not yet adopted

A number of new standards and amendments to standards and interpretations are effective for annual periods beginning after 1 January 2014, and have not been applied in preparing these consolidated financial statement. None of these is expected to have a significant effect on the consolidated financial statements of the Company, except the following set out below:

1 New standards, amendments and interpretations not yet adopted (continued)

IFRS 9, 'Financial instruments', addresses the classification, measurement and recognition of financial assets and financial liabilities. The complete version of IFRS 9 was issued in July 2014. It replaces the guidance in IAS 39 that relates to the classification and measurement of financial instruments. IFRS 9 retains but simplifies the mixed measurement model and establishes three primary measurement categories for financial assets: amortised cost, fair value through OCI and fair value through P&L. The basis of classification depends on the entity's business model and the contractual cash flow characteristics of the financial asset. Investments in equity instruments are required to be measured at fair value through profit or loss with the irrevocable option at inception to present changes in fair value in OCI not recycling. There is now a new expected credit losses model that replaces the incurred loss impairment model used in IAS 39. For financial liabilities there were no changes to classification and measurement except for the recognition of changes in own credit risk in other comprehensive income, for liabilities designated at fair value through profit or loss. IFRS 9 relaxes the requirements for hedge effectiveness by replacing the bright line hedge effectiveness tests. It requires an economic relationship between the hedged item and hedging instrument and for the 'hedged ratio' to be the same as the one management actually use for risk management purposes. Contemporaneous documentation is still required but is different to that currently prepared under IAS 39. The standard is effective for accounting periods beginning on or after 1 January 2018. Early adoption is permitted. The group is yet to assess IFRS 9's full impact.

IFRS 15, 'Revenue from contracts with customers' deals with revenue recognition and establishes principles for reporting useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from an entity's contracts with customers. Revenue is recognised when a customer obtains control of a good or service and thus has the ability to direct the use and obtain the benefits from the good or service. The standard replaces IAS 18 'Revenue' and IAS 11 'Construction contracts' and related interpretations. The standard is effective for annual periods beginning on or after 1 January 2017 and earlier application is permitted. The Company is assessing the impact of IFRS 15.

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on the Group and Company.

2 Significant accounting policies

Basis of preparation

The accounts have been prepared in accordance with International Financial Reporting Standards (IFRSs) adopted for the use in the European Union.

The accounts have been prepared under the historical cost convention. The principal accounting policies are set out below.

2 Significant accounting policies (continued)

Basis of Consolidation

The Group financial statements consolidate those of the Company and all of its subsidiary undertakings drawn up to the balance sheet date. Subsidiaries are entities over which the Company has the power to control, directly or indirectly, the financial and operating policies so as to obtain benefits from their activities. The Company obtains and exercises control through voting rights. Subsidiaries are fully consolidated from the date at which control is transferred to the Company. They are deconsolidated from the date that control ceases.

Unrealised gains on transactions between the Company and its subsidiaries are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Amounts reported in the financial statements of subsidiaries have been adjusted where necessary to ensure consistency with the accounting policies adopted by the Group.

Acquisitions of subsidiaries are dealt with by the acquisition method. The acquisition method involves the recognition at fair value of all identifiable assets and liabilities, including contingent liabilities of the subsidiary, at the acquisition date, regardless of whether or not they were recorded in the financial statements of the subsidiary prior to acquisition. On initial recognition, the assets and liabilities of the subsidiary are included in the consolidated balance sheet at their fair values, which are also used as the bases for subsequent measurement in accordance with the Group accounting policies. Goodwill is stated after separating out identifiable intangible assets. Goodwill represents the excess of acquisition cost over the fair value of the Group's share of the identifiable net assets of the acquired subsidiary at the date of acquisition. Acquisition costs are written off as incurred.

Investments in associates are initially recognised at cost and subsequently accounted for using the equity method. Any goodwill or fair value adjustment attributable to the Group’s share in the associate is not recognised separately and is included in the amount recognised as investment in associate. The carrying amount of the investment in associates is increased or decreased to recognise the Group’s share of the profit or loss and other comprehensive income of the associate, adjusted where necessary to ensure consistency with the accounting policies of the Group. Unrealised gains and losses on transactions between the Group and its associates are eliminated to the extent of the Group’s interest in those entities. Where unrealised losses are eliminated, the underlying asset is also tested for impairment

Going concern

Notwithstanding the loss incurred during the period under review, the Directors are of the opinion that ongoing evaluations of the Group and Company’s interests and cash resources, indicate that preparation of the Group and Company’s accounts on a going concern basis is appropriate.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts from the sales of goods provided in the normal course of business, net of value added tax and discounts, and is recognised when the significant risks and rewards of ownership of the product have been transferred to a third party. In the case of sale or return transactions, revenue is only recognised when, and only to the level that, risks and rewards are transferred.

Revenue is the invoiced value of goods and services supplied and excludes VAT and other sales based taxes.

2 Significant accounting policies (continued)

Financial instruments

Financial assets and financial liabilities are recognised on the Group and Company's statement of financial position when the Group or Company becomes a party to the contractual provisions of the instrument.

The Company's activities give rise to some exposure to the financial risks of changes in interest rates and foreign currency exchange rates. The Company has no borrowings and is principally funded by equity, maintaining all its funds in bank accounts.

Financial assets

Financial assets are classified into the following specified categories; financial assets "at fair value through profit or loss" (FVTPL), "held to maturity" investments, "available for sale" (AFS) financial assets and "loans and receivables". The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

Available for sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are either designated to this category or do not qualify for inclusion in any of the other categories of financial assets. The Group's available-for-sale financial assets include listed securities. These available-for-sale financial assets are measured at fair value. Realised Gains and losses are recognised in the income statement and unrealised gains and losses in other comprehensive income and reported within the available-for-sale reserve within equity, except for permanent impairment losses and foreign exchange differences, which are recognised in the income statement. When the asset is disposed of or is determined to be impaired, the cumulative gain or loss recognised in other comprehensive income is reclassified from the equity reserve to the income statement and presented as a reclassification adjustment within other comprehensive income. Interest calculated using the effective interest method and dividends are recognised in the income statement within investment income.

Reversals of impairment losses are recognised in other comprehensive income.

Equity

Share capital is determined using the nominal value of shares that have been issued.

The share premium account represents premiums received on the initial issuing of the share capital. Any transaction costs associated with the issuing of shares are deducted from share premium, net of any related income tax benefits.

The share based payment reserve represents the cumulative amount which has been expensed in the income statement in connection with share based payments, less any amounts transferred to retained earnings on the exercise of share options.

Foreign currency reserve represents the exchange translation gains/(losses) on converting overseas subsidiaries.

Revaluation reserve represents the unrealised gain or loss on fair/market value movement on available for sale investments and other assets which are valued at their fair value at the balance sheet date.

Retained earnings include all current and prior period results as disclosed in the income statement.

2 Significant accounting policies (continued)

Cash

Cash includes cash in hand, deposits held at call with banks, and bank overdrafts. Bank overdrafts are shown within current liabilities on the balance sheet.

Financial liabilities

Trade payables

Trade payables are non-interest-bearing and are initially measured at fair value and thereafter at amortised cost using the effective interest rate.

Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the period. Taxable profit differs from the net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Provisions

Provisions are recognised when the Company has a present obligation as a result of a past event, it is probable that the Company will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation

Share based payments

The Company issues equity-settled share based benefits to employees. All equity-settled share-based payments are ultimately recognised as an expense in profit or loss with a corresponding credit to reserves.

Share-based payments relating to the subsidiary company increase the carrying value of the investment in the subsidiary and are included in the loss on disposal of the subsidiary.

If vesting periods or other non-market vesting conditions apply, the expense is allocated over the vesting period, based on the best available estimate of the number of share options expected to vest. Estimates are subsequently revised if there is any indication that the number of share options expected to vest differs from previous estimates. Any cumulative adjustment prior to vesting is recognised in the current period. No adjustment is made to any expense recognised in prior periods if share options ultimately exercised are different to that estimated on vesting.

Upon exercise of share options the proceeds received net of attributable transaction costs are credited to share capital, and where appropriate share premium.

3 Critical accounting judgements and key sources of estimation uncertainty

In the process of applying the Group's accounting policies, as described in note 2, management has made the following judgements that have the most significant effect on the amounts recognised in the financial statements.

Valuation of share based payments to employees

The Company estimates the expected value of share based payments to employees and this is charged through the income statement over the vesting period. The fair value is estimated using the Black Scholes valuation model which requires a number of assumptions to be made such as level of share vesting, time of exercise, expected length of service and employee turnover and share price volatility. This method of estimating the value of share based payments is intended to ensure that the actual value transferred to employees is provided for by the time such payments are made.

4 Segmental information

An operating segment is a distinguishable component of the Group that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Group's chief operating decision maker to make decisions about the allocation of resources and assessment of performance and about which discrete financial information is available.

The chief operating decision maker has defined that the Group's only reportable operating segments during the period are the agriculture and logistics sector, and the parent company/investment.

Subject to further acquisitions the Group expects to further review its segmental information during the forthcoming financial year.

The Group has generated revenues from external customers during the period of £381,000 (2013: £nil), and £10,000 (2013: £2,000) revenue is from management fees to the associate company.

In respect of the total assets of £2,278,000 (2013: £1,572,000), £275,000 (2013: £243,000) arise in the parent company, and £2,003,000 (2013: £1,329,000) arise in South Africa.

5 Operating loss

	Year to 31 Dec 2014 £'000	Year to 31 Dec 2013 £'000
Operating loss is stated after charging:		
Share options	**32**	-
Audit	**10**	10

Included in share options is £nil (2013 - £nil) relating to directors.

In addition to auditors' remuneration shown above, the auditors received the following fees for non audit services.

	2014 £'000	2013 £'000
Other financial advisory services	**-**	-

6 Directors' emoluments

Fees and benefits	180	135

The Company has no directly employed personnel.

2014	Fees and salaries £'000	Share based payments £'000	Total £'000
D Lenigas	60	-	60
D Strang	60	-	60
H Harris	60	-	60
	180	**-**	**180**

2013			
D Lenigas (#2)	32	-	32
D Strang	48	-	48
H Harris	48	-	48
O Cooke (#1)	7		7
	135	-	135

Directors' fees totalling £279,000 have been accrued and remain unpaid as at 31 December 2014 (2013: £99,000).
#1 - resigned 17 May 2013.
#2 - appointed 24 April 2013.
Directors' interest in share options is set out in the directors' report.

7 Taxation

	Year to 31 Dec 2014 £'000	Year to 31 Dec 2013 £'000
Total current tax	**-**	-

The actual tax charges for the period differs from the standard rate applicable in the UK of 21/23% (2013 – 23/24%) for the reasons set out in the following reconciliation:

	2014 £'000	2013 £'000
Loss on ordinary activities before tax	**(835)**	(306)
Tax thereon @ rates above	**(180)**	(71)
Factors affecting charge for the period:		
Losses arising in territories where no tax is charged	**180**	71
Current tax charge for the period	**-**	**-**

8 Loss per share

IAS 33 "Earnings per share" requires presentation of diluted earnings / (loss) per share when a company could be called upon to issue shares that would decrease profit or increase loss per share. For a loss making company with outstanding share options, loss per share would only be increased by the exercise of out of money options. Since it seems inappropriate to assume that option holders would exercise out of money options, no adjustment has been made to calculate the diluted loss per share on out of money share options.

Basic and diluted loss per share are calculated on the retained loss attributable to equity holders of the parent of £835,000 (Period ended 31 December 2013 - £306,000) and on weighted average number of ordinary shares of 1,169,677,749 (31 December 2013 – 893,299,984) in issue.

9 Investments in subsidiaries - Company

	31 December 2014 £'000	31 December 2013 £'000
Cost and net book value		
At 1 January	-	-
Additions	-	-
Disposal	-	-
At 31 December	-	-

The following were subsidiary undertakings held directly or indirectly by the Company at the end of the year:

Name	Country of incorporation	Proportion of voting rights and ordinary share capital held voting right	Nature of business
AfriAg Limited	England	100%	Holding Company
AfriAg Limited	BVI	100%	Dormant Company
Afriag Holdings (Pty) Limited	South Africa	100%	Holding Company
Afriag Marketing (Pty) Limited	South Africa	100%	Marketing Company

10 Investment in associate - Group

	31 December 2014 £'000	31 December 2013 £
At 1 January	**1,329**	-
Addition at cost	**-**	1,327
Share of associate result	**4**	2
Carrying value at 31 December	**1,333**	1,329

The Group's share of results of its associate, which is unlisted, and its aggregated assets and liabilities, is as follows:

Name	Country of incorporation	Assets	Liabilities	Revenues	Profit/(Loss)	% interest held
		As at 31 December 2014		Year to 31 December 2014		
AfriAg (Pty) Ltd	South Africa	£220,634	£206,336	£144,483	£9,870	40

AfriAg (Pty) Limited's year end is 31 December.

11 Available-for-sale investments – Group & Company

Current Assets - Listed investments	31 December 2014 £'000	31 December 2013 £'000
At 1 January	**211**	-
Acquired during the period	**-**	201
Movement in market value	**(25)**	10
At 31 December	**186**	211

Available-for-sale investments comprise investments in listed securities which are traded on stock markets throughout the world, and are held by the Group as a mix of strategic and short term investments.

Income from these investments was £3,000 for dividends received for the year to 31 December 2014. (2013: £nil)

12 Trade and other receivables

	31 December 2014		31 December 2013	
	Group £'000	Company £'000	Group £'000	Company £'000
Current trade and other receivables				
Trade receivables	**218**	**-**	-	-
Other debtors	**57**	**9**	18	18
Accrued income	**17**	**17**	2	2
Total	**292**	**26**	20	20
Non-Current trade and other receivables				
Loans due from subsidiaries	**-**	**1,836**	-	1,327
Total	**-**	**1,836**	-	1,327

Loans outstanding and due from subsidiaries, are interest free and repayable on demand.

13 Trade and other payables

	31 December 2014		31 December 2013	
	Group £'000	Company £'000	Group £'000	Company £'000
Current trade and other payables				
Trade creditors	**119**	**9**	35	35
Other creditors	**58**	**-**	-	-
Accruals	**315**	**314**	113	113
Total	**492**	**323**	148	148

14 Derivative Financial Instrument – Group & Company

	31 December 2014	31 December 2013
Shares in Group undertaking	**£'000**	**£'000**
Company		
Cost		
Fair value as at 1 January	**-**	-
Cost of equity swap arrangement	**-**	300
Shares issued on settlement	**130**	-
Realised (loss) on settlement	**(430)**	-
Transfer to income statement	**300**	-
Fair value adjustment	**-**	(300)
As at 31 December	**-**	-

On 12 September 2013 the Company announced that it had entered into an equity swap agreement with YAGM over 29,126,213 of the Company's shares. In return for a payment by the Company to YAGM of £300,000 ("the Initial Escrowed Funds"), twelve monthly settlement payments were to be made by YAGM to the Company, or by the Company to YAGM, based on a formula related to the difference between the prevailing market price of the Company's ordinary shares in any month and a 'benchmark price' that is 10% above the Subscription Price. Thus the funds received by the Company in respect of the Swap Shares are dependent on the future price performance of the Company's ordinary shares.

The Initial Escrowed Funds were deposited into an escrow account and the subsequent monthly settlement payments were to be managed through the Escrow Account under the terms of the Equity Swap Agreement.

YAGM were permitted to terminate the Equity Swap Agreement and accelerate the payments due under it in certain circumstances. The Company were permitted to pause a monthly payment under the Equity Swap Agreement once in each six month period.

By 31 December 2013 nil shares had been closed out for net proceeds of £nil. The remaining balance has been fair valued at 31 December 2013, which had resulted in a fair value adjustment decrease based on the benchmark price and formula of the arrangement, with the unrealised loss debited to revaluation reserve and highlighted in other comprehensive income.

On 11 June 2014, the Equity Swap was settled in full, by way of the company issuing 32.5million new ordinary shares to YAGM, valued at 0.4p per share. This resulted in a total realised loss on the Equity Swap of £430,000 debited to the income statement. There was no outstanding balance on the Equity Swap at 31 December 2014.

15	Share capital	31 December 2014 £'000	31 December 2013 £'000
	Allotted, issued and fully paid		
	1,381,001,037 (2013 – 1,055,501,037) ordinary shares of £0.001 each	**1,381**	1,055

The Company has one class of ordinary shares which carries no right to fixed income.

Shares Issued during the year ended 31 December 2013:
On 21 August 2013, 4,400,000 shares were issued on the exercise of warrants at 0.1p per share.

On 6 September 2013, the Company issued 188,000,000 shares as part of the acquisition of the 40% share in AfriAg (Pty) Limited, at a price of 0.7p per share. Non-cash consideration.

On 12 September 2013, 29,126,213 shares were issued in a Placing and Equity Swap, at 2.06p per share.

On 30 October 2013, 13,000,000 shares were issued on exercise of share options at 0.1p per share.

Shares issued during the year ended 31 December 2014:
On 11 June 2014, 100,000,000 shares were issued in a Placing for cash at 0.4p per share.

On 11 June 2014, 32,500,000 shares were issued at 0.4p per share on settlement of the Equity Swap Arrangement for non-cash.

On 3 October 2014, 118,000,000 shares were issued for cash at par of 0.1p per share to the Employment Benefit Trust.

On 4 November 2014, 75,000,000 shares were issued in a Placing for cash at 0.4p per share.

During the year ended 31 December 2014, the Company issued a total of 325,500,000 ordinary shares (2012: 234,526,213 ordinary shares).

Warrants in issue

As at 1 January 2014, shareholders had the option of up to 195,600,000 subscription warrants for each subscription share, exercisable at 0.1p per ordinary share. During the year, no warrants were exercised (2013: 4,400,000) at 0.1p per share. No warrants were cancelled or lapsed during the period (2013: nil).

As at 31 December 2014, 195,600,000 warrants (2013: 195,600,000) remain outstanding. These warrants all expire on 31 December 2015.

Share Options
The Company has as at 31 December 2014, 79,000,000 (2013: 69,000,000) share options issued through its share schemes. During the year 10,000,000 options were issued (2013: nil), no options were exercised (2013: 13,000,000), no options were cancelled or lapsed (2013: nil).

15 Share capital (continued)

Employment Benefit Trust ("EBT")

The Company established on 3 October 2014 a share incentive plan ("SIP") and effective as of 3 October 2014. The purpose of the SIP is to incentivise officers, employees and consultants of the Company by the award of ordinary shares in the capital of the Company ("Ordinary Shares") for no cost. Ordinary Shares under this plan will not exceed 10 per cent of the Company's issued share capital from time to time without the prior approval of shareholders of the Company.

The Company also established on 3 October 2014, an employee benefit trust called the AfriAg Employee Benefit Trust ("EBT") to implement the use of the SIP. The EBT is a discretionary trust for the benefit of directors, employees and consultants of the Company and its subsidiaries.

Accordingly, the trustees of the EBT subscribed for 118,000,000 new ordinary shares of 0.1p each in the Company, at par value per share at an aggregate cost to the Company of £118,000, such shares representing 9% of the so enlarged issued share capital of the Company. The shares held in the EBT are intended to be used to satisfy future awards made by the Company's Remuneration Committee under the SIP. It is intended that any individual awards under the scheme will be subject to vesting and performance conditions.

16 Share based payments

A modified Black-Scholes model has been used to determine the fair value of the share options on the date of grant. The fair value is expensed to the income statement on a straight line basis over the vesting period, which is determined annually. The model assesses a number of factors in calculating the fair value. These include the market price on the date of grant, the exercise price of the share options, the expected share price volatility of the Company's share price, the expected life of the options, the risk free rate of interest and the expected level of dividends in future periods.
As disclosed in note 5 the share option charge for the period was £32,000 *(2013 - £nil)*

The inputs into the model for the 3 October 2014 issue were as follows:

	October 2014 Options
Number of options	10,000,000
Volatility	84.20%
Market price	£0.0058
Interest rate	2.30%
Dividend yield	Nil
Contractual life	2.25 years

The volatility assumption is based upon historic share price volatility of the Company.

Exercise Price	Grant Date	Expiry Date	31 December 2013	Granted	Exercised	31 December 2014	Weighted average exercise price
Summary of options							
£0.001	07/12/2012	31/12/2020	69,000,000	-	-	69,000,000	£0.001
£0.0045	03/10/2014	31/12/2016	-	10,000,000	-	10,000,000	£0.0045
			69,000,000	10,000,000	-	79,000,000	£0.0015
Summary of warrants							
£0.001	07/12/2012	31/12/2015	195,600,000	-	-	195,600,000	£0.001
			195,600,000	-	-	195,600,000	£0.001

17 Financial instruments

The Group's financial instruments comprise cash at bank and payables which arise in the normal course of business. It is, and has been throughout the period under review, the Group's policy that no speculative trading in financial instruments shall be undertaken. The Group has been solely equity funded during the period. As a result the main risk arising from the Group's financial instruments is currency risk.

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 2 of the accounts.

	2014	**2013**
	£'000	**£'000**
Financial assets (current)		
Trade receivables	**218**	-
Cash and cash equivalents	**467**	12
Financial liabilities (current)		
Trade payables	**119**	35

Interest rate risk and liquidity risk
The Group is funded by equity, maintaining all its funds in bank accounts. The Group's policy throughout the period has been to minimise the risk of placing available funds on short term deposit. The short term deposits are placed with banks for periods up to 1 month according to funding requirements.

The Group had no undrawn committed borrowing facilities at any time during the period.

Currency risk
The group is directly exposed to currency risk of its subsidiaries, as they are based in South Africa, and exposed to movement against the South African Rand as their assets, liabilities, revenue and expenditure are denominated therein. The parent company is denominated in pound sterling.

Market risk
The company's current exposure to market risk in relation to its AFS investments, which are listed on stock markets throughout the world.

Fair values
Cash and cash equivalents (which are presented as a single class of assets on the face of the balance sheet) comprise cash held by the company with an original maturity of three months or less. The carrying amount of these assets approximates their fair value.

The directors consider there to be no material difference between the book value of financial instruments and their values at the balance sheet date.

18 Related party transactions

Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note. Transactions between other related parties are discussed below.

During the period, there were no related party transactions to disclose.

Remuneration of Key Management Personnel
The remuneration of the Directors and other key management personnel of the Group are set out below in aggregate for each of the categories specified in IAS24 Related party Disclosures.

	2014	2013
	£'000	£'000
Short-term employee benefits	211	135
Share-based payments	32	-
	243	135

19 Capital Commitments & Contingent Liabilities

There are no non-cancellable capital commitments as at the balance sheet date. The Group has no contingent liabilities at the balance sheet date.

20 Ultimate control

The Company has no individual controlling party.

21 Events after the reporting period

There are no events after the end of the reporting period to disclose.

22 Profit and loss account of the parent company

As permitted by the Isle of Man Companies Act 2006, the profit and loss account of the parent company has not been separately presented in these accounts. The parent company loss for the year was £853,000 (2013: £308,000).