Puma Heritage plc
Annual report and accounts 2014

Officers and Professional Advisers

Directors
Peter Wisher (Chairman)
Michael Posen
Michael van Messel

Auditor
Baker Tilly UK Audit LLP
Chartered Accountants
25 Farringdon Street
London EC4A 4AB

Registered Number
08285184

Solicitors
Speechly Bircham LLP
6 New Street Square
London
EC4A 3LX

Registered Office
Thames House
Portsmouth Road
Esher
Surrey KT10 9AD

Bankers
The Royal Bank of Scotland plc
London City Office
PO Box 412
62-63 Threadneedle Street
London EC2R 8LA

Trading Advisor
Puma Investment Management Limited
Bond Street House
14 Clifford Street
London W1S 4JU

Registrar
SLC Registrars
Thames House
Portsmouth Road
Esher
Surrey KT10 9AD

Administrator
Puma Investments Administration Services Limited
Bond Street House
14 Clifford Street
London W1S 4JU

Highlights

- £4.8 million of capital invested in the Company up to 28 February 2014. As at May 2014 the capital invested in the Company was £6.3 million.
- First loan completed in January 2014; two more loans completed since the period end.
- Strong pipeline of potential deals being considered.

Chairman's Statement

Introduction
I am pleased to present to you as Chairman the first annual report for Puma Heritage plc (the "Company") for the period to 28 February 2014.

The Company was incorporated on 7 November 2012, and commenced trading in July 2013. It was established to operate in a range of sectors predominantly in the United Kingdom, with an initial focus on secured lending. As at 28 February 2014, the Company had attracted investment of approximately £4.8 million and had executed its first transaction (via its wholly owned subsidiary Heritage Square Limited (the "Subsidiary")), as described below.

Transactions
The Company, through its Subsidiary (together "the Group"), undertakes trading activities focusing on secured lending, with the principal aims of generating stable returns for Shareholders, whilst at the same time seeking to offer downside risk protection and preserving capital.

Having commenced trading in July 2013, and following an initial period of marketing its services, the Group entered into its first transaction in January 2014, comprising the provision of a £1 million initial credit line facility to a company that provides residential part-exchange services, pursuant to which it is providing a series of loans with the benefit of a first charge over the relevant properties. The Board feels strongly that transactions such as this are extremely well-suited to the Group's business strategy, providing a stable return with the benefit of strong asset-backing. The first draw down against this facility took place after 28 February 2014.

Since the Company's period end on 28 February 2014 the Company has completed two further loans of £0.8 million in total to two companies that develop supported living accommodation for people with learning disabilities, and is currently progressing four further deals with them with a combined value in excess of £1 million.

I am pleased to report that the Board considers there to be a strong pipeline of potential transaction opportunities which the Board expects the Group to proceed with over the coming weeks and months. The Board is cognisant of the need to ensure that, as the Group continues to attract capital, a strong and consistent pipeline of transactions is developed to ensure that capital is put to work as efficiently as possible. At the same time, the Board will continue to undertake a rigorous review of all potential transactions which are under consideration to ensure that they fit within the Group's business strategy.

Results

The adjusted loss for the period was £35,000 including a partial amortisation of the formation and preliminary costs. As detailed in the Prospectus, for the purpose of subscriptions, the formation and preliminary expenses are being amortised over five years in order to ensure that they are fairly attributed to initial and subsequent investors. This is set out more fully in note 10 to the accounts. The reported loss for the period as shown in the consolidated profit and loss account was £128,000 as the accounting rules require the formation and preliminary costs to be expensed in the accounts in the period they were incurred.

Outlook

The Board looks forward to the coming year with confidence. Small and medium size businesses are still finding it difficult to access the funding they require from traditional sources of funding (such as banks) and the Board feels that there is a strong pipeline of transaction opportunities.

Peter Wisher
Chairman
19 May 2014

Directors' Biographies

Peter Wisher (Non-Executive Chairman)

Peter's first role in the financial markets was with Continental Illinois Bank where he developed his skills and interest in credit and risk analysis. This was followed by 10 years at Charterhouse where he was involved in corporate finance, capital markets and private equity both in London and New York. After 15 years in banking, Peter moved from an advisory role to executive management, first as Finance Director of a company requiring a turnaround and then as Chief Operating Officer of a rapidly growing international executive search and training company, both of which were sold successfully. He now divides his time between non-executive roles, banking training (including lecturing on credit risk in relation to which he has particular expertise) and corporate and investment strategy projects.

Michael Posen

Michael is an economist by training. After 6 years in industry Michael joined Chase Manhattan Bank specialising in property finance. He became Managing Director of the merchant banking arm of Continental Illinois Bank and was subsequently Senior Vice President and General Manager of First Interstate Bank in London. He also became a non-executive director of HDG Harbour Development Group from 1979 to 1987 and then founded Earl Estates, a private property company encompassing property development, asset management, project management, property finance and investment. Michael has arranged finance for property in the USA, Germany, France and the UK. He has structured loans, mezzanine finance, equity participations and interest rate hedging instruments in excess of £1 billion.

Michael van Messel

Michael joined Hacker Young following his undergraduate degree and qualified as a Chartered Accountant. He then worked as a specialist in their tax department and, subsequently, for Coopers and Lybrand within its financial services group. He joined Shore Capital in 1993 as Group Financial Controller and became Operations Director in 2000. He is the head of Shore Capital's finance team, including its treasury function, and is also responsible for all operations at Shore Capital including all banking facilities. Michael has been involved in assessing, and subsequently monitoring, each company to or in which Shore Capital has lent or invested money.

Strategic Report

The Directors present their Strategic Report of the Company for the period ended 28 February 2014.

Principal Activities and Status
Puma Heritage plc was incorporated and registered in England and Wales on 7 November 2012, and was established to operate in a range of sectors predominantly in the United Kingdom, with an initial focus on secured lending.

The Company, through subsidiaries (together "the Group") undertakes trading activities, initially focusing on secured lending, with the principal aims of generating stable returns for Shareholders, whilst at the same time seeking to offer downside risk protection and preserving capital. The Company currently has one wholly-owned subsidiary, Heritage Square Limited (the "Subsidiary"), which carries out secured lending.

Trading Activities
The Group was formed to engage in activities such as secured lending where the Board consider that there is strong asset-backing to provide downside risk protection and the Group will focus on capital preservation, whilst seeking to produce regular returns for Shareholders.

The Group will typically look to provide loans of between £0.5 million to £5 million to small and medium sized businesses. Loans of a larger size can be considered on a case-by-case basis. The term of such loans will be typically between 1 to 4 years. The Group may finance new projects, including the development of property or plant, which requires specialist financial knowledge. The Group looks to back counterparties with a proven track record in their chosen sector and will typically lend up to 70% of the cost of the project but may be able to lend more depending on the dynamics of the individual deals. Ideally the value of loans made will be up to 70% of the value of the secured assets. The Group may also provide bespoke loans secured on investment property suited to a range of borrowing scenarios where traditional bridging terms may be too short and where traditional loan criteria used by the major banks may not be suitable.

The Group engages mainly with businesses that are seeking debt finance, that have substantial tangible assets, such as freehold property or contracted/highly predictable revenue streams from financially robust counterparties (over which security will be taken).

Principal Risks and Uncertainties
The principal risks facing the Group relate to its trading activities and how they are managed as follows:

Risks of loan non-performance

There are a variety of factors which could adversely affect the ability of counterparties to fulfil their payment obligations or which may cause other events of default. These include changes in financial and other market conditions, trading performance, interest rates, government regulations or other policies, the worldwide economic environment, changes in law and taxation, natural disasters, terrorism, social unrest and civil disturbances.

Loans made by the Group may, after funding, become non-performing for a wide variety of reasons, including non-payment of principal or interest, as well as covenant violations by the borrower in respect of the underlying loan documents. Such non-performing loans may require a substantial amount of workout negotiations and/or restructuring, which may entail, among other things, substantial irrecoverable costs, a substantial reduction in the interest rate, a substantial write-down of the principal of such loan and/or a substantial change in the terms, conditions and covenants with respect to such defaulted loan. However, even if a restructuring were successfully accomplished, there is risk that, upon maturity of such loan, replacement "take-out" financing will not be available.

It is possible that the Group may find it necessary or desirable to foreclose on collateral securing one or more loans made by the Group. The foreclosure process can be lengthy and expensive, which could have a material negative effect on the anticipated return on the foreclosed loan. By way of example, it would not be unusual for any costs of enforcement to be paid out in full before the repayment of interest and principal. This could substantially reduce the anticipated return on the foreclosed loan.

The level of defaults on loans and the losses suffered on such defaults may increase in the event of adverse financial or credit market conditions. The liquidity in defaulted loans may also be limited, and to the extent that defaulted loans are sold, it is highly unlikely that the proceeds from such sale will be equal to the amount of unpaid principal and interest thereon, which would adversely affect the value of the loans and, consequently, the Group.

Business Property Relief may not be available

The Directors are committed to manage the Group with a view to ensuring that a subscription for Shares in the Company will offer Shareholders Business Property Relief from Inheritance Tax, but there can be no guarantee that the Group will fulfil the criteria to obtain such relief nor that HMRC will not challenge whether Shareholders are entitled to Business Property Relief, which may give rise to Shareholders incurring costs in engaging professional advisers.

Business Review and Future Developments

The Group's business review and future developments are set out in the Chairman's Statement on pages 2 and 3.

Key performance indicators

At each board meeting, the Directors will consider a number of performance measures to assess the Group's success in meeting its objectives. The Board believes the key performance indicators will be movement in the Company's NAV, percentage of NAV deployed and dividends per share. The Board considers that the Group has no non-financial key performance indicators.

Approved by the board and signed on its behalf by

Peter Wisher
Chairman
19 May 2014

Report of the Directors

The Directors present their annual report and the audited consolidated financial statements of the Group for the period ended 28 February 2014.

Results and Dividends
The results for the financial period are set out on page 10.

The Directors do not propose a final dividend.

Capital Structure
The issued share capital of the Company is detailed in note 9 of these accounts. During the period ended 28 February 2014, the Company issued 2 Ordinary Shares, 1,912,512 Redeemable Income Shares and 3,035,148 Redeemable Growth Shares which together represent 100% of the voting shares. 140,000 Redeemable Income Shares were redeemed in the period. During the period the Company also issued 50,000 non-voting preference shares. The preference shares were redeemed in the period.

Gearing
The Company has the authority to borrow up to 50% of the Net Asset Value of the Company but there are currently no plans to take advantage of this capacity.

Directors
The Directors of the Company since incorporation were as follows:

Peter Wisher (Chairman) (appointed 15 February 2013)
Michael Posen (appointed 15 February 2013)
Michael van Messel (appointed 15 February 2013)

Keith Lassman and HK Nominees Limited were appointed as the two directors on incorporation and both resigned on 15 February 2013.

Michael van Messel is a key senior manager of the Shore Capital Group, and a director of the Trading Adviser and the Administrator.

Third Party Indemnity Provision for Directors
Qualifying third party indemnity provision was in place for the benefit of all Directors of the Company.

Annual General Meeting
The Annual General Meeting of the Company will be held at 6 New Street Square, London EC4A 3CX on Friday 30 May 2014 at 11:00am.

Auditor
The Company has appointed Baker Tilly UK Audit LLP as auditor in accordance with the provisions of s489 of the Companies Act 2006. Baker Tilly UK Audit LLP has expressed its willingness to continue in office.

Statement as to Disclosure of Information to the Auditor
The Directors in office at the date of this report have confirmed that, as far as they are aware, there is no relevant information of which the auditor is unaware. Each of the Directors have confirmed that they have taken all the steps that they ought to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

Statement of Directors' Responsibilities
The directors are responsible for preparing the Strategic Report and 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

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 group and the company and of the profit or loss of the group for that period.

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

a. select suitable accounting policies and then apply them consistently;

b. make judgements and accounting estimates that are reasonable and prudent;

c. state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;

d. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and the company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Electronic publication
The financial statements are published on www.pumaheritage.co.uk. Legislation in the United Kingdom regulating the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

On behalf of the Board

Peter Wisher, Chairman
19 May 2014

Independent Auditor's Report
to the Members of Puma Heritage plc

We have audited the group and parent company financial statements (the "financial statements") on pages 10 to 20. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor
As more fully explained in the Statement of Directors' Responsibilities set out on pages 7 to 8, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements
A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements
In our opinion the financial statements:
- give a true and fair view of the state of the group's and parent company's affairs as at 28 February 2014 and of the group's loss for the period 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.

Opinion on other matter prescribed by the Companies Act 2006
In our opinion 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.

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:
- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

RICHARD COATES (Senior Statutory Auditor)
For and on behalf of BAKER TILLY UK AUDIT LLP, Statutory Auditor
Chartered Accountants
25 Farringdon Street
London
EC4A 4AB
19 May 2014

Consolidated Profit and Loss Account
For the period ended 28 February 2014

	Note	Period from 7 November 2012 to 28 February 2014 Total £'000
Revenue	2	5
Administration expenses	3	(135)
Operating loss		(130)
Interest income		2
Loss on ordinary activities before taxation		(128)
Tax on return on ordinary activities	4	-
Loss on ordinary activities after tax attributable to equity shareholders		(128)

All items in the above statement derive from continuing operations. No operations were acquired or discontinued in the period.

No separate Statement of Total Recognised Gains and Losses is presented as all gains and losses are included in the Consolidated Profit and Loss Account.

Consolidated Balance Sheet
As at 28 February 2014

	Note	As at 28 February 2014 £'000
Current Assets		
Debtors	**7**	26
Cash at bank and in hand		4,713
		4,739
Creditors - amounts falling due within one year	8	(192)
Net Current Assets		4,547
Creditors - amounts falling due after more than one year	8	(11)
Net Assets		4,536
Capital and Reserves		
Share capital	9	5
Share premium		4,659
Profit and Loss account		(128)
Equity Shareholders' Funds		4,536
Net Asset Value per Growth Share	10	94.35p
Net Asset Value per Income Share	10	94.35p
Adjusted Net Asset Value per Growth Share	10	96.28p
Adjusted Net Asset Value per Income Share	10	96.28p

The financial statements were approved and authorised for issue by the Board of Directors on 19 May 2014 and were signed on their behalf by:

Peter Wisher
Chairman
19 May 2014

Company Balance Sheet
As at 28 February 2014

	Note	As at 28 February 2014 £'000
Fixed Assets		
Investments in subsidiary undertakings	6	10
Current Assets		
Debtors and prepayments	7	2,664
Cash		2,060
		4,724
Creditors - amounts falling due within one year	8	(189)
Net Current Assets		4,535
Total Assets less Current Liabilities		4,545
Creditors - amounts falling due after one year	8	(11)
Net Assets		4,534
Capital and Reserves		
Share capital	9	5
Share premium		4,659
Profit and loss account		(130)
Equity Shareholders' Funds		4,534

The financial statements were approved and authorised for issue by the Board of Directors on 19 May 2014 and were signed on their behalf by:

Peter Wisher
Chairman
19 May 2014

Consolidated Cash Flow Statement
For the period ended 28 February 2014

	Period from 7 November 2012 to 28 February 2014 £'000
Cash flows from operating activities	
Loss on ordinary activities before taxation	(130)
Increase in debtors	(26)
Increase in creditors	203
Net cash inflow from operating activities	47
Returns on investments and servicing of finance	
Interest received	2
	2
Net cash inflow before financing	49
Cash flows from financing activities	
Proceeds received from issue of equity share capital	4,868
Expense paid for issue of share capital	(69)
Proceeds received from issue of redeemable preference shares	50
Redemption and cancellation of redeemable preference shares	(50)
Repurchase and cancellation of shares	(135)
Net cash inflow from financing	4,664
Increase in cash in the period	4,713

Reconciliation of net cash flow to movement in net funds

Increase in cash in the period	4,713
Net funds at start of period	-
Net funds at end of period	4,713

Reconciliations in Movement in Shareholders' Funds
For the period ended 28 February 2014

Group	**Share capital £'000**	**Share premium £'000**	**Profit and loss account £'000**	**Total £'000**
Shares issues in the period	5	4,863	-	4,868
Expenses of share issues	-	(69)	-	(69)
Shares repurchased	-	(135)	-	(135)
Loss after taxation attributable to equity shareholders	-	-	(128)	(128)
Balance as at 28 February 2014	**5**	**4,659**	**(128)**	**4,536**

Company	**Share capital £'000**	**Share premium £'000**	**Profit and loss account £'000**	**Total £'000**
Shares issues in the period	5	4,863	-	4,868
Expenses of share issues	-	(69)	-	(69)
Shares repurchased	-	(135)	-	(135)
Loss after taxation attributable to equity shareholders	-	-	(130)	(130)
Balance as at 28 February 2014	**5**	**4,659**	**(130)**	**4,534**

Notes to the Consolidated Accounts
For the period ended 28 February 2014

1. Accounting Policies

Group

Basis of Accounting
The financial statements have been prepared under the historical cost convention and in accordance with UK Generally Accepted Accounting Practice ("UK GAAP")

Basis of consolidation
The Group accounts consolidate the financial statements of the company and all its subsidiary undertakings. Intra-group profits are eliminated on consolidation.

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account.

Cash at bank and in hand
Cash at bank and in hand comprises cash in hand and on-demand deposits.

Income
Interest receivable on loans is recognised on an accruals basis.

Expenses
All expenses (inclusive of VAT) are accounted for on an accruals basis.

Taxation
Corporation tax is applied to profits chargeable to corporation tax, if any, at the applicable rate for the year.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more, or right to pay less, tax in future have occurred at the balance sheet date. This is subject to deferred tax assets only being recognised if it is considered more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Timing differences are differences arising between the Group's taxable profits and its results as stated in the financial statements which are capable of reversal in one or more subsequent years. Deferred tax is measured on a non-discounted basis at the tax rates that are expected to apply in the years in which timing differences are expected to reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Dividends
Final dividends payable are recognised as distributions in the financial statements when the Company's liability to make payment has been established. The liability is established when the dividends proposed by the Board are approved by the Shareholders. Interim dividends are recognised when paid.

Company

Investments
Investments in the company's balance sheet are stated at cost, less any provision for impairments.

Equity instruments
Equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recorded at proceeds received net of issue costs.

2. Revenue

	Period from 7 November 2012 to 28 February 2014 £'000
Secured loan stock interest	5

3. Expenses

	Period from 7 November 2012 to 28 February 2014 £'000
Directors' remuneration	14
Auditor's remuneration for statutory audit	21
Formation expenses	74
Other expenses	26
	135

The Company had no employees (other than Directors) during the period. The average number of Directors during the period was 3.

The Auditor's remuneration of £17,500 has been grossed up in the table above to include irrecoverable VAT.

Directors' Remuneration

Peter Wisher and Michael Posen currently receive a fee of £10,000 per annum. Michael van Messel receives no fee.

In the event that the net assets of the Company, calculated as of the last day of the applicable quarter, reach or exceed £10 million, Peter Wisher and Michael Posen will receive a fee of £20,000 per annum. Michael van Messel shall continue to receive no fee.

The Directors shall also be paid by the Company all reasonable travelling, hotel and other expenses they may incur in attending meetings of the Directors or general meetings or otherwise in connection with the discharge of their duties.

These are the total emoluments. There is no pension or share option scheme.

Notes to the Consolidated Accounts
For the period ended 28 February 2014

4. Tax on Ordinary Activities

There is no corporation tax charge for the period due to losses arising in the period.

Factors affecting tax charge for the period	**£'000**
Loss on ordinary activities before taxation	(128)
Tax charge calculated on loss on ordinary activities before taxation at the applicable rate of 20%	(26)
Expenses not deductible for tax purposes	15
Tax losses carried forward	11
	-

No provision for deferred tax has been made in the current accounting period. No deferred tax asset has been recognised as the timing of its recovery cannot be foreseen with any certainty.

5. Dividends

The Directors do not propose a final dividend in relation to the period ended 28 February 2014.

6. Investment in subsidiaries

Company - Cost	**£'000**
Additions	10
28 February 2014	**10**

Subsidiary	**Country of registration and operation**	**Activity**	**Portion of ordinary shares and voting rights held**
Trading Companies			
Heritage Square Limited	England and Wales	Secured Loan provider	100%

7. Debtors

	As at 28 February 2014	
	Group	**Company**
	£'000	**£'000**
Amounts due from subsidiary undertaking	-	2,650
Prepayments and accrued income	26	14
	26	2,664

Amounts due from subsidiary undertaking are unsecured, non-interest bearing and repayable on demand, except that the Company is only able to demand repayment of the loan to the extent that the subsidiary undertaking has cash available to pay it.

8. Creditors

	As at 28 February 2014	
	Group	**Company**
Amounts falling due within one year:	**£'000**	**£'000**
Accrued management fees and administration costs	192	189
Amounts falling due after more than one year:	**£'000**	**£'000**
Accrued fees to Trading Adviser	11	11

The Company has appointed Puma Investment Management Limited to act as Trading Adviser to the Group. During the period, fees of £11,000 accrued in respect of advisory fees under this agreement. As detailed in the Prospectus, the payment of these fees will be deferred until certain conditions are satisfied.

9. Share Capital and Share Premium

	As at 28 February 2014	
	Number	**Value**
		£'000
Ordinary shares of £1 each	2	-
Redeemable Growth shares of 0.1p each	3,035,148	3
Redeemable Income shares of 0.1p each	1,772,512	2
	4,807,662	5

Share Transactions in Period

During the period movements in the Company's redeemable shares were as follows:

	Redeemable Growth shares		Redeemable Income shares	
	Number	**Value**	**Number**	**Value**
		£'000		**£'000**
Issued in the period	3,035,148	3	1,912,512	2
Redeemed in the period	-	-	(140,000)	-
As at 28 Feb 2014	3,035,148	3	1,772,512	2

The Company was incorporated with two ordinary shares issued fully paid which are now held by Shore Capital Limited.

Share issue costs of £69,000 comprise fees payable to Puma Investment Management Limited, the Trading Adviser, who are entitled to payment of an initial charge on subscriptions.

On 15 February 2013, 50,000 Redeemable Preference Shares of £1 each in the Company were allotted and issued to Shore Capital Limited and paid up as to one quarter so as to enable the Company to obtain a certificate under s761 of the Companies Act 2006. The shares were subsequently fully paid up and then redeemed and cancelled in the period.

9. Called Up Share Capital (continued)

Share Rights

The Redeemable Growth Shares, the Redeemable Income Shares and the Ordinary Shares shall rank pari passu as to rights to attend and vote at any general meeting of the Company.

Ordinary Shares
The ordinary shares have no rights to dividends and are not redeemable.

Redeemable Growth Shares
The Redeemable Growth Shares carry no right to receive a dividend from the revenue profits of the Company. In respect of any period, the aggregate of the revenue profits of the Company multiplied by the most recently calculated Redeemable Growth Share Capital Ratio (being such percentage of the Company's Net Asset Value as shall be attributable to the Redeemable Growth Shares in accordance with the methodology contained within the Articles, as calculated by the Company as at the applicable calculation date) shall belong to the holders of the Redeemable Growth Shares (as between them pro rata to their respective holding of Redeemable Growth Shares) and shall be aggregated to the net asset value of the Redeemable Growth Shares for the purposes of calculating the Redeemable Growth Share Capital Ratio.

The Redeemable Growth Shares are redeemable by the Company at a sum equivalent to the Redeemable Growth Share Redemption Value (being the Redeemable Growth Share Capital Ratio multiplied by the Net Asset Value of the Company, divided by the number of Redeemable Growth Shares in issue, in each case as at the applicable calculation date) multiplied by the number of Redeemable Growth Shares subject to the relevant election to redeem. Such redemptions may take place as of 28 February or 31 August (or as of such other date as the Directors may determine) in any year subject always to the holder of such Redeemable Growth Shares having given notice before the end of the calendar month prior to the relevant redemption date of their wish to have their Redeemable Growth Shares redeemed, and always subject to the Directors' discretion, applicable law and regulation and there being sufficient liquidity.

Each Redeemable Growth Share which is redeemed, shall, thereafter, be cancelled without further resolution or consent.

Redeemable Income Shares
In respect of any period, the aggregate of the revenue profits of the Company multiplied by the most recently calculated Redeemable Income Share Capital Ratio (being such percentage of the Company's Net Asset Value as shall be attributable to the Redeemable Income Shares in accordance with the methodology contained within the Articles, as calculated by the Company as at the applicable calculation date) (exclusive of any imputed tax credit available to Shareholders) shall belong to the holders of the Redeemable Income Shares (as between them pro rata to their respective holding of Redeemable Income Shares). Any such share of the revenue profits which are not distributed to the holders of the Redeemable Income Shares in any relevant period shall be aggregated to the net asset value of the Redeemable Income Shares for the purposes of calculating the Redeemable Income Share Capital Ratio.

The Redeemable Income Shares are redeemable by the Company at a sum equivalent to the Redeemable Income Share Redemption Value (being the Redeemable Income Share Capital Ratio multiplied by the Net Asset Value of the Company, divided by the number of Redeemable Income Shares in issue, in each case as at the applicable calculation date) multiplied by the number of Redeemable Income Shares subject to the relevant election to redeem. Such redemptions may take place as of 28 February or 31 August (or as of such other date as the Directors may determine) in any year subject always to the holder of such Redeemable Income Shares having given notice before the end of the calendar month prior to the relevant redemption date of their wish to have their Redeemable Income Shares redeemed and always subject to the Directors' discretion, applicable law and regulation and there being sufficient liquidity.

Each Redeemable Income Share which is redeemed, shall, thereafter, be cancelled without further resolution or consent.

Notes to the Consolidated Accounts
For the period ended 28 February 2014

10. Net Asset Value per Share

	Total £'000	Income shares £'000	Growth shares £'000	Ordinary shares £'000
Shares in issue as at 28 February 2014	4,807,662	1,772,512	3,035,148	2
Net assets as at 28 February 2014	4,536,000	1,672,000	2,864,000	-
Add back: formation and preliminary costs incurred and expensed in period	101,000			
Less: amortisation of formation and preliminary costs in period	(8,000)			
Adjusted net assets for new subscribers as at 28 February 2014	4,629,000	1,707,000	2,922,000	-
Net Asset Value per share	94.35p	94.35p	94.35p	-
New Subscriber Net Asset Value per share	96.28p	96.28p	96.28p	-

As detailed in the Prospectus, formation and preliminary expenses incurred (including printing and advisory fees) in the establishment of the Company and in connection with the Offer will be paid by the Company and expensed in its accounts when incurred as required by accounting rules. However, in relation to calculating the Net Asset Value of the Shares for New Subscribers, these expenses will be amortised over 5 years from the Initial Closing Date in order to ensure that they are fairly attributed to initial and subsequent Investors.

11. Contingencies, Guarantees and Financial Commitments

The Group has provided £1 million secured credit line facility pursuant to which it is providing a series of loans. As at 28 February 2014 no amounts has been drawn down against this facility.

12. Controlling Party and Related Party Transactions

In the opinion of the Directors there is no immediate or ultimate controlling party.

The company has taken advantage of the exemptions within FRS 8 from disclosing transactions with its wholly owned subsidiary.

13. Post Balance Sheet Events

On 10 April 2014 a further 749,947 of growth shares were issued for a consideration of £739,000.
On 6 May 2014 a further 446,730 of growth shares were issued for a consideration of £437,000.