



Chairman's Statement

Trading

Our results for the half year to 30 November 2018 were disappointing with a pre-tax loss of £492,000 compared to a profit of £190,000 for the comparable period in 2017. This resulted in part from the uncertain and weak markets depressing our commission revenues but also from some non-recurring items affecting both our costs and fee revenues.

Our commission revenues were some £246,000 lower than the prior year comparative which represents a reduction of approximately 20%. Our operating expenses increased by 30% to £2.544 million (2017: £1.955 million) for a number of reasons. Firstly we incurred non-recurring items relating to the acquisition of Fieldings Investment Management Limited. These included additional audit fees relating to determining the application of appropriate acquisition accounting rules, as well as agreed deferred consideration bonus payments which fell due, the latter of which amounted to £129,000.

Secondly a review of management fee revenue and a subsequent tightening of revenue recognition criteria resulted in a one-off revenue adjustment of £118,000 in the period.

Lastly, as we have previously highlighted, the increasing burden of regulation has resulted in a general increase in our operating expenses. These relate to the continued implementation of MiFID II specifically the costs and charges element, initial work on the Senior Managers and Certification Regime which is due for implementation in December 2019 and further development of our internal controls around the Client Money and Assets rules (CASS).

On a more positive note we are pleased with the successful launch in May 2018 of our own unit trust, Ocean UK Equity. Despite having to navigate a very challenging period for global markets the fund has delivered a top quartile performance over its first six months.

Balance Sheet

We continue to maintain our strong financial position with our cash balance standing at £2,014,000 at the period end. On the 30th January 2019 the London Stock Exchange Group (LSEG) announced its acquisition of an aggregate 4.92% stake in Euroclear's share capital for €278.5 million, which equates to a value of €1,798 per share. We believe this commercial collaboration will benefit both customers and shareholders alike further strengthening the value of our holding of 3,618 shares in Euroclear.

Dividend

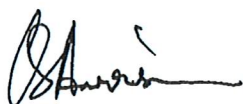
The Board has resolved not to pay an interim dividend for the six month period to 30th November 2018.

Markets

The current market outlook is less clear than it has been for many years. We have the major uncertainties of the Federal Reserve's future interest rate policy and their quantitative tightening, the US/China trade discussions, Brexit and the gentle slide of the Eurozone into recession to contend with. Although markets have recovered well since the start of the year a certain degree of caution is warranted.

Outlook

The second half of our financial year began during a period of weak markets with December being particularly quiet. However sentiment turned quickly in January and markets have continued to improve through February. We now anticipate a busy period leading up to the end of the UK income tax year.



Clive F Harrison
Chairman
28 February 2019

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 2018 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 4. 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 2018 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
Statutory Auditor
London
United Kingdom

28 February 2019

Consolidated Statement of Comprehensive Income

for the six months ended 30 November 2018

	Six months ended 30 November 2018 Unaudited £'000	Six months ended 30 November 2017 Unaudited £'000	Year ended 31 May 2018 Audited £'000
Fee and commission income	2,015	2,074	4,283
Other income	-	75	80
Fair value through other comprehensive income (FVTOCI)	4	(4)	18
TOTAL REVENUE	2,019	2,145	4,381
Operating expenses	(2,544)	(1,955)	(4,020)
OPERATING (LOSS) / PROFIT	(525)	190	361
Investment revenue	-	-	103
Finance income	33	-	-
(Loss) / Profit on ordinary activities before taxation	(492)	190	464
Taxation	-	-	(4)
(Loss)/Profit on ordinary activities after taxation	(492)	190	460
Other comprehensive income/(expense)			
Movement in unrealised appreciation of investments	20	25	26
Deferred tax on movement in unrealised appreciation of investments	(4)	12	12
Net other comprehensive (expense)/ income	16	37	38
Total comprehensive (loss) / income for the period/year attributable to equity shareholders	(476)	227	498
(Loss) / Earnings per ordinary share (pence), <i>excluding other comprehensive income</i>			
Basic	(4.5p)	1.9p	4.2p
Diluted	(4.5p)	1.8p	4.2p

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 2017	2,115	1,222	1,459	(1,309)	3,487
Profit on ordinary activities after taxation	-	-	-	460	460
Movement in unrealised appreciation of investments	-	-	26	-	26
Deferred tax on movement in unrealised appreciation of investments	-	-	12	-	12
Share based payment transactions	-	-	-	1	1
Issue of ordinary share capital	775	775	-	-	1550
Balance at 31 May 2018	2,890	1,997	1,497	(848)	5,536
(Loss) on ordinary activities after taxation	-	-	-	(492)	(492)
Other comprehensive income	-	-	-	2	2
Movement in unrealised appreciation of investments	-	-	21	-	21
Deferred tax on movement in unrealised appreciation of investments	-	-	(4)	-	(4)
Total comprehensive (loss) for the period	-	-	17	(490)	(473)
Dividends paid	-	-	-	-	-
Share based payment transactions	-	-	-	1	1
Balance at 30 November 2018	2,890	1,997	1,514	(1,337)	5,064

Consolidated Statement of Financial Position

30 November 2018

	As at 30 November 2018 Unaudited £'000	As at 30 November 2017 Unaudited £'000	As at 31 May 2018 Audited £'000
Non-current assets			
Goodwill and intangible assets	1,510	1,524	1,576
Other intangible assets	113	146	130
Property, plant and equipment	37	20	35
Equity investments	2,491	2,468	2,470
Total non-current assets	4,151	4,158	4,211
Current assets			
Trade and other receivables	2,364	2,508	4,087
Investments held at fair value through other comprehensive income (FVTOCI)	-	8	0
Cash and cash equivalents	2,014	2,252	2,453
Total current assets	4,378	4,768	6,540
Current liabilities			
Trade and other payables	3,212	3,418	4,965
Current tax liabilities	36	71	36
Total current liabilities	3,248	3,489	5,001
Net current assets	1,130	1,279	1,539
Non-current liabilities			
Deferred tax liabilities	217	213	214
Total non-current liabilities	217	213	214
Net assets	5,064	5,224	5,536
Equity			
Share capital	2,890	2,890	2,890
Share premium	1,997	1,957	1,997
Revaluation reserve	1,514	1,496	1,497
Retained earnings	(1,337)	(1,119)	(848)
Shareholders' equity	5,064	5,224	5,536

Consolidated Cash Flow Statement

For the six months ended 30 November 2018

	Six months ended 30 November 2018 Unaudited £'000	Six months ended 30 November 2017 Unaudited £'000	Year ended 31 May 2018 Audited £'000
Operating activities	(525)	190	361
Amortisation of intangibles	17	-	26
Depreciation of tangible and intangible assets	9	32	20
Decrease/(increase) in investments	-	11	19
Remove opening receivables of acquisition	-	(568)	-
Amortisation of intangible asset – customer relationships	-	131	-
Remove opening payables of acquisition	-	475	-
Write down of goodwill	66	-	-
Decrease/(increase) in receivables	1,723	(252)	(1,397)
Increase/(decrease) in payables	(1,751)	768	730
Cash generated from / (used in) operations	(461)	656	(110)
Tax recovered	-	71	(38)
Net cash (used in)/generated from operating activities	(461)	727	(148)
Investing activities			
Interest received	33	-	-
Investment income received	-	-	103
Interest paid	-	(1)	-
Purchases of property, plant and equipment	(11)	(12)	(45)
Purchases of other intangible assets	-	-	(12)
Payments to acquire subsidiary undertaking	-	(3,357)	(2,092)
Cash acquired with subsidiary undertaking	-	2,320	2,320
Net cash (used in)/ generated from investing activities	22	(1,060)	274
Financing activities			
Proceeds from issue of ordinary share capital	-	1,550	1,292
Dividends paid	-	-	-
Net cash used in financing activities	-	1,550	1,292
Net (decrease) / increase in cash and cash equivalents	(439)	1,217	1,418
Cash and cash equivalents at beginning of period	2,453	1,035	1,035
Cash and cash equivalents at end of period/year	2,014	2,252	2,453

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 2018 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 2018 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.

In the current period, no standards or interpretations, new or revised, have been adopted that have had a significant impact on the amounts reported in the financial statements. This is the first set of the Group's financial statements where IFRS 9 and IFRS 15 have been applied. These new standards were adopted from 1 June 2018 and have not had a significant impact on the amounts reported in these financial statements.

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
Fieldings Investment Management 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.

There has been no impact on the classification and measurement of the Group's financial assets and liabilities, except for equity assets that were classified as available-for-sale under IAS 39 which, at the date of initial application of IFRS 9, the Group is applying the Fair Value through Other Comprehensive Income ("FVOCI") option. A review of the expected credit loss on receivables has been conducted and the impact thereof is expected to be de-minimis.

2. Taxation

No tax credit on the loss for the period has been recognised for the six months to 30 November 2018, due to uncertainty over sufficient future taxable profits being available.

3. Dividends paid

Dividends paid in the first period of 2019 £nil (2018 – £nil).

4. IAS39 and IFRS9

The change in classification of the Euroclear holding from IAS39 to IFRS9 will result in the financial asset continuing to be valued at fair value but subsequent gains or losses will be recognised in other comprehensive income rather than profit and loss