RiverFort Global Opportunities plc

Financial Statements

for the year ended 31 December 2020

Company no: 269566

COMPANY INFORMATION

DIRECTORS:	P Haydn-Slater (Non-Executive Chairman) N Lee (Investment Director) A van Dyke A Nesbitt
SECRETARY:	M Nicholson
REGISTERED OFFICE:	Suite 39 18 High Street High Wycombe Buckinghamshire HP11 2BE
COMPANY REGISTRATION NUMBER:	00269566
REGISTRAR AND TRANSFER OFFICE:	Share Registrars Limited The Courtyard 17 West Street Farnham Surrey GU9 7DR
BANKERS:	Barclays Bank Plc 77 Albion Street Leeds LS1 5AW
SOLICITORS:	Keystone Law Ltd 48 Chancery Lane London WC2A 1LF
INDEPENDENT AUDITOR:	PKF Littlejohn LLP Statutory Auditor 15 Westferry Circus Canary Wharf London E14 4HD
NOMINATED ADVISOR:	Beaumont Cornish Limited Building 3 566 Chiswick High Road London W4 5YA
JOINT BROKER:	Peterhouse Corporate Finance Limited 80 Cheapside London EC2V 6DZ
JOINT BROKER:	Shard Capital Partners LLP 23rd Floor 20 Fenchurch Street London EC3M 3BY

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CHAIRMAN'S STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020

HIGHLIGHTS

- Total income generated of £2,443,000
- Net profit generated of £1,497,000
- Net asset value of £9,240,000 – an increase of 17% since the beginning of the year
- Net asset value of 1.36 pence per share representing a 41% premium to the period end share price of 0.965 pence
- Substantial cash balance available for further investment
- Successful implementation of a capital reorganisation
- Increased investment in the technology sector, specifically providing exposure to the digital assets sector and cyber security
- Payment of a dividend

INTRODUCTION

We are very pleased to report our results for the year to 31 December 2020. This period has been an extremely active period for the Company and the Board is delighted with the results that have been achieved. We have:

- recorded a second profitable year
- commenced the payment of a dividend; and
- the current share price is now significantly higher than the price at which new funds were raised in 2018.

We therefore believe that we have now successfully implemented the strategy that was announced by the Company in 2018.

REVIEW OF THE YEAR

For the year to 31 December 2020, the Company made a profit from continuing operations of £1,497,305 (2019: £623,690). The net asset value of the Company as at 31 December 2020 was £9,239,936 (2019: £7,878,417).

The Company has been actively deploying its investment capital by investing principally in listed junior companies through debt and equity linked products. These investment structures lower volatility and risk and enable the Company to drive profits and cash income. We believe that this is an attractive investment strategy and by investing in the Company, investors are able to gain access to this investment strategy via a publicly listed vehicle. As at the end of the year, the Company held around £5.1 million of its investment portfolio in this type of investment. During the year, the Company has invested in companies such as Westminster Group plc, Invinity Energy Systems plc and Tanzanian Gold Corporation such that, as at the period end, this part of the Company's investment portfolio had investments in18 different companies.

The Company's principal equity investment comprises a shareholding in Pires Investments plc. This company is an investment company listed on AIM focused on investing in next generation technology. This company has made significant progress over the period, with its share price increasing by some 135% during the year.

As previously mentioned, the Company generally receives warrants in the companies that it invests in and during the course of the year a number of these companies have increased in value. The potential value of this warrant portfolio is not fully reflected in the Company's net asset value and a return is only crystallised when the respective warrants are exercised and sold.

The Company has also successfully implemented a capital reduction thereby enabling it to be in a position to pay a dividend and, on 2 November 2020, a gross interim dividend of 0.02 pence per share was declared and paid. The Company expects to pay a final dividend in line with the indication previously provided which is expected to amount to 0.04 pence per share.

The market has clearly recognised the improved performance and potential of the Company and this has been demonstrated by the Company's share price increasing from 0.75 pence at the start of the period to 0.96 pence at the end and to 1.95 pence as at 7 June 2021.

CHAIRMAN'S STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020

OUTLOOK AND STRATEGY

The Company has continued to generate attractive returns through investing generally by way of structured financings which have the benefit of providing cash returns whilst providing downside protection. In recent months, we have also taken the opportunity to invest in pre-IPO situations which, we believe, complements our investment strategy, particularly given the current buoyant equity markets and enables us to maximise the returns to shareholders.

At the same time, the Board is seeing an increasing number of pre-IPO investment opportunities where there is the potential to achieve gains between the pre-IPO stage and a listing or exit. The Company has already deployed capital in this way as demonstrated by its recent investments in Pluto Digital Assets plc ("Pluto") and Smarttech247. Pluto is a technology company operating in the digital assets sector. Smarttech247 is an established profitable business operating in the fast growing cyber security sector. Both companies are not only in exciting sectors but also have clear paths to listings.

Furthermore, at this stage of an investee company's development, valuations can be attractive, notwithstanding the proximity to an exit or listing. The Board is therefore keen to be able to have additional funds to deploy in these opportunities as well as to continue to invest in structured products in order to provide a balanced portfolio hence the rationale for recently raising £1.6 million of new funds at a price in line with market from both new and existing shareholders.

In summary, we believe that the results for 2020 demonstrate that the Company is continuing to make significant progress. The current year has also started well and we look forward to a very positive 2021.

Philip Haydn-Slater
Non-Executive Chairman

7 June 2021

STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

The Directors present their Strategic Report on the Company for the year ended 31 December 2020.

REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

Introduction

The Company is an investment company listed on the AIM market of the London Stock Exchange. It is principally focused on investing in junior listed companies by way of debt or equity-linked debt investments. Returns are principally generated through a combination of fees, interest and other equity linked or performance-based instruments. This investing strategy enables the Company to reduce the risk and volatility normally associated with investing in junior companies solely by way of equity, and to generate cash income and returns.

The Company's investment portfolio at 31 December 2020 is divided into the following categories:

Category	**Cost or valuation (£000)**	
	2020	**2019**
Debt and equity-linked debt investments	5,099	4,349
Equity investments and other	2,059	849
Cash resources	4,047	2,624
Total	**11,205**	**7,822**

Debt and equity linked portfolio

During the year, the Company has been focused on building up its portfolio and, as at the year end, the value of these investments amounted to £5.1 million, which comprised investments across 18 different companies including Jubilee Metals plc, EQTEC plc, Tanzanian Gold Corporation, Westminster Group plc, Kodal Minerals plc, Infrastrata plc and Invinity Energy Systems plc.

These investments principally generate income in the form of fees and interest. Investments are either made directly or by way of participation certificates in RiverFort Global Opportunities PCC Limited ("RGO PCC"), a Gibraltar based fund. These certificates are reference linked financial instruments that provide similar economic benefits to the holder as if they were co-investing directly in the underlying investment. Whilst there is no direct security into the underlying investment, the holder will benefit from the enforcement of any such security.

The period end cash balance included amounts that were due to RGO PCC at the year end in connection with the investment made in Tanzanian Gold Corporation which was partly held by the Company on behalf of RGO PCC.

Equity and other portfolio

At the year end, the Company's equity portfolio comprised the following:

Company	**Description**	**Current value of investment £000**
Pires Investments plc	An investment company listed on AIM	1,591
Other	Various small holdings in listed companies and warrants	468
Total		2,059

STRATEGIC REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

In April 2020, Pires Investments plc ("Pires") raised additional funds and the Company invested £207,000 in this fund raising in order to maintain its shareholding. During the course of 2020, Pires has continued to invest in the next generation technology sector and, during this period, Pires has made a number of new technology investments which are doing well. As at the period end, the Company's holding in Pires amounted to 26,149,993 shares and 10,364,200 warrants. During the period, the Pires share price has increased significantly and this has continued since the period end, with the share price increasing to 9.2 pence as at 7 June 2021 compared to the period end share price of 6.25 pence.

Often as part of the Company's investment, the investee company will issue warrants. The value of the warrants attributable to the Company's investments are calculated using the Black-Scholes option pricing model and the resulting figure is discounted by 75% to reflect the level of expected return associated with such holdings given their highly volatile nature. This balance is included within Other as set out in the table above.

Income breakdown	**2020**	**2019**
	£000	**£000**
Investment income	1,251	889
Net gain from financial instruments at FVTPL	1,476	128
Net foreign exchange losses on other financial instruments	(284)	(69)
Total income	**2,443**	**948**
Administration costs	(404)	(303)
Investment management fees	(375)	–
Other gains and losses	(167)	(21)
Operating profit	**1,497**	**624**

Investment income derives principally from the fees and interest income in relation to our debt and equity linked debt investments. The net gain from financial instruments at FVTPL represents the impact of valuing the investment portfolio at fair value as required under IFRS 9.

The results for this year include a charge for investment advisory services by the Company's Investment Adviser, RiverFort Global Capital Limited. In previous years, these fees had been waived in exchange for an extension of the investment adviser contract in order to allow the Company to build up its investment portfolio.

KEY PERFORMANCE INDICATORS

The key performance indicators are set out below:

COMPANY STATISTICS	**31 December 2020**	**31 December 2019**	**Change %**
Net asset value	£9,239,936	£7,878,417	+18%
Net asset value – fully diluted per share	1.36p	*1.16p	+18%
Closing share price	0.965p	*0.750p	+29%
Net asset value premium to the share price	41%	55%	
Market capitalisation	£6,552,000	£5,092,000	+29%

*Adjusted for the 1 for 10 share consolidation which was approved by shareholders on 3 March 2020.

KEY RISKS AND UNCERTAINTIES

Investments in junior companies can carry a high level of risk and uncertainty, although the returns can be attractive. At this stage there can be no certainty of outcome and the Company may have difficulty in realising the full value from its investments in a forced sale. Furthermore, the Company limits the amount of each commitment, both as to the absolute amount and percentage of the target company. Details of other financial risks and their management are given in Note 22 to the financial statements.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Details of the Company's financial risk management objectives and policies are set out in Note 22 to these financial statements.

The current Covid-19 situation will continue to be monitored and is expected to evolve over time. The rapid development and fluidity of the situation makes it difficult to predict its ultimate impact at this stage. However, due to the nature of the Company's activities, the impact on the Company has been minimal, with continuing interest from junior companies for our investment capital. Management will, however, continue to assess the impact of Covid-19 on the Company.

PROMOTION OF THE COMPANY FOR THE BENEFIT OF THE MEMBERS AS A WHOLE

S172 of the Companies Act 2006 requires the Board to promote the Company for the benefit of the members as a whole. In particular, the requirements of s172 are for the Directors to:

- Consider the likely consequences of any decision in the long term
- Act fairly between the members of the Company
- Maintain a reputation for high standards of business conduct
- Consider the interests of the Company’s employees
- Foster the Company’s relationships with suppliers, customers and others and
- Consider the impact of the Company’s operations on the community and the environment.

The Directors are collectively responsible for formulating the Company’s investment strategy, and during 2020 they have continued to focus on implementing the investment strategy previously approved by shareholders in 2018 which has resulted in a significant improvement in financial performance compared to previous years. The Board places equal importance on all shareholders and strives for transparent and effective external communications, within the regulatory confines of a listed company. The primary communication tool for regulatory matters and matters of material substance is through the Regulatory News Service, (“RNS”). We also provide an environment where shareholders can interact with the Board and management, ask questions and raise any concerns they may have. The Directors believe they have acted in a way they consider most likely to promote the success of the Company for the benefit of its members as a whole, as required by Section 172 (1) of the Companies Act 2006.

GOING CONCERN

The Company’s assets comprise mainly cash, debt securities and quoted securities. As at the year end, the Company held a significant balance of cash. Furthermore, the Company has prepared cash forecasts to June 2022 that show that the Company has sufficient cash resources for the foreseeable future. The Directors have also considered the impact of Covid-19 and have concluded that, given the cash reserves in place and the level of the Company’s ongoing costs, there are no material factors which are likely to affect the ability of the Company to continue as a going concern. Accordingly, the Directors believe that as at the date of this report it is appropriate to continue to adopt the going concern basis in preparing the financial statements.

ON BEHALF OF THE BOARD

Nicholas Lee
Investment Director
7 June 2021

DIRECTORS REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

The Directors present their annual report on the affairs of the Company, together with the audited financial statements for the year ended 31 December 2020.

PRINCIPAL ACTIVITIES

The Company's principal activity is that of an investment company focused on making investments in the natural resources, technology and healthcare sectors.

RESULTS AND DIVIDENDS

The Company made a profit after taxation of £1,497,305 (2019: £623,690). In November 2020, the Company paid a dividend of 0.02p per share and it is expected that a final dividend will be paid in line with the indication previously provided which is expected to amount to 0.04 pence per share.

The key performance indicators are shown in the Strategic Report.

DIRECTORS AND DIRECTORS' INTERESTS

The Directors of the Company, together with their beneficial interests in the shares of the Company at the end of the year, are listed below. All served on the Board throughout the year, unless otherwise stated. There is a qualifying third party indemnity provision in force for the benefit of the Directors and officers of the Company.

	Percentage of issued share capital	31 December 2020	31 December 2019
P Haydn-Slater	2.95%	20,000,000	20,000,000
N Lee	0.68%	4,601,470	4,601,470
Ms A van Dyke	–	–	–
A Nesbitt	0.15%	1,000,000	1,000,000

SUBSTANTIAL INTERESTS

The Company is aware that at 7 June 2021, the following, other than the Directors shown above, held in excess of 3% of the issued share capital of the Company:

	Number of ordinary shares	Percentage of issued share capital
Cannacord Genuity Group Inc (discretionary clients)	115,500,000	17.01%
Premier Miton Group plc	97,867,897	14.1%
RiverFort Global Capital Ltd	37,545,600	5.53%
Shakoor Capital Limited	31,500,000	4.64%
Spreadex Limited	27,252,853	4.01%
James Lewis	24,295,454	3.58%
Ashworth Global Investments	23,000,000	3.39%
Sigma Broking Limited	21,000,000	3.09%

DIRECTORS REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

CORPORATE GOVERNANCE

The Board recognises its responsibility for the proper management of the Company and is committed to maintaining a high standard of corporate governance. Further details with regard to corporate governance are set out in the Corporate Governance Report.

BOARD OF DIRECTORS

The Company supports the concept of an effective Board leading and controlling the Company. The Board is responsible for approving Company policy and strategy. It meets regularly and has a schedule of matters specifically reserved to it for decision. Management supply the Board with appropriate and timely information and the Directors are free to seek any further information they consider necessary. All Directors have access to advice from the Company Secretary and independent professionals at the Company's expense. Training is available for new Directors and other Directors as necessary.

The Board currently consists of four directors, the Investment Director, Nicholas Lee and three non-executive directors, Amanda van Dyke, Andrew Nesbitt and Philip Haydn-Slater. Each Director appointed by the Board since the last AGM holds office until the next AGM and is then eligible for reappointment. Furthermore, one third of Directors who were directors at the time of the two immediately preceding AGMs and who did not retire at such meetings, retire from office by rotation and are then eligible for reappointment.

Given the size of the Board, there is no separate nomination committee. All Director appointments are approved by the Board as a whole.

COMMUNICATIONS WITH SHAREHOLDERS

Communications with shareholders are given a high priority. In addition to the publication of an annual report and an interim report, there is regular dialogue with shareholders and analysts. The Annual General Meeting is viewed as a forum for communicating with shareholders, particularly private investors. Shareholders may question the Chairman and other members of the Board at the Annual General Meeting.

INTERNAL CONTROL

The Directors acknowledge they are responsible for the Company's system of internal control and for reviewing the effectiveness of these systems. The risk management process and systems of internal control are designed to manage rather than eliminate the risk of the Company failing to achieve its strategic objectives. It should be recognised that such systems can only provide reasonable and not absolute assurance against material misstatement or loss. The Company has well established procedures which are considered adequate given the size of the business.

POST YEAR END EVENTS

Further detail regarding events taking place after the year end are set out in note 26 to the accounts.

DIRECTORS REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

Company law requires the Directors to prepare financial statements for each financial year. The Directors are required by the AIM Rules of the London Stock Exchange to prepare financial statements in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006. 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 and profit or loss of the company for that period.

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

- select suitable accounting policies and then apply them consistently
- make judgments and accounting estimates that are reasonable and prudent
- state whether they have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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 company 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

The Company is compliant with AIM Rule 26 regarding the Company's website.

PROVISION OF INFORMATION TO AUDITOR

So far as each of the directors are aware at the time this report was approved:

- there is no relevant audit information of which the Company's auditor is unaware: and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

AUDITORS

The auditors, PKF Littlejohn LLP have indicated their willingness to continue in office, and a resolution that they be re-appointed will be proposed at the annual general meeting.

This report was approved by the Board on 7 June 2021 and signed on its behalf.

Nicholas Lee
Investment Director

DIRECTORS' REMUNERATION REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

The remuneration of the directors is fixed by the Board as a whole. The Board seeks to provide appropriate reward for the skill and time commitment required so as to retain the right calibre of director at a cost to the Company which reflects current market rates. Further details of directors' fees and of payments made for professional services rendered are set out in Note 10 to the financial statements.

During the period, the following remuneration and other benefits were charged to the Company:

Name of director	Fees and salaries	Bonus	**Total 2020**	Total 2019
	£	£	**£**	£
P Haydn-Slater	35,000	17,500	**52,500**	35,000
N Lee	52,000	26,000	**78,000**	52,000
A van Dyke	22,000	–	**22,000**	22,000
A Nesbitt	–	–	**–**	–
	109,000	43,500	**152,500**	109,000

Included in P Haydn-Slater's remuneration is £23,000 (2019: £23,000) invoiced by Musgrave Merchant Ltd, a company controlled by him.

PENSION CONTRIBUTIONS

No director has any pension entitlements.

SHARE OPTIONS

No director held any share options during the year.

DIRECTORS' SHAREHOLDINGS

As at 31 December 2020, the Directors had the following interests in the share capital of the Company:

	Percentage of issued share capital	31 December 2020	31 December 2019
P Haydn-Slater	2.95%	20,000,000	20,000,000
N Lee	0.68%	4,601,470	4,601,470
Ms A van Dyke	–	–	–
A Nesbitt	0.15%	1,000,000	1,000,000

Amanda van Dyke

Director

7 June 2021

CORPORATE GOVERNANCE REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

The Board recognises its responsibility for the proper management of the Company and is committed to maintaining a high standard of corporate governance. The Directors recognise the importance of sound corporate governance commensurate with the size and nature of the Company and the interests of its Shareholders. The Quoted Companies Alliance has published the QCA Code, which includes a standard of minimum best practice for AIM companies, and recommendations for reporting corporate governance matters. The Directors take into account the QCA Code to the extent they consider it appropriate and having regard to the size and resources of the Company.

The Board is responsible for formulating, reviewing and approving the Group's strategy, budgets and corporate actions. The Company holds Board meetings at least six times each financial year and at other times as and when required.

ANTI-CORRUPTION AND BRIBERY POLICY
The Company has adopted an anti-corruption and bribery policy which applies to the Directors. It generally sets out their responsibilities in observing and upholding a zero-tolerance position on bribery and corruption in all the jurisdictions in which the Company operates as well as providing guidance on how to recognise and deal with bribery and corruption issues and the potential consequences. The Company expects all employees, suppliers, contractors and consultants to conduct their day-to-day business activities in a fair, honest and ethical manner, be aware of and refer to this policy in all of their business activities worldwide and to conduct business on the Company's behalf in compliance with it.

The Company has established a remuneration committee and an audit and compliance committee with formally delegated duties and responsibilities.

AUDIT AND COMPLIANCE COMMITTEE
The Audit and Compliance Committee has primary responsibility for monitoring the quality of internal controls and ensuring that the financial performance of the Company is properly measured and reported on. It receives and reviews reports from the Company's management and auditors relating to the interim and annual accounts and the accounting and internal control systems in use throughout the Company. The Audit and Compliance Committee is responsible for keeping under review the scope and results of the audit, its cost effectiveness and the independence and objectivity of the auditors. It also has responsibility for public reporting and internal controls. The Audit and Compliance Committee also monitors the Company's compliance with the AIM Rules for Companies and ensures that procedures, resources and controls are in place to ensure the Company's compliance with the AIM Rules for Companies. The members of the Audit and Compliance Committee are Philip Haydn-Slater and Amanda van Dyke. This committee met once during the year in connection with the approval of the accounts for the year ended 31 December 2020.

REMUNERATION COMMITTEE
The Remuneration Committee reviews the performance of the Directors and makes recommendations to the Board on matters relating to their remuneration and terms of employment. Under its terms of reference, it meets at least once a year and is responsible for ensuring that the Directors are fairly rewarded (which extends to all aspects of remuneration) for their individual contribution to the overall performance of the Company. The members of the Remuneration Committee are Amanda van Dyke and Andrew Nesbitt. This committee met once during the year.

SHARE DEALING CODE
The Company has adopted a share dealing policy which sets out the requirements and procedures for the Board in any of its AIM securities in accordance with the provisions of MAR and of the AIM Rules for Companies.

CORPORATE GOVERNANCE REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

BACKGROUND
All members of the Board believe strongly in the value and importance of good corporate governance and in accountability to all of the Company's stakeholders. The statement below explains the approach to governance and how the Board and its Committees operate.

The corporate governance framework which the Company operates, including board leadership and effectiveness, board remuneration, and internal control is based upon practices which the Board believes are proportional to the size, risks, complexity and operations of the business and is reflective of the Company's values. Of the two widely recognised formal codes, it has been decided to adopt the Quoted Companies Alliance's ("QCA") Corporate Governance Code for small and mid-size quoted companies.

The QCA Code is constructed around ten broad principles and a set of disclosures. The QCA has stated what it considers to be appropriate arrangements for growing companies and asks companies to provide an explanation about how they are meeting the principles through the prescribed disclosures. The Board has considered how it applies each principle to the extent that the Board judges these to be appropriate in the circumstances, and below is an explanation of the approach taken in relation to each.

The following paragraphs set out the Company's compliance with the ten principles of the QCA Code and reasons for any non-compliance.

1. Establish a strategy and business model which promotes long-term value for shareholders

The Company is an investing company listed on AIM. Its principal focus is investing in both listed and unlisted junior companies where it believes that it can make an attractive return for shareholders. This strategy has been further developed since 2018 by entering into a partnership with RiverFort Global Capital Limited, the specialist arranger of funding solutions for listed and unlisted junior companies. The Company is focused on deploying its capital in investments that provide both income and downside protection. Going forward it is expected that the Company will deliver returns to shareholders through a combination of capital growth and dividend income. During the year, the Company has continued to implement successfully this business model and has continued to experience demand for its investment capital notwithstanding the current Covid-19 pandemic.

2. Seek to understand and meet shareholder needs and expectations

The Board is committed to maintaining good communication and having constructive dialogue with its shareholders. Shareholders have the opportunity to discuss issues and provide feedback at meetings with the Company. In addition, all shareholders are encouraged to attend the Company's Annual General Meeting ("AGM"). Investors also have access to current information on the Company through its website, www.riverfortglobalopportunities.com and via Nicholas Lee, Investment Director, who is available to answer investor relations enquiries and can be contacted on nick.lee@rgo-plc.com

3. Take into account wider stakeholder and social responsibilities and their implications for long-term success

The Board recognises that the long-term success of the Company is reliant upon the efforts of its directors and partners, and upon its contractors, suppliers and regulators. The Board has put in place a range of processes and systems to ensure that there is close Board oversight and contact with its key resources and relationships.

CORPORATE GOVERNANCE REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

4. Embed effective risk management, considering both opportunities and threats, throughout the organisation

It is the responsibility of the Board to ensure investments are managed within acceptable margins of risk. The Company's investments are monitored on a regular basis which includes reviewing corporate developments and financial performance. The Board also ensures that no one investment represents too great a concentration in the investment portfolio. In addition to its other roles and responsibilities, the Audit and Compliance Committee (as set out in the composition details in the Corporate Governance section of the Company's website) is responsible to the Board for ensuring that procedures are, being effectively implemented to identify, evaluate and manage the significant risks faced by the Company. Within the scope of the annual audit, specific financial risks are evaluated in detail, including in relation to foreign currency, interest rates, liquidity and credit.

The Directors have established procedures, for the purpose of providing a system of internal control. This includes both the procedures referred to above and the preparation of financial information about the Company on a regular basis. In addition, there are a range of Company policies that are reviewed at least annually by the Board. These policies cover matters such as share dealing and insider legislation. The Board currently takes the view that an internal audit function is not considered necessary or practical due to the size of the Company and the close day to day control exercised by the Directors. However, the Board will continue to monitor the need for an internal audit function.

As noted in the Strategic Report in the Annual Report, the Board regularly reviews operating and strategic risks and considers in such reviews financial and non-financial information including:

- a review of the business at each Board meeting, focusing on any new decisions/risks arising;
- the performance of investments;
- selection criteria of new investments; and
- reports prepared by third parties.

5. Maintain the Board as a well-functioning, balanced team led by the Chair

The QCA Code requires that the boards of AIM companies have an appropriate balance between executive and non-executive directors of which at least two should be independent.

The Board comprises, the Non-executive Chairman Philip Haydn-Slater. Investment Director Nicholas Lee, and two Non-Executive Directors, Andrew Nesbitt and Amanda van Dyke. The Board is assisted by Miles Nicholson with respect to financial accounting and Company Secretarial matters. The time commitment formally required by the Company is an overriding principal that each director will devote as much time as is required to carry out the roles and responsibilities that the director has agreed to take on. Biographical details of the current directors are set out within Principle Six below. Executive and non-executive directors are subject to re-election at intervals as prescribed in the Company's Articles of Association.

Each Director appointed by the Board since the last AGM holds office until the next AGM and is then eligible for reappointment. Furthermore, one third of Directors who were directors at the time of the two immediately preceding AGMs and who did not retire at such meetings, retire from office by rotation and they can then offer themselves for re-election. The letters of appointment of all directors are available for inspection at the Company's registered office during normal business hours.

The Directors receive fees for their services as directors which are approved by the Board, being mindful of the time commitment and responsibilities of their roles and of current market rates for comparable organizations and appointments.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. Whilst, the Company does not have a specific CFO, the Investment Director is a qualified accountant and therefore is able to provide sufficient financial oversight. Furthermore, financial information is prepared on a regular basis by the Company's third party accounting services provider thereby separating preparation from review.

CORPORATE GOVERNANCE REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020

The Board meetings are held as regularly as necessary given the Company's levels of activity but with at least six meetings held a year. It has established an Audit and Compliance Committee and a Remuneration Committee, particulars of which appear hereafter. The Board agreed that appointments to the Board are made by the Board as a whole and so has not created a Nominations Committee.

The Board retains full control of the Company with day-to-day operational control delegated to the Investment Director and other Directors. Since the beginning of 2020, the Board has met four times with all Directors attending and the Directors communicate regularly at other times.

6. Ensure that between them the Directors have the necessary up-to-date experience, skills and capabilities

All four members of the Board bring relevant sector experience and public markets experience and one member is a chartered accountant. One director is female and three are male. The Board believes that its blend of relevant experience, skills and personal qualities and capabilities is sufficient to enable it to successfully execute its strategy.

Philip Haydn-Slater, Independent Non-Executive Chairman

Philip has over 35 years of experience in stockbroking and commodities with a number of well-known stockbroking firms. He spent eight years as Head of Corporate Broking at WH Ireland Limited in London, where he was responsible for originating and managing equity transactions, including IPOs and secondary placings for corporate clients on AIM and other international exchanges including the Australian and Canadian stock exchanges largely in the natural resources sector. Philip has also worked in London and Sydney for various financial institutions including ABN Amro, Bankers Trust, James Capel & Co and Bain Securities (Deutsche Bank) Sydney. More recently, given his wealth of experience, he has acted as an independent director on the boards of a number of public and private companies.

Nicholas Lee, Investment Director

Nicholas read Engineering at St. John's College, Cambridge and began his career at Coopers & Lybrand where he qualified as a chartered accountant. He then joined Dresdner Kleinwort where he worked in their corporate finance department advising a range of companies across a number of different sectors. When he left in 2009, he was a Managing Director and Head of Investment Banking for Dresdner Kleinwort's hedge fund/alternative asset manager clients. Since then, Nicholas has been actively involved with AIM companies and is currently a director of a number of AIM listed companies including, Pires Investments plc and Immotion Group plc.

Andrew Nesbitt, Non-Executive Director

Andrew is a qualified mining engineer and is a consultant to RiverFort Global Capital Limited, the specialist provider of financing to junior companies. He holds a BSc (Eng) Mining and an MBA and has over 20 years of experience in the natural resources sector. He has held various production and technical roles with both De Beers and Goldfields and has carried out a number of feasibility studies across the world with the leading technical consulting group SRK. In addition, Andrew is also an experienced investor, having previously worked as a partner and portfolio manager for Craton Capital Pty Limited, a global precious metals fund with over US$400 million of assets under management.

Amanda van Dyke, Independent Non-Executive Director

Amanda van Dyke is currently a Managing Director at ARCH Emerging Markets Partners Limited. Amanda has previously worked for specialist fund manager at South River Asset Management, Dundee Securities, Ocean Equities and GMP as a mining specialist in equity sales. She has an MBA and an MA in international economics from SDA Bocconi. Amanda is also the chairman of Women in Mining (UK), sponsored by Rio Tinto, Anglo American and Glencore.

7. Evaluate board performance based on clear and relevant objectives, seeking continuous improvement

Internal evaluation of the Board, its Committees and individual directors is important and will develop as the Company grows in the future. The expectation is that Board reviews will be undertaken on an annual basis in the form of peer appraisal, questionnaires and discussions to determine the effectiveness and performance in various areas as well as the directors' continued independence

8. Promote a corporate culture that is based on ethical values and behaviours

The Board recognises that its decisions regarding strategy and risk will impact the corporate culture of the Company as a whole and that this will impact the performance of the Company. The Board is very aware that the tone and culture set by the Board will greatly impact all aspects of the Company as a whole. Therefore, the importance of sound ethical values and behaviour is crucial to the ability of the Company to successfully achieve its corporate objectives. The Board places great importance on this aspect of corporate life and seeks to ensure that this flows through all that the Company does. The Board assessment of the culture within the Company at the present time is one where there is respect for all individuals, open dialogue within the Company and a commitment to best practice.

9. Maintain governance structures and processes that are fit for purpose and support good decision-making by the Board

The Board schedule provides for quarterly meetings and, in addition, meets ad-hoc as required. Notwithstanding the above, the Board and its Committees receive appropriate and timely information prior to each meeting; a formal agenda is produced for each meeting, and Board and Committee papers are distributed several days before meetings take place. Any Director may challenge Company proposals and decisions are taken democratically after discussion. Any Director who feels that any concern remains unresolved after discussion may ask for that concern to be noted in the minutes of the meeting, which are then circulated to all Directors. Any specific actions arising from such meetings are agreed by the Board or relevant Committee and then followed up by the Company's management.

The Audit and Compliance Committee monitors the integrity of financial statements, oversees risk management and control, monitors the effectiveness of the internal audit function and reviews external auditor independence. It also ensures that the Company is compliant with its relevant regulatory requirements. Philip Haydn-Slater and Amanda van Dyke are the members of this committee.

The Remuneration Committee reviews the Board's remuneration on a regular basis. Nicholas Lee and Andrew Nesbitt are the members of this committee.

Nominations to the Board are decided on by the Board as a whole and therefore the Company does not believe that there is any need for a separate Nominations Committee.

The Non-Executive Chairman has overall responsibility for corporate governance and in promoting high standards throughout the Company. He leads and chairs the Board, ensuring that committees are properly structured and operate with appropriate terms of reference, ensures that performance of individual directors, the board and its committees are reviewed on a regular basis, leads in the development of strategy and setting objectives, and oversees communication between the Company and its shareholders.

The Non-Executive Directors contribute independent thinking and judgement through the application of their external experience and knowledge, scrutinise the performance of management, provide constructive challenge to the executive directors and ensure that the Company is operating within the governance and risk framework approved by the Board.

The Company Secretary is responsible for providing clear and timely information flow to the Board and its committees and supports the Board on matters of corporate governance and risk.

The Board has approved the adoption of the QCA Code as its governance framework against which this statement has been prepared and will monitor the suitability of this code on an annual basis and revise its governance framework as appropriate as the group evolves.

10. Communicate how the Company is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders

The Company communicates with shareholders through the Annual Report and Accounts, full-year and half-year announcements, the AGM and one-to-one meetings with large existing or potential new shareholders. A range of corporate information (including all Company announcements and presentations) is also available to shareholders, investors and the public on the Company's corporate website, www.riverfortglobalopportunities.com

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF RIVERFORT GLOBAL OPPORTUNITIES PLC
FOR THE YEAR ENDED 31 DECEMBER 2020

Opinion

We have audited the financial statements of RiverFort Global Opportunities plc (the 'company') for the year ended 31 December 2020 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and international accounting standards in conformity with the requirements of the Companies Act 2006.

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the company's ability to continue to adopt the going concern basis of accounting included a review of the directors' statement in note 2 to the financial statements and review of the company's budgets for the period of twelve months from the date of approval of the financial statements, including checking the mathematical accuracy of the budgets and discussion and challenge of significant assumptions used by the management.

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

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

Our application of materiality

For the purposes of determining whether the financial statements are free from material misstatement, we define materiality as the magnitude of misstatement that makes it probable that the economic decisions of a reasonably knowledgeable person, relying on the financial statements, would be changed or influenced. We also determine a level of performance materiality which we use to assess the extent of testing needed, to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the financial statements as a whole.

Materiality for the company financial statements as a whole was set at £225,000 (2019: £120,000). This has been calculated based on 2% (2019: 1.5%) of Gross Assets, being the same basis as applied in the prior year. Using our professional judgement, we have determined this to be the principal benchmark within the financial statements as it is most relevant to stakeholders in assessing the financial performance of the company, based on the growth in the value of the company's investments.

We also determine a level of performance materiality which we use to assess the extent of testing needed to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds materiality for the financial statements as a whole. Performance materiality was set at £157,500 (2019: £84,000), being 70% of materiality for the financial statements as a whole respectively.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF RIVERFORT GLOBAL OPPORTUNITIES PLC
FOR THE YEAR ENDED 31 DECEMBER 2020

We agreed to report to those charged with governance all corrected and uncorrected misstatements we identified through our audit with a value in excess of £11,250 (2019: £6,000). We also agreed to report any other misstatements below that threshold that we believe warranted reporting on qualitative grounds.

Our approach to the audit

Our audit is risk based and is designed to focus our efforts on the areas at greatest risk of material misstatement, aspects subject to significant management judgement as well as greatest complexity and size.

The financial asset investments balance is highly material and incorporates both equity investments and structured finance investments. We carried out a detailed review of the classification of the financial assets as fair value through profit and loss (FVTPL) and assessed the fair value of the instruments on a sample basis to ensure they are materially stated in these financial statements. This also incorporated the review of the net income from financial instruments at FVTPL.

We consider management override and related parties to be qualitatively material. Although it is not the responsibility of the auditor to discover fraud, clearly any instances of fraud which we detect are material to the users of the financial statements. We have tested manual and automated journal entries, including journal entries at year end. Additionally, as part of our audit procedures to address fraud risk, we assessed the overall control environment and reviewed whether there had been any reported actual or alleged instances of fraudulent activity during the year. Our work on related parties included assessment of the company's procedures, as well as discussions with the directors.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our scope addressed this matter
Verification, classification and ownership of Financial asset investments (Note 15) At the year end, the company held non-current and current financial asset investments of £7,158,104, which included Equity investments, Structured Finance investments and share warrants. There is a risk that the financial asset investments are classified and valued incorrectly and are not owned by the company. This matter was considered to be one of most significance in the audit due to the size, complexity and significance of estimates and judgements required in valuing the financial asset investments.	Our work in this area included: • Verifying ownership of the investments held at the year end; • Reviewing the valuation methodology for each type of investment and ensuring that the carrying values were appropriately supported; • Validating that gains and losses charged through to the Statement of Comprehensive Income have been classified and measured correctly; • Obtaining direct confirmations of a sample of investments held at the year end, and reconciling to the amounts due; • Reviewing the disclosures presented in the financial statements to ensure they are adequate and in line with IFRS 9 requirements; and • Reviewing the accounting treatment of the financial assets and ensuring they are in line with IFRS.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF RIVERFORT GLOBAL OPPORTUNITIES PLC
FOR THE YEAR ENDED 31 DECEMBER 2020

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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

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

Responsibilities of directors

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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF RIVERFORT GLOBAL OPPORTUNITIES PLC
FOR THE YEAR ENDED 31 DECEMBER 2020

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

- We obtained an understanding of the company and the sector in which they operate to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through discussions with management and application of cumulative audit knowledge.
- We determined the principal laws and regulations relevant to the company in this regard to be those arising from the Companies Act 2006.
- We designed our audit procedures to ensure that the audit team considered whether there were any indications of non-compliance by the company with those laws and regulations. This is evidenced by our discussion of laws and regulations with management, reviewing minutes of meetings of those charged with governance and review of regulatory news.
- We also identified the risks of material misstatement of the financial statements due to fraud. Aside from the non-rebuttable presumption of a risk of fraud arising from management override of controls, we did not identify any significant fraud risks.
- As in all of our audits, we addressed the risk of fraud arising from management override of controls by performing audit procedures which included, but were not limited to: the testing of journals; reviewing accounting estimates for evidence of bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business or where the business rationale is not clear.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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

Eric Hindson (Senior Statutory Auditor)
For and on behalf of PKF Littlejohn LLP
Statutory Auditor

15 Westferry Circus
Canary Wharf
London E14 4HD

Date 7 June 2021

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020 £	2019 £
CONTINUING OPERATIONS:			
Investment income	4	1,251,681	889,095
Net gain from financial instruments at FVTPL	5	1,476,201	127,960
Foreign exchange losses on other financial instruments	6	(284,484)	(69,111)
TOTAL OPERATING INCOME		2,443,398	947,944
Administrative expenses	7	(403,564)	(302,770)
Investment advisory fees	8	(375,446)	–
Other gains and losses	9	(167,083)	(21,484)
PROFIT BEFORE TAXATION		1,497,305	623,690
Taxation	12	–	–
PROFIT FOR THE YEAR AND TOTAL COMPREHENSIVE INCOME		1,497,305	623,690
EARNINGS PER SHARE	13		
Basic and fully diluted earnings per share		0.221p	0.092p

STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020 £	2019 £
NON-CURRENT ASSETS			
Financial asset investments	15	**4,249,249**	1,758,801
		4,249,249	1,758,801
CURRENT ASSETS			
Financial asset investments	15	**2,908,855**	3,439,045
Trade and other receivables	16	**246,149**	195,708
Derivative financial assets	17	–	40,925
Cash and cash equivalents	18	**4,046,856**	2,624,480
		7,201,860	6,300,158
TOTAL ASSETS		**11,451,109**	8,058,959
CURRENT LIABILITIES			
Trade and other payables	19	**2,211,173**	180,542
		2,211,173	180,542
NET ASSETS		**9,239,936**	7,878,417
EQUITY			
Share capital	20	**67,893**	10,042,273
Share premium account	20	–	3,191,257
Capital redemption reserve	21	–	27,000
Retained profits/(losses)		**9,172,043**	(5,382,113)
TOTAL EQUITY		**9,239,936**	7,878,417

These Financial Statements were approved by the Board of Directors on 7 June 2021 and were signed on its behalf by:

N Lee
Director

Company number: 269566

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020

	Share capital £	Share premium £	Other reserves £	Retained profits £	Total equity £
BALANCE AT 1 JANUARY 2019	10,042,273	3,191,257	27,000	(6,005,803)	7,254,727
Total comprehensive income	–	–	–	623,690	623,690
BALANCE AT 31 December 2019	10,042,273	3,191,257	27,000	(5,382,113)	7,878,417
Total comprehensive income	–	–	–	1,497,305	1,497,305
Capital reduction	(9,974,380)	(3,191,257)	(27,000)	13,192,637	–
Dividend payment	–	–	–	(135,786)	(135,786)
BALANCE AT 31 December 2020	67,893	–	–	9,172,043	9,239,936

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020 £	2019 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Investment income received		1,178,181	888,676
Operating expenses paid		(489,020)	(280,512)
NET CASH INFLOW FROM OPERATING ACTIVITIES		689,161	608,164
INVESTING ACTIVITIES			
Purchase of investments		(4,854,799)	(4,494,947)
Disposal of investments	15	2,562,113	123,770
Debt instrument repayments	15	3,405,246	2,935,611
Settlement of forward currency contracts		(212,456)	(98,279)
NET CASH FROM/(USED IN) INVESTING ACTIVITIES		900,104	(1,533,845)
FINANCING ACTIVITIES			
Dividend payment	14	(135,786)	–
NET CASH USED IN FINANCING ACTIVITIES		(135,786)	–
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		1,453,479	(925,681)
Cash and cash equivalents at the beginning of the year		2,624,480	3,597,734
Effect of foreign currency exchange on cash		(31,103)	(47,573)
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	18	4,046,856	2,624,480

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1 GENERAL INFORMATION

RiverFort Global Opportunities plc is a public limited company, limited by shares, incorporated in England and Wales. The shares of the Company are listed on the Alternative Investment Market (AIM). The address of its registered office is Suite 12a, 55 Park Lane, London, W1K 1NA. The Company's principal activities are described in the Directors' Report.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied throughout all periods presented in the financial statements.

The Company's financial statements have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and in accordance with the requirements of the Companies Act 2006. The financial statements have been prepared under the historical cost convention, as modified by financial assets and financial liabilities (including derivative instruments) measured at fair value through profit or loss. The measurement basis is more fully described in the accounting policies below.

The financial statements are presented in pounds sterling (£) which is the functional currency of the Company. The comparative figures are for the year ended 31 December 2019.

GOING CONCERN

The Company's assets comprise mainly cash, debt securities and quoted securities. Since the year end, the Company's cash resources have continued to increase and the Company has prepared cash forecasts to June 2022 that show that the Company has sufficient cash resources for the foreseeable future. The directors have also considered the impacts of Covid-19 and have concluded that there are no material factors which are likely to affect the ability of the Company to continue as a going concern, as a result of the cash reserves in place and given the Company's ongoing costs. Accordingly, the Directors believe that as at the date of this report it is appropriate to continue to adopt the going concern basis in preparing the financial statements.

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements in conformity with IFRS requires the use of estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting year. These estimates and assumptions are based upon management's knowledge and experience of the amounts, events or actions. Actual results may differ from such estimates.

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In certain circumstances, where fair value cannot be readily established, the Company is required to make judgements over carrying value impairment and evaluate the size of any impairment required.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (continued)

FAIR VALUE OF FINANCIAL INSTRUMENTS

The Company holds investments that have been designated as held for trading on initial recognition. Where practicable the Company determines the fair value of these financial instruments that are not quoted (Level 3), using the most recent bid price at which a transaction has been carried out (see Note 15). These techniques are significantly affected by certain key assumptions, such as market liquidity. Other valuation methodologies such as estimated net asset value may be used and it is important to recognise that in that regard, the derived fair value estimates cannot always be substantiated by comparison with independent markets and, in many cases, may not be capable of being realised immediately.

The Company also holds unquoted share warrants as level 3 investments. The fair values of these warrants have been obtained using the Black Scholes valuation model and applying a 75% discount to allow for the warrants being untraded derivatives with the underlying securities being traded on junior markets. This model makes certain assumptions relating to the volatility of the underlying Company's share price which are applied in the calculation of the fair value of the warrants. The volatility is measured based on the volatility of the share price of the underlying share over the 12 months prior to the issue of the warrants.

CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

New standards, amendments and interpretations adopted by the Company

The Company has applied the following standards and amendments for the first time for its annual reporting period commencing 1 January 2020:

- Definition of Material – Amendments to IAS 1 and IAS 8;
- Definition of a Business – Amendments to IFRS 3;
- Interest Rate Benchmark Reform – Amendments to IFRS 9, IAS 39 and IFRS 7;
- Revised Conceptual Framework for Financial Reporting;
- Annual Improvements to IFRS Standards 2018-2020 Cycle; and COVID-19 related rent concessions – amendments to IFRS.

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

New standards 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 2021 and have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Company.

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

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

REVENUE RECOGNITION

INVESTMENT INCOME

Interest on fixed interest debt securities, designated at fair value through profit or loss, is recognised in the statement of comprehensive income using the effective interest rate method. The effective interest rate is the rate that exactly discounts the estimated future cash payments and receipts through the expected life of the financial asset or liability (or, where appropriate, a shorter period) to the carrying amount of the financial asset or liability.

Other structured finance fees are recognised on the date of the relevant agreement. Income may be recognised at a point in time or over the time. Over time revenue recognition is proportional to progress towards satisfying a performance obligation by transferring control of promised services to a customer. Income which does not qualify for recognition over time is recognised at a point in time when the service is rendered. The Company has no material receivables and contract liabilities from contracts with customers as non-refundable up-front fees are not charged to customers upon commencement of contracts with customers.

Bank deposit interest is recognised on an accruals basis.

FOREIGN CURRENCY TRANSLATION

The functional and presentation currency of the Company is Sterling. Foreign currency transactions are translated into Sterling using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except when deferred in other comprehensive income as qualifying cash flow hedges and qualifying net investment hedges. Foreign exchange gains and losses that relate to debt securities and equity investments denominated in currencies other than Sterling and measured at FVTPL are also presented in the income statement within Operating income. All other foreign exchange gains and losses are presented on a net basis in the income statement within ‘Other gains and losses”.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

CURRENT AND DEFERRED TAX

Tax is recognised in the income statement, except to the extent that it relates to items recognised directly in equity. In this case the tax is also recognised directly in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company operates and generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income taxes are calculated using the liability method on temporary differences. Deferred tax is generally provided on the difference between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Temporary differences include those associated with shares in subsidiaries and joint ventures and are only not recognised if the Company controls the reversal of the difference and it is not expected for the foreseeable future. In addition, tax losses available to be carried forward as well as other income tax credits to the Company are assessed for recognition as deferred tax assets.

Deferred tax liabilities are provided in full, with no discounting. Deferred tax assets are recognised to the extent that it is probable that the underlying deductible temporary differences will be able to be offset against future taxable income. Current and deferred tax assets and liabilities are calculated at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted at the statement of financial position date. Changes in deferred tax assets or liabilities are recognised as a component of tax expense in the income statement, except where they relate to items that are charged or credited to equity in which case the related deferred tax is also charged or credited directly to equity.

SEGMENTAL REPORTING

The accounting policy for identifying segments is based on internal management reporting information that is regularly reviewed by the chief operating decision maker, which is identified as the Board of Directors.

In identifying its operating segments, management generally follows the Company's service lines which represent the main products and services provided by the Company. The Directors believe that the Company’s continuing investment operations comprise one segment.

FINANCIAL ASSETS

The Company's financial assets comprise investments, cash and cash equivalents and loans and receivables, and are recognised in the Company’s statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

FINANCIAL ASSETS INVESTMENTS

CLASSIFICATION OF FINANCIAL ASSETS

The Company holds financial assets including equities and debt securities. The classification and measurement of financial assets at 31 December 2020 is in accordance with IFRS 9.

On the initial recognition, the Company classifies financial assets as measured at amortised cost or FVTPL. A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specific dates to cash flows that are Solely Payments of Principal and Interest (SPPI).

All other financial assets of the Company are measured at FVTPL.

BUSINESS MODEL ASSESSMENT

In making an assessment of the objective of the business model in which a financial asset is held, the Company considers all of the relevant information on how the business is managed, including:

- the documented investment strategy and the execution of this strategy in practice. This includes whether the investment strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realised cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how the investment advisor is compensated e.g. whether compensation is based on the fair value of the assets managed or the contractual cashflows collected

IFRS 9 subsection B4.1.1-B4.1.2 stipulates that the objective of the entity's business model is not based on management's intentions with respect to an individual instrument, but rather determined at a higher level of aggregation. The assessment needs to reflect the way that an entity manages its business.

The company has determined that it has two business models.

- Held-to-collect business model: this includes cash and cash equivalents, balances due from brokers and other receivables. These financial assets are held to collect contractual cash flows.
- Other Business model: this includes structured finance products, equity investments, investments in unlisted private equities and derivatives. These financial assets are managed and their performance is evaluated, on a fair value basis with frequent sales taking place in respect to equity holdings.

VALUATION OF FINANCIAL ASSET INVESTMENTS

Investment transactions are accounted for on a trade date basis. Assets are de-recognised at the trade date of the disposal. Assets are sold at their fair value, which comprises the proceeds of sale less any transaction cost. The fair value of the financial instruments in the balance sheet is based on the quoted bid price at the balance sheet date, with no deduction for any estimated future selling cost. The valuations in respect of unquoted investments (Level 2 and Level 3 financial assets) are explained in note 14. Changes in the fair value of investments held at fair value through profit or loss and gains and losses on disposal are recognised in the consolidated statement of comprehensive income as "Net gains/(losses) on investments". Investments are initially measured at fair value plus incidental acquisition costs. Subsequently, they are measured at fair value. This is either the bid price or the last traded price, depending on the convention of the exchange on which the investment is quoted.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

DERIVATIVE FINANCIAL INSTRUMENTS

Derivative financial instruments include forward currency contracts. Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. All derivatives are carried as assets when their fair value is positive and as liabilities when their fair value is negative. Changes in the fair value of derivatives are recognised immediately in the statement of comprehensive income. The company is engaged in hedging activities of its foreign exchange risk. The company does not apply hedge accounting. Given the low level of trading activity, the Company has estimated that any valuation adjustments are not material and has therefore not incorporated these into the fair value of derivatives.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value. They are initially recognised at fair value and subsequently at amortised cost using the effective interest rate method.

OTHER RECEIVABLES

Other receivables from third parties are initially recognised at fair value and subsequently carried at amortised cost using the effective interest rate method.

IMPAIRMENT OF FINANCIAL ASSETS

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at each balance sheet date. Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been impacted.

A provision for impairment is made when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. Impaired debts are derecognised when they are assessed as uncollectible.

FINANCIAL LIABILITIES

The Company's financial liabilities comprise trade payables. Financial liabilities are obligations to pay cash or other financial assets and are recognised when the Company becomes a party to the contractual provisions of the instruments.

TRADE PAYABLES

Trade payables are initially measured at fair value and are subsequently measured at amortised cost, using the effective interest rate method.

EARNINGS PER SHARE

Earnings per share are calculated by dividing the profit or loss for the year after tax by the weighted average number of shares in issue and is measured in pence per share.

EQUITY

Equity comprises the following:

- "Share capital" represents the nominal value of equity shares.
- "Share premium" represents the excess over nominal value of the fair value of consideration received for equity shares, net of expenses of the share issue.
- "Capital redemption reserve" represents the nominal value of shares repurchased or redeemed by the Company.
- "Retained losses" represents retained losses.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

3 SEGMENTAL INFORMATION

The Company is organised around business class and the results are reported to the Chief Operating Decision Maker according to this class. There is one continuing class of business, being the investment in junior listed and unlisted companies.

Given that there is only one continuing class of business, operating within the UK no further segmental information has been provided.

4 INVESTMENT INCOME

	2020	2019
	£	£
Structured finance fees	414,265	392,080
Other interest receivable	837,416	497,015
	1,251,681	889,095

5 NET GAIN/(LOSS) ON INVESTMENTS

	2020	2019
	£	£
Net realised gains/(losses) on disposal of investments	843,515	(474,890)
Net movement in fair value of investments	680,795	680,568
Net foreign exchange loss on investments	(48,109)	(77,718)
Net gain on investments	1,476,201	127,960

6 FOREIGN EXCHANGE LOSSES ON OTHER FINANCIAL INSTRUMENTS

	2020	2019
	£	£
Net loss on foreign currency forward contracts	(253,381)	(21,538)
Exchange loss on foreign currency cash balances	(31,103)	(47,573)
	(284,484)	(69,111)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

7 ADMINISTRATIVE EXPENSES

	2020 £	2019 £
Profit for the year has been arrived at after charging:		
Wages and salaries	163,055	118,130
Professional and regulatory expenses	163,613	128,585
Audit and tax compliance	28,170	29,040
Other administrative expenses	48,726	27,015
Total administrative expenses as per the statement of comprehensive income	403,564	302,770

AUDITOR'S REMUNERATION

During the year the Company obtained the following services from the Company's auditor:

	2020 £	2019 £
Fees payable to the Company's auditor for the audit of the parent company and the Company financial statements	25,200	25,200
Fees payable to the Company's auditor and its associates for other services:		
Other services relating to taxation	2,970	3,840
	28,170	29,040

8 INVESTMENT ADVISORY FEES

The charge of £375,446 (2019: £Nil) is payable to the Company's investment adviser, RiverFort Global Capital Limited. In previous years, these fees had been waived in exchange for an extension of the investment adviser contract in order to allow the Company to build up its investment portfolio prior to incurring advisory fees.

9 OTHER GAINS AND LOSSES

	2020 £	2019 £
Currency exchange differences	(167,083)	(21,484)
	(167,083)	(21,484)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

10 DIRECTORS' EMOLUMENTS

	2020	2019
	£	£
Aggregate emoluments	**152,500**	109,000
Social security costs	**10,555**	9,130
	163,055	118,130

Name of director	Salaries and fees	Bonuses	**Total 2020**	Total 2019
	£	£	£	£
P Haydn-Slater	*35,000	17,500	**52,500**	35,000
N Lee	52,000	26,000	**78,000**	52,000
A van Dyke	22,000	–	**22,000**	22,000
A Nesbitt	–	–	**–**	–
	109,000	43,500	**152,500**	109,000

*£23,000 of P Haydn-Slater's salary and fees was invoiced by Musgrave Merchant Ltd, a company controlled by him.

11 EMPLOYEE INFORMATION

	2020	2019
	£	£
Wages and salaries	**129,500**	86,000
Consultancy fees	**23,000**	23,000
Social security costs	**10,555**	9,130
	163,055	118,130

Average number of persons employed:

	2020 Number	2019 Number
Office and management	**3**	3

COMPENSATION OF KEY MANAGEMENT PERSONNEL

There are no key management personnel other than the Directors of the Company.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

12 INCOME TAX EXPENSE

	2020 £	2019 £
Current tax - continuing operations	–	–

The tax on the Company's profit before tax differs from the theoretical amount that would arise using the weighted average rate applicable to profits of the Consolidated entities as follows:

	2020 £	2019 £
Profit/(loss) before tax from continuing operations	1,497,305	623,690
Profit/(loss) before tax multiplied by rate of corporation tax in the UK of 19% (2019: 19%)	284,488	118,501
Expenses not deductible for tax purposes	7,091	356
Offset against tax losses brought forward	(291,579)	(118,857)
Unrelieved tax losses carried forward	–	–
Total tax	–	–

Unrelieved tax losses of approximately £3,977,000 (2019: £5,511,000) remain available to offset against future taxable trading profits. No deferred tax asset has been recognised in respect of the losses as recoverability is uncertain.

13 EARNINGS PER SHARE

The basic earnings per share is based on the loss for the year divided by the weighted average number of shares in issue during the year. The weighted average number of ordinary shares for the year assumes that all shares have been included in the computation based on the weighted average number of days since issue.

	2020 £	2019 £
Profit/(loss) attributable to equity holders of the Company:		
Profit/(loss) from continuing operations	1,497,305	623,690
Profit/(loss) for the year attributable to equity holders of the Company	1,497,305	623,690
Weighted average number of ordinary shares in issue for basic and fully diluted earnings	678,933,600	678,933,600

EARNINGS PER SHARE

BASIC AND FULLY DILUTED:

- Basic earnings/(loss) per share from continuing and total operations	0.221p	0.092p
- Fully diluted earnings/(loss) per share from continuing and total operations	0.221p	0.092p

2019 comparative figures for the average number of shares in issue and earnings per share have been adjusted for the share reorganisation in March 2020.

14 DIVIDENDS

	2020 Pence	2019 pence	2020 £	2019 £
Amounts recognised as distributions to shareholders in the year				
Interim dividend for 2020	0.02p	–	135,786	–
	0.02p	–	135,786	–

15 FINANCIAL ASSETS

All financial assets are designated at fair value through profit and loss ("FVTPL")

	2020 £	2019 £
At 1 January - fair value	5,197,846	3,793,715
Acquisition of investments designated at FVTPL	5,877,989	4,335,552
Equity investment disposals	(1,988,686)	(123,770)
Debt security repayments	(3,405,246)	(2,935,611)
Net gain/(loss) on disposal of investments	843,515	(474,890)
Movement in fair value of investments	680,795	680,568
Net foreign exchange loss on debt securities	(48,109)	(77,718)
At 31 December - fair value	7,158,104	5,197,846

	Current		Non-current	
	2020 £	2019 £	2020 £	2019 £
Categorised as:				
Level 1 - Quoted investments	–	–	1,706,712	609,704
Level 2 - Unquoted investments	2,908,855	3,439,045	2,166,674	1,110,166
Level 3 - Unquoted investments	–	–	375,863	38,931
	2,908,855	3,439,045	4,249,249	1,758,801

The table of investments sets out the fair value measurements using the IFRS 7 fair value hierarchy. Categorisation within the hierarchy has been determined on the basis of the lowest level of input that is significant to the fair value measurement of the relevant asset as follows:

Level 1 - valued using quoted prices in active markets for identical assets.

Level 2 - valued by reference to valuation techniques using observable inputs other than quoted prices included within Level 1.

Level 3 - valued by reference to valuation techniques using inputs that are not based on observable market data.

The valuation techniques used by the company are explained in the accounting policy note, "Investments held for trading".

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

15 FINANCIAL ASSETS (continued)

LEVEL 2 FINANCIAL ASSETS

Level 2 financial assets comprise debt securities valued by reference to their principal value, less appropriate allowance where there is a doubt as to whether the principal amount will be fully repaid in accordance with the contractual terms of the obligation.

LEVEL 3 FINANCIAL ASSETS

Reconciliation of Level 3 fair value measurement of financial assets

	2020 £	2019 £
Brought forward	38,931	88,918
Movement in fair value	336,932	(49,987)
Carried forward	375,863	38,931

The Company's level 3 investments comprise a number of unquoted share warrants. which have been valued using the Black-Scholes valuation model, discounted by 75% to allow for there being no trading market for the warrant instruments and the underlying shares are quoted on the London Stock Exchange's secondary Alternative Investment Market.

In line with the investment strategy adopted by the Company, Nicholas Lee is on the board of the following investee company:

	% holding 2020	2019
Pires Investments plc	18.2%	24.3%

16 TRADE AND OTHER RECEIVABLES

	2020 £	2019 £
Other receivables	–	19,547
Prepayments and accrued income	246,149	176,161
	246,149	195,708

The Directors consider that the carrying amount of other receivables is approximately equal to their fair value.

17 DERIVATIVE FINANCIAL ASSETS

	2020 £	2019 £
Foreign currency forward contract	–	40,925

18 CASH AND CASH EQUIVALENTS

	2020	2019
	£	£
Cash and cash equivalents	**4,046,856**	2,624,480

The Directors consider the carrying amount of cash and cash equivalents approximates to their fair value.

19 TRADE AND OTHER PAYABLES

	2020	2019
	£	£
Trade payables	**31,346**	43,723
Other payables	**1,665,751**	69,134
Accrued expenses	**514,076**	67,685
	2,211,173	180,542

The Directors consider that the carrying amount of trade and other payables approximates to their fair value.

Trade payables and Other payables are all due within 6 months of the year end.

20 SHARE CAPITAL

	Number of shares		Share capital		Share
	Deferred	Ordinary	Deferred	Ordinary	premium
			£	£	£
ISSUED AND FULLY PAID:					
At 1 January 2019 and 2020					
Deferred shares of 9.9p each	32,857,956	–	3,252,938	–	–
Ordinary shares of 0.1p each	–	6,789,335,226	–	6,789,335	3,191,257
	32,857,956	6,789,335,226	3,252,938	6,789,335	3,191,257
Issue of shares	–	774	–	1	–
	32,857,956	6,789,336,000	3,252,938	6,789,336	3,191,257
Share reorganisation	67,893,400	(6,110,402,400)	6,721,443	(6,721,443)	
Capital reduction	(100,751,356)		(9,974,381)		(3,191,257)
Ordinary shares of 0.01p each	–	678,933,600	–	67,893	–
At 31 December 2020	–	678,933,600	–	67,893	–

On 4 March 2020 the shareholders approved a share reorganisation and capital reduction.

The share reorganisation involved a 4,000 for 1 share consolidation, followed by a subdivision of each resulting share into 400 new ordinary shares of 0.01p and 40 deferred shares of 9.9p.

The capital reduction which followed involved the cancellation of all the deferred shares and the cancellation of the share premium account.

The capital reduction was confirmed by the Court on 31 March 2020.

21 OTHER RESERVES

	Capital redemption reserve £	Total Other reserves £
Balance at 1 January 2019 and 2020	27,000	27,000
Capital reduction	(27,000)	(27,000)
Balance at 31 December 2020	–	–

22 RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company is exposed to a variety of financial risks which result from both its operating and investing activities. The Company's risk management is coordinated by the Board of Directors and focuses on actively securing the Company's short to medium term cash flows by minimising the exposure to financial markets.

The main risks the Company is exposed to through its financial instruments are credit risk, foreign currency risk, liquidity risk, market price risk and operational risk.

CAPITAL RISK MANAGEMENT

The Company's objectives when managing capital are:

- to safeguard the Company's ability to continue as a going concern, so that it continues to provide returns and benefits for shareholders;
- to support the Company's growth; and
- to provide capital for the purpose of strengthening the Company's risk management capability.

The Company actively and regularly reviews and manages its capital structure to ensure an optimal capital structure and equity holder returns, taking into consideration the future capital requirements of the Company and capital efficiency, prevailing and projected profitability, projected operating cash flows, projected capital expenditures and projected strategic investment opportunities. Management regards total equity as capital and reserves, for capital management purposes. The Company is not subject to externally imposed capital requirements.

CREDIT RISK

The Company's financial instruments that are subject to credit risk are cash and cash equivalents and loans and receivables. The credit risk for cash and cash equivalents is considered negligible since the counterparties are reputable financial institutions. The credit risk for loans and receivables is mainly in respect of short term loans, made on market terms, which are monitored regularly by the Board.

The Company's maximum exposure to credit risk is £4,046,856 (2019: £2,684,952) comprising cash and cash equivalents and other receivables.

The ageing profile of trade and other receivables was:

	2020 Total book value £	2019 Total book value £
Current	–	60,472
Overdue for less than one year	–	–
	–	60,472

22 RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

LIQUIDITY RISK

Liquidity risk arises from the possibility that the Company might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The Company manages this risk through maintaining a positive cash balance and controlling expenses and commitments. The Directors are confident that adequate resources exist to finance current operations.

FOREIGN CURRENCY RISK

The Company invests in financial instruments and enters into transactions that are denominated in currencies other than its functional currency, primarily in US dollars (USD). Consequently, the Company is exposed to the risk that the exchange rate of its currency relative to other foreign currencies may change in manner that has an adverse effect on the fair value of the future cashflows of the Company's financial assets denominated in currencies other than the GBP.

The Company's policy is to use derivatives to manage its exposure to foreign currency risk. The instruments used are foreign currency forward contracts. The Company does not apply hedge accounting.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

	Liabilities		Assets	
	31 Dec 2020	31 Dec 2019	**31 Dec 2020**	31 Dec 2019
	£	£	**£**	£
US Dollars	**1,074,487**	2,300,000	**4,847,200**	3,391,429
Euro	–	–	**152,196**	–
	1,074,487	2,300,000	**4,999,396**	3,391,429

The following table details the Company's sensitivity to a 5 per cent increase and decrease in GBP against the US Dollar and the Euro. 5 per cent is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in the GBP/USD rate. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 5 per cent change in the GBP/USD and GBP/Euro rates. A positive number below indicates an increase in profit and other equity where GBP weakens 5 per cent against the relevant currency. For a 5 per cent strengthening of GBP against the relevant currency, there would be a comparable impact on the profit and other equity, and the balances below would be negative.

	US Dollars		Euro	
	31 Dec 2020	31 Dec 2019	**31 Dec 2020**	31 Dec 2019
	£	£	**£**	£
Profit and loss	**151,938**	54,571	**7,610**	–
	151,938	54,571	**7,610**	–

INTEREST RATE RISK

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The risk is mitigated by the Company only entering into fixed rate interest agreements, therefore detailed analysis of interest rate risk is not disclosed.

22 RISK MANAGEMENT OBJECTIVES AND POLICIES (continued)

MARKET PRICE RISK

The Company's exposure to market price risk mainly arises from potential movements in the fair value of its investments. The Company manages this price risk within its long-term investment strategy to manage a diversified exposure to the market. If each of the Company's equity investments were to experience a rise or fall of 10% in their fair value, this would result in the Company's net asset value and statement of comprehensive income increasing or decreasing by £171,000 (2019: £63,000).

Exposure to market price risk also arises in respect of the Company's investments in debt securities which are mainly denominated in US Dollars.

The Company's strategy for the management of market risk is driven by the Company's investment objective, which is focused on deploying its capital in investments that provide both income and downside protection. It is expected that the Company will deliver returns to shareholders through a combination of capital growth and dividend income.

The Company's market risk is managed on a continuous basis by the Investment Advisor in accordance with the policies and procedures in place. The Company's market positions are monitored on a quarterly basis by the board of directors.

OPERATIONAL RISK

Operational Risk is the risk of direct or indirect loss arising from a wide variety of causes associated with the processes, technology and infrastructure supporting the Company's activities with financial instruments, either internally within the Company or externally at the Company's service providers such as cash custodians/brokers, and from external factors other than credit, market and liquidity risks such as those arising from legal and regulatory requirements and generally accepted standards of investment management behaviour.

The Company's objective is to manage operational risk so as to balance the limiting of financial losses and damage to its reputation with achieving its investment objective of generating returns to shareholders.

The primary responsibility for the development and implementation of controls over the operational risk rests with the board of directors. This responsibility is supported by the development of overall standards for the management of operational risk, which encompasses the controls and processes over the investment, finance and financial reporting functions internally and the establishment of service levels with various service providers, in the following areas:

- Appropriate segregation of duties between various functions, roles and responsibilities;
- Reconciliation and monitoring of transactions
- Compliance with regulatory and other legal requirements;

The directors' assessment of the adequacy of the controls and processes at the service providers with respect to operational risk is carried out via ad hoc discussions with the service providers. Substantially all the of the assets of the Company are held by Barclays Bank UK and Shard Capital Brokers. The bankruptcy or insolvency of the Company's cash custodian/brokers may cause the Company's rights with respect to the securities or cash and cash equivalents held by cash custodian/ broker to be limited. The board of directors' monitors capital adequacy and reviews other publicly available information of its cash custodian/broker on a quarterly basis.

23 FINANCIAL INSTRUMENTS

The Company uses financial instruments, other than derivatives, comprising cash to provide funding for the Company's operations.

CATEGORIES OF FINANCIAL INSTRUMENTS

The IFRS 9 categories of financial asset included in the statement of financial position and the headings in which they are included are as follows:

	2020	2019
	£	£
FINANCIAL ASSETS:		
Cash and cash equivalents	**4,046,856**	2,624,480
Financial assets at amortised cost	–	60,472
Financial assets at fair value through profit or loss	**7,158,104**	5,197,846

FINANCIAL LIABILITIES AT AMORTISED COST:

The IFRS 9 categories of financial liabilities included in the statement of financial position and the headings in which they are included are as follows:

	2020	2019
	£	£
Trade and other payables	**1,697,097**	112,857

24 RELATED PARTY TRANSACTIONS

The compensation payable to Key Management personnel comprised £152,500 (2019: £109,000) paid by the Company to the Directors in respect of services to the Company. Full details of the compensation for each Director are provided in the Directors’ Remuneration Report.

Nicholas Lee’s directorships of companies in which Riverfort Global Opportunities plc has an investment are detailed in Note 15.

25 CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

There were no contingent liabilities or capital commitments at 31 December 2020 or 31 December 2019.

26 POST YEAR END EVENTS

In February and March 2021, the Company made two investments totalling around £1 million in Pluto Digital Assets plc ("Pluto"). Pluto is a technology company that connects Web 3.0 decentralised technologies to the global economy by investing in, incubating and advising digital asset projects based on decentralised technologies, decentralised finance and networks such as Ethereum and Polkadot.

In February 2021, the company announced that it had agreed to grant 16.9 million share options each to Nicholas Lee and Philip Haydn-Slater. The share options have an exercise price of 1p per share and will vest as to 50 per cent. on grant and 50 per cent. upon the Company's volume weighted average share price being 1.5p or greater (being 50 per cent. above the Exercise Price) for a period of 10 consecutive days. The options have a 10 year term from 12 February 2021, the date of issue. Following the grant of these share options, the total share options outstanding are 33,800,000 representing 4.98% of the Company's 678,933,600 ordinary shares in issue.

In May 2021, the Company announced that it had agreed to invest €1.4 million in Smarttech247 (a company incorporated in the Republic of Ireland as Zefone Limited) a global artificial intelligence ("AI") based cyber security cloud business that protects enterprises as they migrate to cloud-based IT operations (the "Investment"). . Smarttech247 has over 100 technology partners (including Tanium and Crowdstrike) and 50 clients based in Europe and the USA. It is intended that the funding shall accelerate Smarttech247's extension and roll-out of its AI-based cyber security product portfolio. The Investment is via a convertible loan note and forms part of an overall fundraising by Smarttech247 of €2.5 million. The convertible loan note carries a coupon of 5% and is expected to convert on a sale or listing of the company.

At the same time the Company announced that it had placed 96,470,587 new ordinary shares (the "Placing Shares") to raise gross proceeds of £1.64 million in cash at a price of 1.7 pence per new ordinary share (the "Placing Price. The purpose of the Placing is to provide funding both for the Investment and for other investment opportunities. Placees also conditionally received one warrant for each ordinary share subscribed for, exercisable at 3.4 pence for a period of two years from their date of issue (the "Warrants") and expiring on the second anniversary of the date of issue. The issue of the Warrants is conditional on shareholder authorities to be sought at the next Annual General Meeting.

27 ULTIMATE CONTROLLING PARTY

The Directors do not consider there to be a single ultimate controlling party.