



Pulford Trading Limited

Annual report and accounts

For the year ended 30 September 2022

Company number 08349603

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Financial highlights and impact

Highlights for the year ended 30 September 2022:

Pulford's net asset value (NAV) increased by a considerable 19.9%, from **£309.6m** to **£371.3m**, while the NAV per share rose from **130.8p** to **137.1p** – an increase of 4.8%.

Net fundraising during the period totalled **£44.9m**.

The trading portfolio was valued at **£365.7m** across 34 different holdings, an increase of **£121.6m**.

During the year, Pulford deployed **£185.3m** into several sectors, including Elderly and Specialist residential care homes, Specialist lending, and Hospitality.

Impact since inception:

Financed the construction of more than **1,450** homes across the UK.

Enabled the creation of **1,777** elderly residential care home beds.

Provided funding for more than **400** specialist residential care home beds.

Financed the creation of **104** retirement living apartments.

Supported the creation of up to **515** special education school places.

Overview of Pulford

Business summary

Pulford Trading Limited (Pulford), which was incorporated in 2013, is a UK-based trading company with a focus on asset-backed businesses that operate across eight sectors.

What we do

Pulford aims to preserve capital and deliver investors a steady return through income generation and capital appreciation across the asset-backed businesses it has an interest in. Over the past nine years, we have constructed a carefully selected and diversified portfolio of businesses operating across a rich variety of asset-backed sectors. These include Elderly Care, Specialist Care, Specialist Education, Data Centres, and Specialist Lending, to highlight a few.

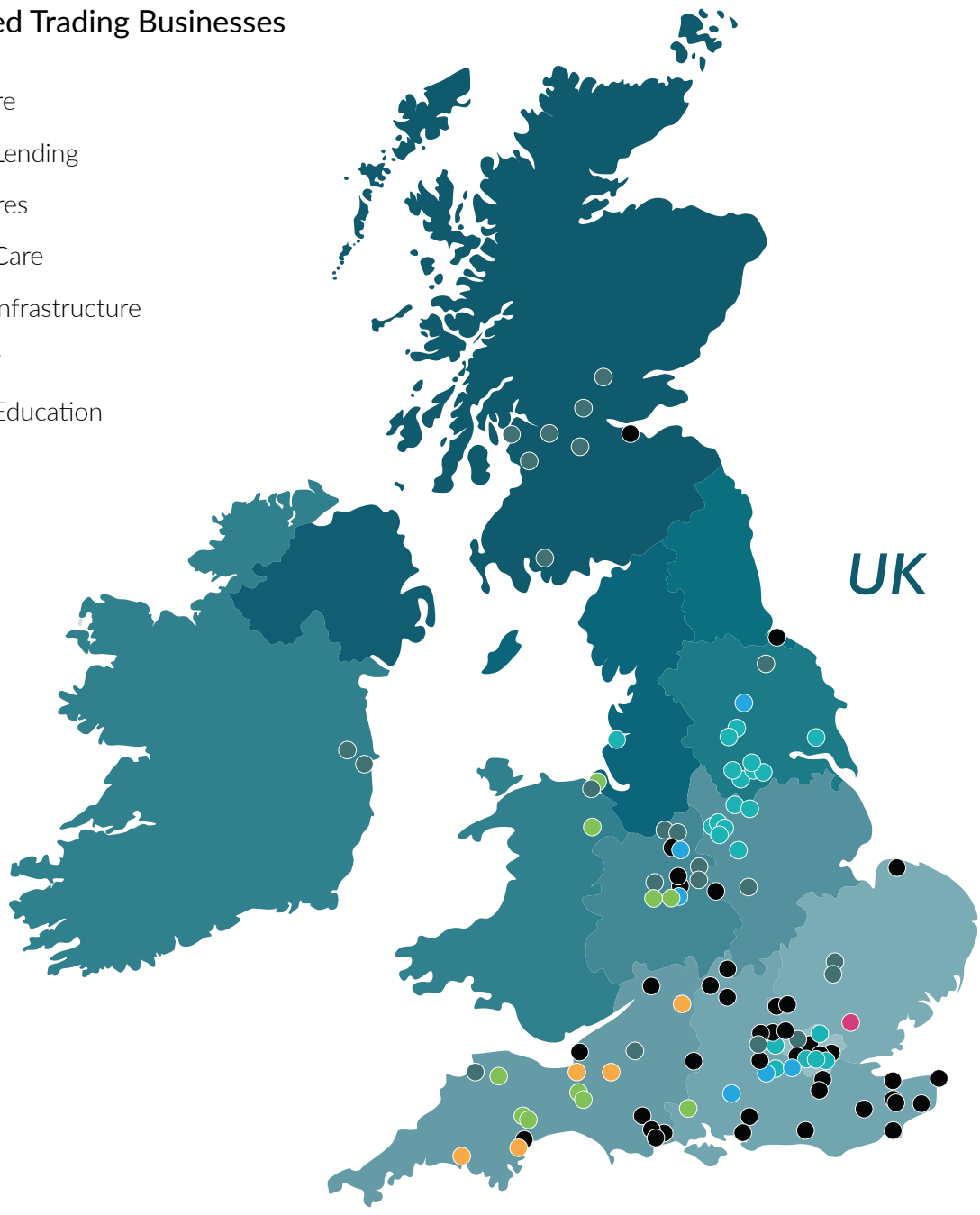
Pulford's emphasis on asset-backed businesses is what defines us. It is also key to managing portfolio risk. Should one of Pulford's underlying businesses fail, investors can still recover some or all of their capital from the assets underpinning the business e.g. land and buildings. This added protection is invaluable – particularly in the increasingly turbulent macro-economic environment in which many businesses now operate.

Pulford also recognises the importance of conducting business in a socially and environmentally responsible manner. We take environmental, social and governance (ESG) factors into careful consideration when selecting and managing assets.

Our businesses at a glance

Asset-Backed Trading Businesses

- Elderly Care
- Specialist Lending
- Data Centres
- Specialist Care
- Energy & Infrastructure
- Hospitality
- Specialist Education

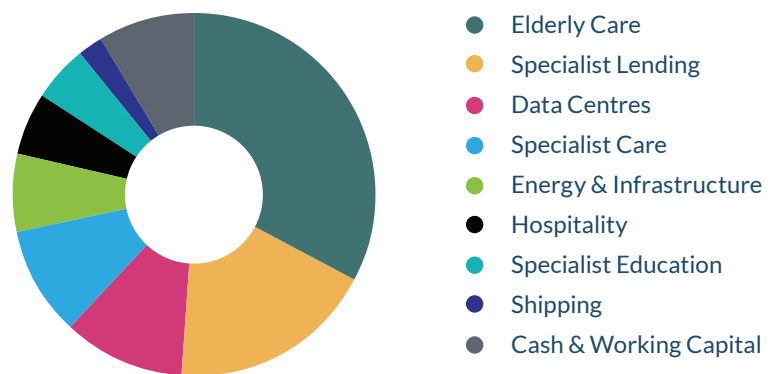


Sector breakdown

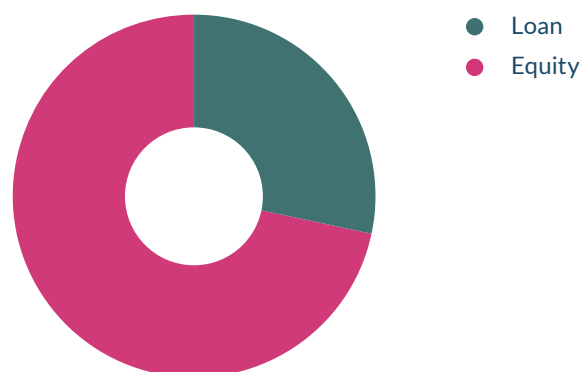
Portfolio summary

The portfolio aims to protect capital and generate a reliable return from investments in asset-backed businesses, which are well diversified. As of 30 September 2022, Pulford had holdings in 34 asset-backed businesses, including in Elderly Care, Specialist Care, Data Centres, Specialist Lending, Specialist Education, and Hospitality. Through its interest in the lender BTLLP, Pulford also has exposure to a small portfolio of Energy and Infrastructure loans. However, this diminished throughout the year following loan repayments and is expected to be fully exited in 2023. See right for a full sector split.

Pulford Trading Limited - Sector Split



Portfolio Composition by Loan / Equity



Trading report

Key investment metrics

	30 September 2022	30 September 2021
NAV	£371,287,543	£309,565,192
NAV per share	£1.37	£1.31
Annual total NAV return	4.80%	5.40%
Cumulative annualised NAV return since inception	3.34%	3.17%
Profit after tax for the period	£16,127,592	£15,527,405

Acquisitions and disposals

During the financial year, Pulford deployed £185.3m of capital, of which £54.6m was in the Elderly Care sector and £35.0m in the Specialist Care sector. The company also continued to invest in the Specialist Lending sector, deploying £47.3m into lending vehicle Downing Development Finance Limited plc (DDF) – a leading provider of short-to-medium-term loans to UK property developers.

Pulford generated total proceeds of £78.8m during the year. The Elderly Care and Specialist Lending portfolios returned £55.7m, with the balance attributable to Data Centres and the Hospitality sector. Proceeds are received via the repayment of a debt facility, from the disposal of equity shares held, or a combination of both. Within the DDF loan book, 15 loans were repaid in the period. All of these recovered interest

and capital in full, demonstrating the benefit of asset underpinning – which is especially true when combined with secured debt positions and strong levels of diversification.

Although a considerable number of opportunities completed during 2022, we are already redeploying funds to continue supporting compelling and profitable businesses. Since year end, a further £31.5m of capital has been deployed.

One notable transaction last year was Pulford's investment in Magnus Fibre Company Ltd. This business is key to rolling out a much-needed rural fibre broadband network across Wales and Scotland. In addition to helping underserved communities across Britain stay connected, the investment also enhanced portfolio diversification. We expect to invest further in this business during 2023.

Detailed NAV breakdown

Business	Sector	Equity/Loan	Valuation (£'m)
GTP3 LLP	Data Centres	Equity	39.6
Harlow Properties Ltd	Data Centres	Loan	
County Court Care Homes 8 Ltd	Elderly Care	Loan	121.8
Macc Care Austin Rose & Shirley Ltd	Elderly Care	Loan	
Macc Care Boldmere Ltd	Elderly Care	Loan	
Macc Care Developments (Leicester) Ltd	Elderly Care	Loan	
Macc Care Developments (Wyrley) Ltd	Elderly Care	Loan	
Macc Care Stafford Ltd	Elderly Care	Loan	
Priory CC100 Ltd	Elderly Care	Equity	
Priory CC106 Ltd	Elderly Care	Loan	
Priory CC33 Ltd	Elderly Care	Loan	
Priory CC40 Ltd	Elderly Care	Equity	
Talis Care TopCo Ltd	Elderly Care	Equity	25.2
TenM Ltd	Elderly Care	Loan	
Ixora Energy Ltd	Energy and Infrastructure	Loan	
Magnus Fibre Company Ltd	Energy and Infrastructure	Equity	
Magnus Assets One Ltd	Energy and Infrastructure	Loan	
Indigo Generation Ltd	Energy and Infrastructure	Loan	
Ironhide Generation Ltd	Energy and Infrastructure	Loan	20.9
Rockhopper Renewables Ltd	Energy and Infrastructure	Loan	
Autumn Pubs Ltd	Hospitality	Equity	
Grosvenor Pubs Trading Ltd	Hospitality	Loan	
PSTL TopCo Ltd	Hospitality	Equity	8.3
Pelham House Lewes Ltd	Hospitality	Equity	
Anker Shipping Ltd	Shipping	Equity	36.6
Priory CC71 Ltd	Specialist Care	Equity	
Well Healthcare Holdings Ltd	Specialist Care	Equity	19.0
Bridges Care & Education Ltd	Specialist Education Needs	Equity	
Brimstone Life Holdings Ltd	Specialist Lending	Equity	68.7
Downing Development Finance Ltd	Specialist Lending	Equity	
HB SP LLP	Specialist Lending	Equity	
Skipper Life Holdings Ltd	Specialist Lending	Equity	
Downing Specialist Finance Ltd	Specialist Lending	Equity	
Downing Wholesale Finance Ltd	Specialist Lending	Equity	
Cash & Working Capital	Cash & Working Capital	Equity	31.1
Total			371.3



Market developments

Elderly Care

The elderly residential care home sector represents a compelling long-term growth story. We recognised this early on, and have been investing in this area for over a decade.

The sector is underpinned by powerful demographic growth trends. The UK's rapidly ageing population is driving an ever-growing need for high-quality elderly residential care homes. Meanwhile, as Britain's population is ageing, so too is its existing stock of elderly residential care properties.

Indeed, much of the market is in desperate need of replacing – or at the very least upgrading. Yet, echoing the wider housing sector, the current rate of new build development in elderly residential care homes is falling short.

While these factors are supportive of new investment, the elderly residential care homes sector is highly nuanced. Care requirements vary greatly across community settings, so individual investment opportunities must be weighed at the local level. The asset type and location must be taken into careful consideration, and selecting a management team with the relevant track record and experience is equally critical.

Like most sectors, the elderly residential care homes space has faced numerous headwinds over the past year, from pandemic disruption to the unavailability of staffing and rising costs. However, the pandemic is receding, and care occupancy levels are returning to pre-pandemic levels on a sustainable basis. As for staffing

pressures, the UK government has placed care workers on the Shortage Occupation List, which will allow operators to recruit overseas workers more easily.

Reflecting this more optimistic outlook, investment activity in elderly residential care remained reasonably robust until the former government's controversial 'mini-budget' in September 2022. We witnessed a marked halt in activity as investors took stock of the new and highly turbulent economic and political environment. However, the dust now appears to be settling.

The political and economic tumult of recent months is beginning to subside, and signs of investment activity are returning. We have identified a broader range of interest from investors, who appear to be motivated by several factors. These include the attractive ESG attributes of the sector, the fact healthcare valuations are typically less volatile through the economic cycle than other real estate segments, favourable exchange rates for overseas buyers, the needs-based nature of the sector, and evidence of increased liquidity in financial markets.

Given its needs-based nature, we believe the elderly residential care market offers a compelling investment proposition – particularly compared with many other asset-backed sectors that face similar challenges regarding quality of revenues and rising costs.

Within the elderly care sector, Pulford also invests in the development of retirement living apartments. Real estate advisory firm JLL notes there is a difference between housing with support – or retirement

housing – and housing with care, commonly referred to as integrated retirement communities. The latter may be considered *“an accommodation response to the increase in manageable care needs and desires of older people to remain in a home of their own for as long as possible”*.

The investment case for integrated retirement communities is particularly attractive, with demand growth driven by the rapidly ageing British population. JLL highlights that:

By 2025, 20% of the UK population will be over 65 years of age

Over 65s own a combined £800bn of housing equity across the UK

There is a potential requirement for an additional 725,000 housing with care units by 2025

Research from property consultancy Knight Frank indicates just over 7,500 new units were built across 100 schemes in the UK in 2021, with estimates that 123,053 units will be delivered in total across the nation by 2025.

Over the course of Pulford's financial year, the market has performed well, with increased construction costs offset by a general rise in house prices. However, as with elderly residential care, each retirement living scheme needs to be considered on its own merit, taking local market factors into account.

While we believe the sector has enticing long-term potential and has performed

well to date, Pulford has adopted a cautious approach to investing in retirement living. After all, the sector is evolving, a nuanced range of different models are emerging, and there are relatively few proven management teams on offer. Moreover, as we move into 2023, the effects of higher construction costs, further changes in interest rates and expectations of a slow-down in the wider housing market must be carefully evaluated.

Nevertheless, the medium-to-long-term fundamentals remain strong, and we will continue to explore prospects where there is a sufficient opportunity to create value.

Specialist Care

Specialist care comprises a number of sub-sectors covering both adult and children's care services. Prior to the Covid-19 pandemic, we started building a pipeline of specialist care investment opportunities.

In 2022, Pulford acquired two specialist residential care businesses – one focused on adult physical and learning disabilities, the other on adult mental health. These markets are compelling for several reasons:

Demographic trends are driving an anticipated growth in demand

Quality of income is under pinned by long-term nature of placements, secured government funding and a general lack of high-quality available beds

Considered a highly resilient sector throughout the Covid-19 pandemic

Highly fragmented market offers consolidation opportunity

The UK government's 'transforming social care agenda creates opportunities to diversify service provision

We believe the specialist care market will continue to present Pulford with new investment opportunities over the coming year. We will focus on areas with an undersupply of good-quality care provision, as well as those with higher acuity care needs.

Cost pressures will remain, but we believe the specialist nature of these services and limited alternative options – particularly against a backdrop of increasing demand – imply funding from commissioning bodies such as the NHS and local authorities should remain robust.

In particular, we believe there will be opportunities to consolidate smaller owner-operator businesses or sites. This should drive more investors to the sector over the coming months and years.

Specialist Educational Needs

Of England's nine million school pupils, it is estimated a staggering 1.5 million have specialist educational needs (SEN). This refers to learning problems or disabilities that make it harder for certain pupils to learn than most children of the same age.

As part of the UK government's statutory duty to support this group, 356,000 SEN pupils situated in England receive government-funded assistance in the form

of an education, health and care (EHC) plan – a figure set to grow considerably over the coming years. EHC plans identify the needs of SEN pupils and set out the additional support required to meet them. Funding is predominantly provided through the high needs budget, which is money specifically allocated to SEN students by the central government. This is also growing in anticipation of rising demand.

Meanwhile, we continue to observe a significant undersupply of high-quality day and residential schools across the UK, especially for children requiring higher acuity support. This is despite SEN learning facilities demonstrating a higher degree of resilience through the Covid-19 pandemic, as they were allowed to stay open when most other schools were temporarily closed. Additionally, their funding remained forthcoming throughout the pandemic.

In light of the above, the Specialist education sector continues to attract considerable interest from the investment community. Valuations remain robust, with high-quality businesses frequently achieving premium valuations. This has been demonstrated by recently completed transactions in the sector.

The management team we work with has already established a winning reputation for delivering high-quality education at reasonable fee rates. As such, we expect Pulford's investment in the sector to expand, as the team unlocks further organic growth opportunities in the space.

Hospitality

The Hospitality industry was one of the hardest hit over the last 12 months. Soaring inflation – particularly on food, energy and staff costs – in combination with the cost-of-living crisis affecting consumers served to massively dent profitability across the sector. Our management teams had to work diligently to control costs and minimise the impact during this difficult trading period.

While we anticipate these headwinds will persist through 2023, posing a difficult 12 months or so for hospitality trade, Pulford's investments in the sector are well insulated from macroeconomic uncertainty. Our investments are concentrated in the most resilient areas of the sector and expected to remain profitable – even amid persistent economic turbulence.

Pulford's hospitality investments consist primarily of wet-led community pubs. These generally offer low-ticket spend and boast a comparatively lower cost base than larger hospitality businesses. This leaves them far less exposed to inflationary pressures than their food-led counterparts.

While we can expect a decline in pub freehold valuations amid an economic environment characterised by recession and rising interest rates, we anticipate the decline will be short-lived. As for wedding venues, spend per wedding has fallen, but demand continues to hold up well.

Over the next 12 months, we will look to acquire freehold hospitality assets opportunistically, taking advantage of temporary price dislocations.

Specialist Lending

The longer-term impact of the Covid-19 pandemic on the property market and wider economy remains uncertain. However, heightened political turbulence has had a much more significant effect, with rising interest rates and concerns over a looming global recession further dampening market sentiment.

Most commentators expect the residential property market to soften over the coming year, though the depth of any price falls is unknown. At this stage, any impact on Pulford's performance, or on the recoverability of its loan to DDF, is not deemed material. Instead, we expect attractive lending opportunities to arise over the next 12 months as market participants re-trench.

Within specialist lending, Pulford's exposure to property development and secured lending is expected to grow as we seek to capitalise on attractive opportunities in the sector. Lending to other property lenders will comprise the majority of the wholesale business over the coming year.

Revolving credit facilities

Pulford's lending partner, Bridging Trading LLP (BTLLP), has a revolving credit facility in place with a commercial bank. This was extended on 15 September 2020 for a further three years. As at 30 September 2022, the facility was undrawn.

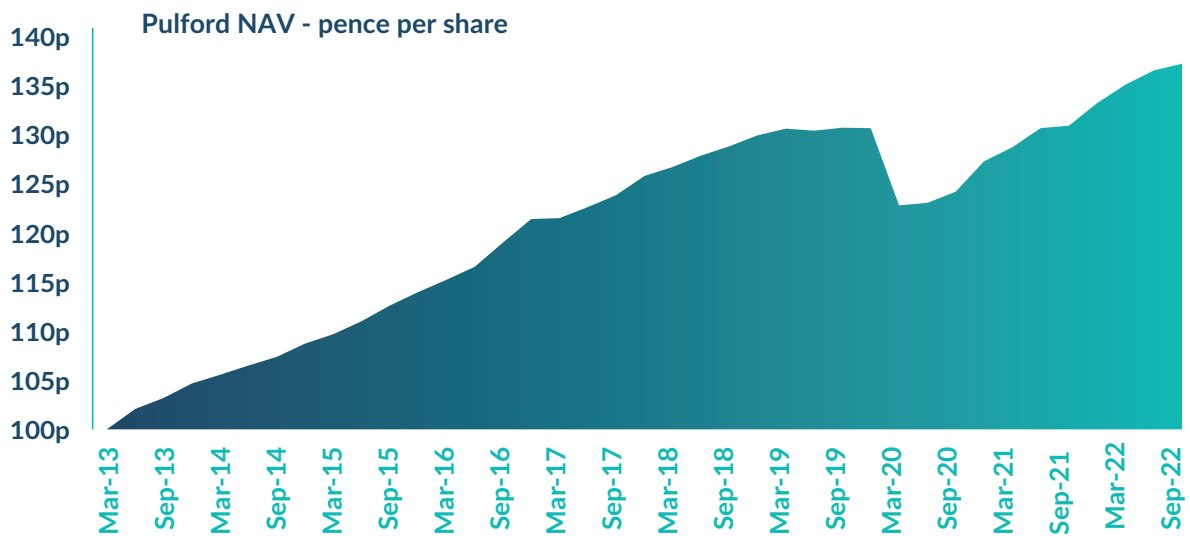
The facility provides BTLLP with the flexibility to manage investment pipeline opportunities and provides a mechanism to generate a more effective capital structure. This is a useful source of liquidity.



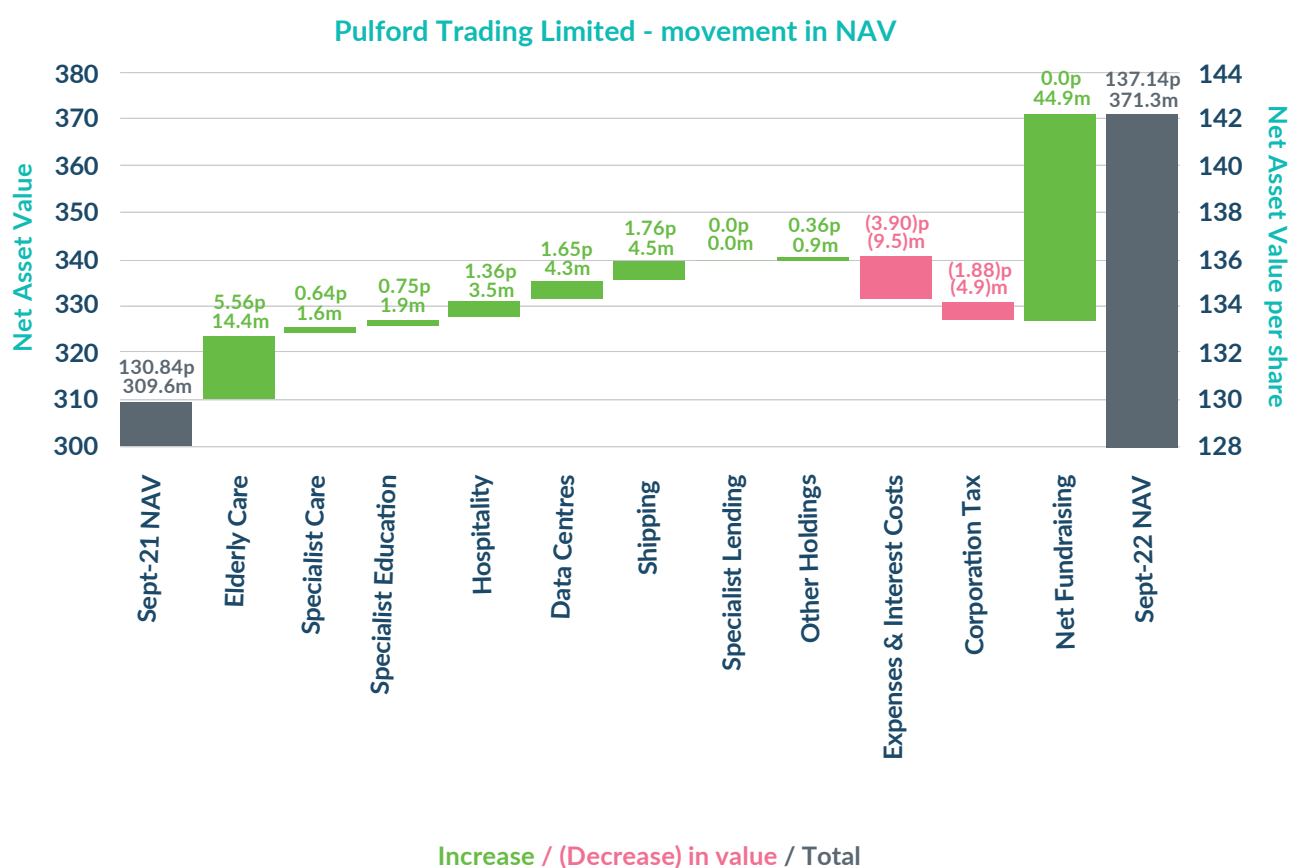
Company valuation

In the year to **30 September 2022**, the NAV per share for Pulford increased from **130.8** to **137.1** pence per share, an increase of 4.8%. As at 30 September 2022, Pulford had 270,734,351 ordinary shares of £0.01 in issue.

NAV per share growth since inception:



Pulford Trading Limited – Movement in NAV



Portfolio performance

A breakdown of the impact by sector is detailed below.

Elderly Care

Pulford's portfolio of elderly care homes represents its largest sector exposure. The portfolio comprises high-quality, purpose-built care homes spanning a broad range of regions across the UK. It also boasts an attractive combination of private and public paying residents, which delivers a good degree of diversification.

Over the course of the past year, Pulford's portfolio of elderly care properties continued to outperform expectations. This is despite the multifaceted challenges the pandemic presented both for the care sector and building projects in general. In December 2021, Pulford exited The Fleet and Kingsacre care homes, realising proceeds of £21.6m at prices above their holding values.

Following various profitable exits, Pulford invested a further £8.3m in Priory CC40, which encompasses two homes with units for sale in Scotland, as well as £30.7m to acquire Priory CC100 – four such homes across South and North-West England. These investments support strong management teams with extended track records, and diversify Pulford's exposure across different geographies and maturity stages.

To date, Pulford has also funded two retirement living schemes comprising a total of 75 close care retirement apartments.

The first scheme is almost entirely sold off, in line with expectations. The second has just launched and is ahead of expectations for reservations.

Through the combination of realisations, income earned, and other valuation uplifts, elderly care homes contributed £14.4m to Pulford's NAV in the last year.

Specialist Care

The specialist care market has shifted towards prioritising higher needs residents, whose demand is naturally uncorrelated to economic conditions. The market backdrop is therefore favourable, characterised by strong, resilient demand and ongoing undersupply.

During the year, £27.9m was invested in Priory CC71, which is building a residential specialist care platform. Three homes were acquired during the year, one of which is trading, while the other two are closed and undergoing redevelopment.

A further £7.1m was invested in 2022 to finance the acquisition of four care homes that are already trading in the Well Healthcare group, which provides residential care for users with profound and multiple learning disabilities. Both platforms are outperforming expectations, and we expect them to complete acquisitions on a pipeline of additional sites over the coming year.

The specialist care portfolio generated £1.6m of income during the year.

Specialist Educational Needs

It was a busy 12 months for Pulford's special educational needs investments, with the team bolstering its portfolio of assets in the space. Pulford invested a further £12.6m to finance the acquisition of an additional four Bridges Care sites, bringing the total number of specialist education schools in the Bridges Care platform to six.

Silver Bridge is operating at close to mature levels, with 50 students enrolled; Preston Bridge has enrolled 34 students; while Chilton and Meadow Bridge schools opened towards the end of the year with 9 and 10 students enrolled to date, respectively.

The new properties in Paignton and Plymouth will undergo a full refurbishment before opening as day schools in 2023. Since year end, a seventh site has been acquired in Yelverton. This will also be refurbished and opened in 2023.

Through the combination of income earned and valuation uplift, the specialist educational needs schools contributed £1.9m to Pulford's NAV.

Hospitality

The Covid-19 pandemic continued to pose major challenges towards the end of 2021, with the Omicron variant heavily disrupting the pub industry in December – traditionally the sector's busiest month. Despite this,

Pulford's pub portfolio continued to perform well. The loan to Barts Pub was fully repaid during the year, recovering all capital and accrued interest. A further £2.3m was invested in Autumn Pubs to fund the acquisition of Pub People Group.

Pulford also holds an interest in a picturesque wedding venue in the heart of Lewes, East Sussex. Following pandemic disruption, the venue benefitted meaningfully from pent-up demand over the year, hosting a greater number of weddings and marginally exceeding its budgets. However, wedding numbers are expected to return to pre-pandemic levels over the coming year. This, in combination with inflationary pressures, suggests EBITDA may be lower for the next two years.

Pulford no longer had any exposure to the hotel sector at year end following the realisation of its investments in Dunkeld House Hotel and The Humber Royal Hotel in Grimsby. The Humber Royal Hotel was exited via a third-party sale at its holding value, recognising proceeds of £1.2m. Dunkeld House Hotel, which benefitted from higher occupancy and average room rates, saw a £1.7m valuation uplift and a successful sales process brought proceeds in excess of £11m.

Through the combination of realisations, income earned, and valuation uplifts, the Hospitality portfolio contributed £3.5m to Pulford's NAV.

Data Centres

Pulford has an interest in two data centres, one in Birmingham and the other in Essex. Harlow Properties, the data centre in Essex, is performing well. Its loan was increased and extended in 2022, and is now due for full repayment in February 2023. The Birmingham data centre, GTP3, was sold in early 2022, which enabled the repayment of the debt and most of the interest on the loan. Contracts have been exchanged on the vacant plot of land adjacent to the site, with further funds expected should residential planning permission be granted.

Through the combination of income earned and valuation uplifts, data centres contributed £4.3m to Pulford's NAV.

Shipping

Pulford has an interest in the MV Saturn, a feeder ship with the capacity to carry up to 1,350 containers. The container shipping market has enjoyed a strong recovery since the initial impact of Covid-19, and the MV Saturn is fully employed under a charter that runs until May 2023.

The valuation uplift and the income accrued has resulted in the ship contributing £4.5m to Pulford's NAV.

Specialist Lending

Pulford's largest holding in the specialist lending portfolio is DDF, which provides short-to-medium-term loans to UK property developers. At 30 September 2022, DDF's loan book consisted of 48 different developments, with an estimated weighted average loan to gross development value of 63%.

During the year, Pulford also invested a further £16.1m into its wholly owned subsidiary, Downing Wholesale Finance Limited (DWF). DWF lends to UK finance companies, who in turn lend to UK small and medium sized enterprises. These loans are secured against blocks of underlying hire purchase or lease agreements made between finance businesses and their customers. Since October 2021, DWF has expanded its scope to encompass wholesale finance for bridging loans. This accounts for the majority of the wholesale business closed throughout 2022 and targeted in 2023.

While the DDF and DWF portfolios have accrued and serviced income during the year, impairments on other holdings meant there was no net return to Pulford from the specialist lending sector over the year.

Other holdings

There has been an uplift of £0.9m for the year which primarily relates to Pulford's interest in energy and infrastructure loans.

Expenses and interest paid

Expenses and interest paid totals £9.5m. Expenses mainly consist of Pulford's service and performance fees, legal fees, professional fees and bank fees. These fees are in line with expectations for the year ending 30 September 2022.

Fundraising

During the year ending 30 September 2022, Pulford increased capital by £44.9m, net of withdrawals. This takes the total equity raised, net of withdrawals, to £328.9m. The issuance of new shares has no material impact on Pulford's NAV.

Outlook

The Directors are pleased with the results for the period. Pulford has continued to perform ahead of expectations for the past two years, whilst exploring opportunities in new sectors and maintaining the diversification of its portfolio. There continues to be a significant pipeline of high-quality investment opportunities which will support Pulford in achieving its strategy and target return.

The portfolio has continued to demonstrate its resilience to the macro economic environment and we expect this to continue in the next financial year. Whilst construction price inflation has the potential to squeeze equity upside across development projects, the care and education sectors Pulford invests in have a lower correlation to economic conditions and offer a favourable market backdrop of high demand and shortfall in supply. Inflationary pressures continue to challenge the wider Hospitality sector however Pulford's portfolio are in the more resilient parts of the sector and the downturn has the potential to create attractive acquisition opportunities.

We will continue to explore other sectors that will offer attractive investment potential.

Sustainability and responsible investment

Introduction

The green transition is continuing with fossil fuel power, heat and industrial processes being replaced by renewable and low carbon energy which impacts investment decisions. Thinking about human & labour rights, inequalities from the pandemic and the UN Sustainable Development Goals (UNSDGs), means there is a lot of focus on positive societal outcomes. The idea of biodiversity and treating nature as an asset with a value, is crucial in the climate battle and gaining significant momentum, as the recent COP15 biodiversity conference in Montreal (December 2022) shows.

Looking ahead, the fundamentals of sustainable investment will not change: integration to investment decisions, active ownership and reporting. Top themes we expect to impact our activity are energy, climate, regulatory, biodiversity and circularity, as well as further progressing our financed environmental impacts (greenhouse gas emissions) and climate disclosures.

Approach to sustainability

ESG themes, led by climate change, continue to present risk and opportunity to our stakeholders. In order to ensure we meet the responsibilities we have to investors, ESG factors are integrated within our governance procedures which ensures they are considered at every decision making point throughout the portfolio, from portfolio construction to the ongoing management and any ultimate exit.

The Board is keen to drive the sustainability agenda of the Company. The appointment of Florence Barras as non-executive Director during the year was a direct response to identifying opportunities to enhance knowledge and performance in this area. Sustainability factors are a core theme at all quarterly Board meetings and covers market and regulatory developments and activity at the asset manager.

The Board have delegated the day-to-day management of the portfolio to a professional asset manager, which shares the commitment to sustainable investing and ESG integration. The asset manager continues to further the integration of ESG factors throughout its management of the portfolio lifecycle.

Downing as the Investment Manager has an exclusion policy which governs origination and deal screening, but the Company does not employ specific strategies. Instead, material ESG themes for a sector, region or individual asset are embedded into investment decisions via a scorecard in order to reduce portfolio risk, provide a foundation for future engagement and enhance return.

We have an active approach to ownership as our clients rightly expect us to understand the ESG impacts of assets. The lack of standardised, universally agreed metrics is an issue. We seek transparency through relevant KPIs that can demonstrate real outcomes. This is in addition to monitoring industry initiatives like the International Sustainability Standards Board and upcoming FCA labels for sustainability. Contributing to policy advocacy and consultations is important to understand our future duty and disclosure requirements, collaborate with other investors and set up internal processes to ensure compliance.

Environmental, Social and Governance Objectives

There is an increasing need, and stakeholder expectation, to demonstrate actual, positive sustainability outcomes throughout the portfolio lifecycle, in addition to the financial return we would expect. In order to quantify the impact of sustainability outcomes, those outcomes need to be measured.

Throughout the year we worked closely with the portfolio manager to design relevant and impactful KPIs that will be reported upon going forward. Given the nature of the diversified trading portfolio, it is critical that holdings can be measured against each other and at a portfolio level. All our ESG metrics are mapped using consistent frameworks that will allow portfolio level reporting going forward.

KPIs that will be monitored include:

Specialist Finance	Development Capital
EPC ratings of properties	Greenhouse gas emissions
Steel use, including recycled materials and tonnes of CO2 created and avoided	Energy usage and performance
Concrete use, and type of concrete and tonnes of CO2 created and avoided	Waste – destination
Energy efficiency of electrical appliances installed	Independence of Chair and Board
Installation of renewable energy generation	Existence of governance policies including ESG, ABC, Whistleblowing etc
Level of affordable housing created	Number of employees and jobs created
Waste created diverted from landfill	Employee culture and training
Water efficiency assessments	Community engagement

The capture of KPIs starts before any investment is made. KPIs and qualitative analysis provides context to each investment decision and highlights improvements that could be made to each portfolio company as we take control. The portfolio manager uses a proprietary due diligence questionnaire to collect and then monitor each investment that is made.

Engagement with our portfolio from a sustainability perspective has increased during the year. The KPIs listed here have been distilled by working collaboratively with management teams, where we are careful to explain what each KPI is aiming to capture and why it's important for sustainability. We will continue to offer guidance as the portfolio companies start to report these and then interpret the results.

The collection and monitoring of KPIs will allow us to quantify improvements. Where possible, we will look to incentivise counterparties to make positive changes. One example of this could be the use of a sustainability-linked financing framework for real estate developments, providing pricing incentives to design and build more sustainable projects.

Memberships, Associations & Participation

Many rigorous external reporting frameworks exist to provide standardised and validated sustainability data and engagement opportunities. Collaboration and sharing expertise are fundamental to sustainable investment at the Investment Manager. We support the below to give investors confidence that sustainability targets and commitments are being actively integrated.



Downing as the Investment Manager were extremely proud to have completed the certification following an in-depth verification process with B-Lab in September 2022. We have joined 5,000 other companies in making a legally binding commitment to caring about the environment, our customers, staff and communities, and to promote good governance.



For the last assessment (Submitted in 2021 for the year ending 2020) we scored four out of five for Listed Equity Stewardship & Voting, and Infrastructure. We scored three out of five for ESG integration to Listed Equity and Debt.



If ESG factors are material to fiduciary duty in the decision to invest, they're also material in the ongoing active engagement with all investments. A core way to demonstrate a rigorous approach to engagement is via being a signatory to the UK Financial Reporting Council Stewardship Code (2020) and closely integrating its twelve principles.



We are active participants in the IIGCC investor coalition on climate. Over 2022 this included ten engagements to decarbonise high emitters and membership of the power utilities working group for the Climate Action 100+ initiative, and contributions to the UK Green Taxonomy Advisory Group.



We are active with GRESB and support its mission to provide standardised, validated sustainability data & benchmarking for real assets.



Governance is a core area for shareholder value protection and creation. In order to advance this, we support the International Corporate Governance Network's Global Governance Principles.

Over the period, we have agreed a set of ESG KPIs against which we intend to track the ESG performance of our investments over time.

Board of directors

Pulford has an experienced Board of Directors who are responsible for the strategy and management the company. The four non-executive directors have complementary experience in a variety of different businesses. The directors hold board meetings at least quarterly and liaise with the investment manager regarding potential opportunities on an ongoing basis.



Andrew Powell (Chairman)

Andrew began his career in KPMG's insolvency business before joining corporate finance at PwC working across UK and continental Europe. He then ran the London debt and equity investment business at HBOS (subsequently Lloyds Bank) before co-founding, Caird Capital, a £500m spin-out business with backing from Collier Capital. After a period of private investments at the family office, Caledonia Investments plc, Andrew became managing partner at Rutland Partners. He is now a serial non-executive and adviser whose recent projects have included Woodall Nicholson Group and Pizza Hut UK.



Peter Roscrow

Peter is a Chartered Accountant and worked for 19 years in the UK investment management industry at Close Brothers Group, a leading independent merchant bank. As a divisional director at Close Brothers, he created a property fund management business that ultimately had over £1 billion of funds under management. After leaving Close Brothers in 2008 Peter formed his own management consultancy company. He has also been involved as a director, trustee or adviser to several charities including housing associations. Peter is a trustee of the National AIDS Trust, The Bell Foundation and Brook Young People.



Florence Barras

(Appointed 1 September 2022)

Florence achieved an MBA specialised in finance from London City University Business School whilst starting her career with BNP-Paribas Group. Subsequently, Florence held executive board positions developing fast growing infrastructure investment and asset management companies at Laing Investments and Morgan Sindall Investments. More recently, she founded a start up focused on health care infrastructure and is managing director of a business consultancy company. Florence has spent the last 35 years establishing and developing property-based investment businesses, in partnership with the public and private sector. Throughout her career, Florence also held non-executive director positions for public and private businesses in a range of sectors, including regeneration, healthcare, IT management, transport and housing. She is currently Chair of a Community Health and Care Services provider, First Community Health and Care C.I.C Ltd.



Colin Corbally

Colin is a partner of Downing LLP. He qualified as a solicitor with Linklaters in 1996. He spent six years at 3i Group in corporate finance and venture capital where he was a senior manager. He then spent four years at The Royal Bank of Scotland where he was a director, structuring debt and equity investments, before joining Downing in 2006. Colin leads Downing's approach to renewable energy investments.

Directors' report

The directors present their report and the financial statements for the year ended 30 September 2022.

Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

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

select suitable accounting policies for the Company's financial statements and then apply them consistently;

make judgments and accounting estimates that are reasonable and prudent;

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 to 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.

Principal activity

The Company's principal activities during the year included the operation of a portfolio of care homes, the operation of specialist education schools, specialised lending and making loans through its membership of various trading LLPs.

Directors

The directors who served during the year were:

A Powell
P Roscrow
C Corbally
F Barras (appointed on 1 September 2022)

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and

the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

Lubbock Fine LLP will be deemed to have been reappointed as auditors under Section 487(2) of the Companies Act 2006.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board and signed on its behalf.



C Corbally
Director

Date: 6 February 2023



Pulford Trading Limited

Independent auditors' report to the members of Pulford Trading Limited

Opinion

We have audited the financial statements of Pulford Trading Limited (the 'Company') for the year ended 30 September 2022, which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

give a true and fair view of the state of the Company's affairs as at 30 September 2022 and of its profit for the year then ended;

have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and

have been prepared in accordance with the requirements of the Companies Act 2006.

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 Auditors' 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 United Kingdom, including the Financial Reporting Council's Ethical Standard 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 directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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.

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' 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.

Opinion 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 Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and

the Directors' Report has 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 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' Report and from the requirement to prepare a Strategic Report.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page 28, 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.

Auditors' 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 Auditors' 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.

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:

The nature of the sector and the impact of Covid on financial and operating performance and policies;

Enquiries of management, including obtaining and reviewing supporting documentation, concerning the company's policies and procedures relating to:

- identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
- the internal controls established to mitigate risks related to fraud or non-compliance of laws and regulations;

Discussions among the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud. The engagement team includes audit partners and staff who have extensive experience of working with entities in similar sectors and this experience was relevant to the discussion about where fraud risks might arise.

We also obtained an understanding of the legal and regulatory framework that the Company operates in, focusing on provisions of those laws and regulations that had direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and

regulations we considered in this context included the Companies Act 2006 and Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Company's ability to operate or to avoid a material penalty. These included Financial Conduct Authority regulations, health and safety regulations, employment law and environmental regulations, etc.

As a result of these procedures we considered the particular areas that were susceptible to misstatement due to fraud were in respect of management override and revenue recognition. Our procedures to respond to risks identified included the following:

reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;

enquiring of management concerning actual and potential litigation and claims;

performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;

testing the existence of a sample of investments;

holding discussions with the investment manager and relevant third parties to ensure we understand the calculations of the fair value of a sample of the investments and can evaluate the fair value of each investment in the sample;

reviewing the validity of the inputs incorporated into the fair value calculations of the investments;

reading minutes of meetings of those charged with governance;

in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments;

assessing whether the judgements made in making accounting estimates are indicative of a potential bias;

evaluating the rationale of any significant transactions that are unusual or outside the normal course of operations.

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 regulations. 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: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' 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.

Matthew Green

Matthew Green (*Senior Statutory Auditor*)
for and on behalf of Lubbock Fine LLP
Chartered Accountants & Statutory
Auditors

**Paternoster House
65 St Paul's Churchyard
London
EC4M 8AB**

Date: 6 February 2023

Statement of comprehensive income

For the year ended 30 September 2022

	2022	2021
	£'000	£'000
Share of trading partnerships and subsidiaries profit	15,793	14,819
Administrative expenses	(10,324)	(7,706)
Operating Profit	5,469	7,113
Return on interests in trading partnerships and subsidiaries	17,127	10,486
Impairment of interests in trading partnerships and subsidiaries	(3,054)	(3,376)
Fair value movements on interests in trading partnerships and subsidiaries	1,464	2,285
Interest payable and expenses	(23)	(208)
Profit before tax	20,983	16,300
Tax on profit	(4,856)	(773)
Profit for the financial year	16,127	15,527

There were no recognised gains and losses for 2022 or 2021 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2022 (2021:NIL).

The notes on pages 39 to 44 form part of these financial statements.

Balance sheet

As at 30 September 2022

Fixed assets	Note	2022 £'000	2021 £'000
Interests in trading partnerships and subsidiaries	4	357,078	229,951
Current assets			
Debtors: amounts falling due within one year	5	14,023	17,732
Cash at bank and in hand	6	9,679	67,262
		23,702	84,994
Creditors: amounts falling due within one year	7	(9,492)	(5,380)
Net current assets		14,210	79,614
Total assets less current liabilities		371,288	309,565
Net assets		371,288	309,565
Capital and reserves			
Called up share capital	8	2,707	2,366
Share premium account		9,969	280,941
Revaluation reserve		9,642	8,178
Capital redemption reserve		6	6
Profit and loss account		348,964	18,074
		371,288	309,565

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:



C Corbally
Director

Date: 6 February 2023

The notes on pages 39 to 44 form part of these financial statements.

Statement of changes in equity

For the year ended 30 September 2022

	Called up share capital £'000	Share premium account £'000	Capital Redemption reserve £'000	Revaluation reserve £'000	Profit and loss account £'000	Total equity £'000
At 1 October 2020	2,291	271,144	4	5,893	5,068	284,400
Comprehensive income from the year						
Profit for the year	-	-	-	-	15,527	15,527
Contributions by and distributions to owners						
Shares issued during the year	77	9,797	-	-	-	9,874
Transfer from the revaluation reserve	-	-	-	2,285	(2,285)	-
Shares redeemed in the year	(2)	-	2	-	(236)	(236)
At 1 October 2021	2,366	280,941	6	8,178	18,074	309,565
Comprehensive income from the year						
Profit for the year	-	-	-	-	16,127	16,127
Contributions by and distributions to owners						
Shares issued during the year	341	45,255	-	-	-	45,596
Transfer to the revaluation reserve	-	-	-	1,464	(1,464)	-
Shares redeemed in the year	-	-	-	-	-	-
Transfer to the distributable reserve	-	(316,227)	-	-	316,227	-
At 30 September 2022	2,707	9,969	6	9,642	348,964	371,288

The notes on pages 39 to 44 form part of these financial statements.

Notes to the financial statements

For the year ended 30 September 2022

1. General information

Pulford Trading Limited is a private company limited by shares incorporated in England and Wales. Its registered office and principal place of business is 6th Floor St Magnus House, 3 Lower Thames Street, London, EC3R 6HD.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Interest in trading partnerships and subsidiaries – income

Income from trading partnership interests and subsidiaries is described within the financial statements as share of trading partnership and subsidiaries profits, and is recognised once allocated to the partnership or subsidiary.

Returns from interests in trading partnerships and subsidiaries in respect of priority returns are recognised as income in the profit and loss account if received during the year. Where priority returns are accrued but not received during the year, they are recognised, together with any corresponding impairments, as a movement in the fair value of the investment through the profit and loss account and recognised in the Statement of Comprehensive Income.

2.3 Exemption from preparing consolidated financial statements

The Company, and the Group headed by it, qualify as small as set out in section 383 of the Companies Act 2006 and the parent and Group are considered eligible for the exemption to prepare consolidated accounts.

2.4 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.5 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.6 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

2.7 Interests in trading partnerships and subsidiaries – valuation

Interests in trading partnerships and subsidiaries are measured at fair value and managed in accordance with the Company's documented policies. The valuation of a partnership or subsidiary upon acquisition is initially deemed to be cost and is measured subsequently at fair value. Fair value movements in the valuation of a partnership or subsidiary are taken to the profit and loss account and recognised in the Statement of Comprehensive Income.

Any unrealised gains or losses at the balance sheet date are transferred to the revaluation reserve in the Statement of Changes in Equity.

2.8 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.9 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.10 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.11 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found,

an impairment loss is recognised in the Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

3. Employees

The average monthly number of employees, including directors, during the year was 3 (2021 - 3).

4. Interests in trading partnerships and subsidiaries

Cost	Investments in subsidiary Companies	Unlisted Investments	Total
	£'000	£'000	£'000
At 1 October 2021	7,901	213,871	221,772
Additions	67,888	134,889	202,777
Disposals	(14,008)	(60,051)	(74,059)
Impairments	–	(3,054)	(3,054)
At 30 September 2022	61,781	285,655	347,436
Revaluation			
At 1 October 2021	1,105	7,074	8,179
Charge for the period	(431)	4,949	4,518
Revaluation on disposals	–	(3,055)	(3,055)
At 30 September 2022	674	8,968	9,642
Net book value			
At 30 September 2022	62,455	294,623	357,078
At 30 September 2021	9,006	220,945	229,951

5. Debtors

	2022	2021
	£'000	£'000
Other debtors	13,911	17,504
Prepayments and accrued income	112	228
	14,023	17,732

6. Cash and cash equivalents

	2022	2021
	£'000	£'000
Cash at bank and in hand	9,679	67,262

7. Creditors: Amounts falling due within one year

	2022	2021
	£'000	£'000
Other loans	-	773
Corporation tax	5,056	1,200
Other creditors	483	22
Accruals and deferred income	3,953	3,385
	9,492	5,380

8. Share capital

	2022	2021
	£'000	£'000
270,734,351 (2021 – 236,593,190) Ordinary shares of £0.01 each	2,707	2,366

During the year the Company issued 34,141,161 (2021: 7,691,182) shares at an average price of 135.2 (2021: 129.4) pence per share.

The company also repurchased nil (2021 – 188,722) shares for cancellation at an average price of nil (2021 – 124.8) pence per share.

During the year a special resolution was passed by the directors alongside a solvency statement proposing a cancellation of share premium totalling £316,227k in order to increase reserves in the Company legally available for making distributions to shareholders.

9. Related party transactions

During the year, management fees of £6,222,038 (2021 - £5,362,782) (inclusive of VAT) were payable to the fund manager of the Company. Included within creditors as at 30 September 2022 was an amount of £3,903,936 (2021 - £3,260,609) due to the fund manager in respect of management fees.

Bond monitoring fees of £5,438 (2021 - £42,683) were payable to the fund manager of the Company. Included within creditors is £Nil (2021 - £61,760) due to the fund manager in respect of bond monitoring. There were no further amounts recharged in the year for expenditure incurred on behalf of the Company (2021 - £Nil).

During the year the Company contributed £13,677,401 (2021 - £119,551,044) to a partnership managed by the fund manager. At the balance sheet date the Company had an interest of £113,191,857 (2021 - £112,768,216) in this company.



Pulford Trading Limited
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