



Chairman's Statement

Trading

We are pleased to report a return to profit for the six months to November 2016. Our pre-tax profit was £19,000 which compares to a loss for the comparable period in 2015 of £662,000. Our operating loss was significantly reduced showing a fall of 85% to £109,000 from £708,000 in 2015.

We are now reaping the benefits of our substantial investment in a leading edge, integrated, back and front office system which has been an important factor in our total revenue rising by 15% to £1,410,000 in the first half (2015: £1,226,000). We have also seen an improvement in our fee revenue which was driven in part by the integration of our ISA business onto the new platform. Underlying fee revenue continued to grow as we gradually migrate our clients onto a fee based structure.

The annual dividend from our Euroclear holding was received during the first half whilst our finance income improved following the consolidation of our client cash after the implementation of our new software platform.

In this reporting period currency movements have led to an appreciation in the carrying value of our holding in Euroclear, which is denominated in Euros, of £223,000 (2015: depreciation £60,000). This follows the devaluation of Sterling after the Brexit vote in the summer of last year. Euroclear has just announced another year of robust operating performance in the twelve months to December 2016.

We maintain our strong financial position and as foreshadowed in our annual report published in August 2016 our cash balance has risen from £405,000 as reported at 31 May 2016 to £863,000 as at 30 November 2016.

Dividend

The Board has resolved not to pay an interim dividend for the six month period to 30 November 2016.

Markets

In the six months from the beginning of June to the end of November there has been considerable movement in the London stock market. Initially there was a sharp fall after the Brexit vote but this was fairly swiftly followed by a strong recovery with the market remaining buoyant after the period end. The strength in Wall Street has yet again outpaced London and, invigorated by the Trump election victory, the Dow Index has broken through the mystical 20,000 point index level.

A further development of particular interest was a sharp sell-off in bond markets in the late summer and early autumn after a long protracted bull run. Since November this has been slightly reversed but the fixed interest market is still some 10% plus off its peak. The relative buoyancy of major Western markets of course owes everything to the unnatural level of interest rates and hence the desire of investors worldwide to find yield when none is available on cash or Government bonds. Understandably there is a tension in markets between the complacency of those who have come to believe that ultra-low interest rates and quantitative easing are the new norm and those who try to assess the likely scenario of a return to the norm of the past 300 years where real interest rates were 2½% to 3%.

We believe that in the interests of being risk conscious and risk averse our role is to anticipate rising interest rates which are already visible in the US and could reasonably be expected to happen here. There are quality equities offering good current yields, but it is important to note that the number of profit warnings, even in major companies, is rising and careful stock selection is important. We expect that Wall Street and interest rates will have more impact on the London market than any effect from the Referendum vote on Brexit. I believe that it will have only a modest adverse effect on the British economy. It has already had a major effect on the currency which will be a positive for the economy.

Overall we are maintaining a cautious view at present market levels and consider an element of fixed interest and/or cash as a suitable insurance policy.

Outlook

The second half of our financial year has begun in a similar vein to the first. December was quiet as is normally the case whilst business has picked up in January. We look forward to an active few months as we assist our clients in their preparations for the end of the tax year.

Clive Harrison
Chairman
13 February 2017

Independent Review Report to Fiske plc

We have been engaged by the Group to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 November 2016 which comprise the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated statement of financial position, the consolidated cash flow statement and the related notes 1 to 3. We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

This report is made solely to the Group in accordance with International Standard on Review Engagements (UK and Ireland) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Auditing Practices Board. Our work has been undertaken so that we might state to the Group those matters we are required to state to them in an independent review 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 Group, for our review work, for this report, or for the conclusions we have formed.

Directors' responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half-yearly financial report in accordance with the AIM Rules of the London Stock Exchange.

As disclosed in note 1, the annual financial statements of the Group are prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. The condensed set of financial statements included in this half-yearly financial report have been prepared in accordance with the accounting policies the Group intends to use in preparing its next annual financial statements.

Our responsibility

Our responsibility is to express to the Group a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 November 2016 is not prepared, in all material respects, in accordance with accounting policies the Group intends to use in preparing its next annual financial statements and the AIM Rules of the London Stock Exchange.

Deloitte LLP
Chartered Accountants and Statutory Auditor
London
United Kingdom

13 February 2017

Consolidated Statement of Comprehensive Income

for the six months ended 30 November 2016

	Six months ended 30 November 2016 Unaudited £'000	Six months ended 30 November 2015 Unaudited £'000	Year ended 31 May 2016 Audited £'000
Fee and commission income	1,554	1,385	2,631
Fee and commission expenses	(193)	(226)	(451)
Net fee and commission income	1,361	1,159	2,180
Other income	49	67	71
Total revenue	1,410	1,226	2,251
Profit on disposal of available-for-sale investments	-	9	9
Profit/(Loss) on investments held for trading	57	(14)	(12)
Operating expenses	(1,576)	(1,929)	(3,613)
Operating (loss)/profit	(109)	(708)	(1,365)
Investment revenue	92	42	42
Finance income	36	4	8
Finance costs	-	-	(1)
Profit/(Loss) on ordinary activities before taxation	19	(662)	(1,316)
Taxation	-	-	-
Profit/(Loss) on ordinary activities after taxation	19	(662)	(1,316)
Other comprehensive income/(expense)			
Movement in unrealised appreciation of investments	223	(60)	128
Deferred tax on movement in unrealised appreciation of investments	11	10	(30)
Net other comprehensive (expense)/ income	212	(50)	98
Total comprehensive income / (loss) for the period/year attributable to equity shareholders	231	(712)	(1,218)
Earnings per ordinary share (pence), <i>excluding other comprehensive income</i>			
Basic	0.2p	(7.8)p	(15.6)p
Diluted	0.2p	(7.8)p	(15.6)p

All results are from continuing operations and are attributable to equity shareholders of the parent company.

Consolidated Statement of Changes in Equity

	Share Capital	Share Premium	Revaluation Reserve	Retained Earnings	Total Equity
	£'000	£'000	£'000	£'000	£'000
Balance at 1 December 2015	2,115	1,222	1,092	(686)	3,743
Loss on ordinary activities after taxation	-	-	-	(654)	(654)
Other comprehensive income	-	-	148	-	148
Total comprehensive income/(loss) for period	-	-	148	(654)	(506)
Dividends paid	-	-	-	-	-
Balance at 31 May 2016	2,115	1,222	1,240	(1,340)	3,237
Profit on ordinary activities after taxation	-	-	-	19	19
Other comprehensive income	-	-	212	-	212
Total comprehensive income for period	-	-	212	19	231
Dividends paid	-	-	-	-	-
Balance at 30 November 2016	2,115	1,222	1,452	(1,321)	3,468

Consolidated Statement of Financial Position

30 November 2016

	As at 30 November 2016 Unaudited £'000	As at 30 November 2015 Unaudited £'000	As at 31 May 2016 Audited £'000
Non-current assets			
Goodwill	395	395	395
Other intangible assets	162	90	90
Property, plant and equipment	14	26	17
Available-for-sale investments	2,424	2,011	2,200
Total non-current assets	2,995	2,522	2,702
Current assets			
Trade and other receivables	2,347	1,876	2,835
Investments held for trading	11	79	16
Cash and cash equivalents	863	1,770	405
Total current assets	3,221	3,725	3,256
Current liabilities			
Trade and other payables	2,537	2,345	2,520
Total current liabilities	2,537	2,345	2,520
Net current assets	684	1,380	736
Non-current liabilities			
Deferred tax liabilities	211	159	201
Total non-current liabilities	211	159	201
Net assets	3,468	3,743	3,237
Equity			
Share capital	2,115	2,115	2,115
Share premium	1,222	1,222	1,222
Revaluation reserve	1,452	1,092	1,240
Retained earnings	(1,321)	(686)	(1,340)
Shareholders' equity	3,468	3,743	3,237

Consolidated Cash Flow Statement

For the six months ended 30 November 2016

	Six months ended 30 November 2016 Unaudited £'000	Six months ended 30 November 2015 Unaudited £'000	Year ended 31 May 2016 Audited £'000
Operating activities	(109)	(708)	(1,365)
(Profit) on disposal of available-for-sale investments	-	(9)	(9)
Depreciation of tangible and intangible assets	24	12	26
Decrease/(increase) in investments held for trading	5	(66)	(3)
Decrease/(increase) in receivables	450	2,584	1,625
Increase/(decrease) in payables	17	(2,688)	(2,512)
Cash generated from / (used in) operations	387	(875)	(2,238)
Tax recovered	38	-	-
Net cash (used in)/generated from operating activities	425	(875)	(2,238)
Investing activities			
Interest received	36	4	8
Investment income received	92	42	42
Interest paid	-	-	(1)
Proceeds on disposal of available-for-sale investments	-	154	154
Purchases of available-for-sale investments	-	-	-
Purchases of property, plant and equipment	(5)	(11)	(16)
Purchases of other intangible assets	(90)	-	-
Net cash (used in)/ generated from investing activities	33	189	187
Financing activities			
Dividends paid	-	-	-
Net cash used in financing activities	-	-	-
Net increase / (decrease) in cash and cash equivalents	458	(686)	(2,051)
Cash and cash equivalents at beginning of period	405	2,456	2,456
Cash and cash equivalents at end of period/year	863	1,770	405

Notes to the Interim Financial Statements

1. Basis of preparation

The financial information contained in this half-yearly financial report does not constitute statutory accounts as defined in section 434 of the Companies Act 2006.

The figures and financial information for the period ended 31 May 2016 are extracted from the latest published audited financial statements of the Group and do not constitute the statutory financial statements for that period. The audited financial statements for the period ended 31 May 2016 have been filed with the Registrar of Companies. The report of the independent auditors on those financial statements contained no qualification or statement under section 498(2) or section 498(3) of the Companies Act 2006.

The condensed set of financial statements has been prepared using accounting policies consistent with International Financial Reporting Standards (IFRSs) as adopted by the European Union. The financial information has been prepared under the historical cost convention, except for the revaluation of certain financial instruments. The same accounting policies, presentation and methods of computation are followed in these condensed set of financial statements as applied in the Group's latest, and intends to use in preparing its next, annual audited financial statements. While the financial figures included in this half-yearly report have been computed in accordance with IFRSs applicable to interim periods, this half-yearly report does not contain sufficient information to constitute an interim financial report as that term is defined in IAS 34.

Under IAS 27 these financial statements are prepared on a consolidated basis where the Group consists of Fiske plc, the parent, with the following subsidiaries in which it owns 100% of the voting rights:

VOR Financial Strategy Limited
Ionian Group Limited
Fiske Nominees Limited

The directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing this half-yearly financial report.

2. Taxation

The tax charge for the six months to 30 November 2016 reflects all the necessary provisions for current tax, taking into account the availability of losses brought forward, and movements in deferred tax. In arriving at the effective tax rate account has been taken of the change in the rate of tax charged and the disallowance of the cost of share-based payments charged to the consolidated statement of comprehensive income.

3. Dividends paid

Dividends paid in the first period of 2017 £nil (2016 – £nil).