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**PIHL PROPERTY HOLDINGS LIMITED**

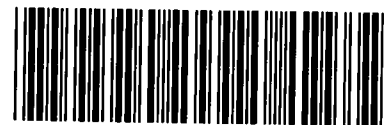
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**UNAUDITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED 28 FEBRUARY 2022**

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**PIHL PROPERTY HOLDINGS LIMITED**

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**COMPANY INFORMATION**

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<b>Directors</b>	N M Leslau S L Gumm
<b>Company secretary</b>	S L Gumm
<b>Registered number</b>	05716886
<b>Registered office</b>	Cavendish House 18 Cavendish Square London W1G 0PJ

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**PIHL PROPERTY HOLDINGS LIMITED**

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**PIHL PROPERTY HOLDINGS LIMITED**

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**DIRECTORS' REPORT  
FOR THE PERIOD ENDED 28 FEBRUARY 2022**

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The directors present their report and the financial statements for the 11 month period ended 28 February 2022.

Comparative figures relate to the year ended 31 March 2021.

**Results and dividends**

The loss for the period, after tax, amounted to £1,250 (2021 - loss £3,876).

At the end of the year, the Company had net assets of £117,387 (2021 - £118,637) which represents net assets per share of 13.1 pence (2021 - 13.3 pence).

The directors do not recommend payment of a final dividend (2021 - £nil).

**Directors**


The directors who served during the period and to the date of this report were:

N M Leslau  
S L Gumm

**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 on 13 September 2022 and signed on its behalf.

  
N M Leslau  
Director

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**PIHL PROPERTY HOLDINGS LIMITED**

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**DIRECTORS' RESPONSIBILITIES STATEMENT  
FOR THE PERIOD ENDED 28 FEBRUARY 2022**

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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 judgements and accounting estimates that are reasonable and prudent; and
- 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.

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PIHL PROPERTY HOLDINGS LIMITED

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PROFIT AND LOSS ACCOUNT  
FOR THE PERIOD ENDED 28 FEBRUARY 2022

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		11 months ended 28 February 2022 £	Year ended 31 March 2021 £
	Note		
Administrative expenses		(1,246)	(4,010)
<b>Operating loss</b>	3	<b>(1,246)</b>	<b>(4,010)</b>
Income from other fixed asset investments		2	2
Amounts written off investments		(6)	8
Interest receivable and similar income		-	124
<b>Loss before tax</b>		<b>(1,250)</b>	<b>(3,876)</b>
Tax on loss	4	-	-
<b>Loss and total comprehensive loss for the financial period</b>		<b>(1,250)</b>	<b>(3,876)</b>

The notes on pages 6 to 9 form part of these financial statements.

**PIHL PROPERTY HOLDINGS LIMITED**  
**REGISTERED NUMBER: 05716886**

**BALANCE SHEET**  
**AS AT 28 FEBRUARY 2022**

	Note	28 February 2022 £	31 March 2021 £
<b>Fixed assets</b>			
Investments	5	100	126
		<u>100</u>	<u>126</u>
<b>Current assets</b>			
Debtors: amounts falling due within one year	6	1	-
Cash at bank and in hand		119,566	124,679
		<u>119,567</u>	<u>124,679</u>
Creditors: amounts falling due within one year	7	(2,280)	(6,168)
<b>Net current assets</b>		<u>117,287</u>	<u>118,511</u>
<b>Total assets less current liabilities</b>		<u>117,387</u>	<u>118,637</u>
<b>Net assets</b>		<u><u>117,387</u></u>	<u><u>118,637</u></u>
<b>Capital and reserves</b>			
Called up share capital	8	45	45
Profit and loss account	9	117,342	118,592
		<u>117,387</u>	<u>118,637</u>

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the period in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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 on 13 September 2022

  
**N M Leslau**  
 Director

The notes on pages 6 to 9 form part of these financial statements.

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**PIHL PROPERTY HOLDINGS LIMITED**

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**STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 28 FEBRUARY 2022**

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	<b>Called up share capital</b>	<b>Profit and loss account</b>	<b>Total equity</b>
	<b>£</b>	<b>£</b>	<b>£</b>
At 1 April 2021	45	118,592	118,637
<b>Comprehensive loss for the period</b>			
Loss for the period	-	(1,250)	(1,250)
<b>At 28 February 2022</b>	<b>45</b>	<b>117,342</b>	<b>117,387</b>

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2021**

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	<b>Called up share capital</b>	<b>Profit and loss account</b>	<b>Total equity</b>
	<b>£</b>	<b>£</b>	<b>£</b>
At 1 April 2020	45	122,468	122,513
<b>Comprehensive loss for the year</b>			
Loss for the year	-	(3,876)	(3,876)
<b>At 31 March 2021</b>	<b>45</b>	<b>118,592</b>	<b>118,637</b>

The notes on pages 6 to 9 form part of these financial statements.

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## PIHL PROPERTY HOLDINGS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 28 FEBRUARY 2022

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#### 1. General information

The Company is a private company limited by shares, incorporated in England, and the registered office is Cavendish House, 18 Cavendish Square, London W1G 0PJ.

The financial statements are presented in Pounds Sterling, which is the functional currency of the Company, and relate to the 11 month period from 1 April 2021 to 28 February 2022. Comparative figures relate to the year ended 31 March 2021.

#### 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 preparation of financial statements in compliance with Section 1A of FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies. However, no significant estimates or judgements were necessary in the preparation of these financial statements.

##### 2.2 Going concern

These financial statements have been prepared on a going concern basis, which assumes that the Company will continue to meet its liabilities when they fall due for the foreseeable future, being a period of at least twelve months from the date on which these financial statements are approved.

##### 2.3 Fixed asset investments

Fixed asset investments are measured at cost less accumulated impairment.

##### 2.4 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.

##### 2.5 Tax

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.

#### 3. Operating loss

The Company has no employees and no director received any remuneration during the current period or prior year.

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**PIHL PROPERTY HOLDINGS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 28 FEBRUARY 2022**

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**4. Tax**

	<b>11 months ended 28 February 2022 £</b>	<b>Year ended 31 March 2021 £</b>
Current tax on loss for the period	-	-

**Factors affecting tax charge for the period/year**

The tax assessed for the period/year is higher than (2021 - *higher than*) the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:

	<b>11 months ended 28 February 2022 £</b>	<b>Year ended 31 March 2021 £</b>
Loss on ordinary activities before tax	<b>(1,250)</b>	<b>(3,876)</b>
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	<b>(238)</b>	<b>(736)</b>
<b>Effects of:</b>		
Tax on share of profits of partnership investments	<b>2</b>	<b>2</b>
Movements in impairment not deductible for tax purposes	<b>(1)</b>	<b>(2)</b>
Unrelieved tax losses carried forward	<b>237</b>	<b>736</b>
<b>Total tax charge for the period/year</b>	<b>-</b>	<b>-</b>

The Company has losses carried forward of £80,492 (2021 - £79,256). No deferred tax asset has been recognised in respect of these losses due to uncertainty over the timing of future taxable profits.

**Factors that may affect future charges**

With effect from April 2023, the UK corporation tax rate will increase from 19% to 25%, which will increase the level of tax charge on profits earned after that date.

**PIHL PROPERTY HOLDINGS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 28 FEBRUARY 2022**

**5. Fixed asset investments**

	Investment in LP £	Investment in LLP £	Total £
<b>Cost or valuation</b>			
At 1 April 2021	32	94	126
Disposals	(22)	-	(22)
Impairment	(10)	6	(4)
At 28 February 2022	<u>-</u>	<u>100</u>	<u>100</u>

The Company holds interests in PIHL Property LLP, which invests in real estate and real estate-backed corporate and other investments: a 0.8% interest in the A capital of the LLP, at a cost of £45 (2021 - £45), which carries voting rights, and a 0.00008% interest in the B capital of the LLP, at a cost of £61 (2021 - £61), which entitles the holder to a priority 9% per annum return provided that the underlying investments held by the LLP in aggregate generate a return in excess of 9% per annum to the LLP. The Company has agreed to contribute B capital up to a maximum of £79 if requested. During the year, the Company received distributions of £2 (2021 - £2) in relation to the B capital.

The Company also held a 0.8% interest in Prestbury Scotland LP, an investment partnership established to invest in real estate and similar opportunities which entered members' voluntary liquidation during the prior year. A final distribution from the liquidator was received in the period.

**6. Debtors**

	28 February 2022 £	31 March 2021 £
LLP distributions receivable	<u>1</u>	<u>-</u>

**7. Creditors: Amounts falling due within one year**

	28 February 2022 £	31 March 2021 £
Trade creditors	-	3,360
Accruals	1,470	1,998
Other creditors	810	810
	<u>2,280</u>	<u>6,168</u>

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PIHL PROPERTY HOLDINGS LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 28 FEBRUARY 2022

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**8. Share capital**

	<b>28 February 2022</b>	<b>31 March 2021</b>
	<b>£</b>	<b>£</b>
<b>Allotted, called up and fully paid</b>		
893,601 ordinary shares of £0.00005 each	<b>45</b>	<b>45</b>

Share capital represents the aggregate nominal value of shares issued.

**9. Reserves**

**Profit and loss account**

As at 28 February 2022, the Company had distributable reserves of £117,343 (2021 - £118,592).

**10. Net assets per share**

As at 28 February 2022, the Company had net assets of £117,387 (2021 - £118,637) which represents net assets per share of 13.1 pence (2021 - 13.3 pence).

**11. Controlling party**

During the period and as at 28 February 2022, PIHL Property Holdings Limited was not controlled by any one individual or entity.

Registered in England & Wales No. 3985560

# **PRESTBURY INVESTMENT HOLDINGS LIMITED**

**Report & accounts for the eleven months ended 28 February 2022**

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## **Strategic report**

**for the 11 months ended 28 February 2022**

The directors present their strategic report together with the audited financial statements of Prestbury Investment Holdings Limited (the "Company") and its subsidiary undertakings (together, the "Group") for the 11 months ended 28 February 2022. Comparative figures relate to the year ended 31 March 2021.

### **Review of the business**

The Company is an investment holding company. During the period its principal activities were earning fee income as service provider to a related property advisory business and holding real estate related investments for income and capital returns. The profits and losses of the Group and Company tend not to be consistent from year to year as they are influenced by unrealised movements in the fair value of the investments, principally shares in Secure Income REIT Plc ("SIR"), a UK Real Estate Investment Trust listed on the AIM market of the London Stock Exchange, and by any transaction activity in the period.

During the period, the Company paid dividends of 3.1 pence per share and the net asset value per share increased from 48.3 pence to 53.0 pence, which represents a total accounting return of 16.1%.

### *Significant post balance sheet business development*

Since the balance sheet date, SIR announced a recommended merger with another specialist long income REIT, LXi REIT Plc ("LXi"), which is quoted on the main market of the London Stock Exchange. This was subsequently approved by SIR and LXi shareholders and the merger completed on 6 July 2022. As a result, the Group has exchanged its interest in SIR for cash and shares in LXi. The merger valued SIR shares at 475.5p each, which is 25% above the fair value at which the SIR shares are included in these accounts, equivalent to an additional £12.2 million (or 10.6 pence per share) of Net Asset Value, taking the LXi shares at their merger valuation of 143.4 pence per share. At 9 September 2022, the LXi share price had increased to 151.0 pence per share.

Following the merger, we retain a 2.6% interest in LXi and both of the directors of the Company, Nick Leslau and Sandy Gumm, have joined the Board of LXi as non-executive directors.

As SIR and LXi are public companies, we cannot comment on their operations beyond what is in the public domain. Further information about LXi can be found on its website at [www.LXiREIT.com](http://www.LXiREIT.com). We believe that LXi has an outstanding management team and board, and that it has the same very attractive long term income characteristics as SIR, save with greater scale and tenant diversification as a result of the merger, and we expect it to be able to access cheaper and more efficient capital as a result.

In addition to the balance sheet impact, as a result of the merger the Company's management contract with the former investment adviser to SIR was terminated with effect from 6 July 2022. No further fee income has accrued from that point onwards and the costs of termination have been met by the entity from which the Company received its fee income. The Company is contractually obliged to provide transitional services until 7 October 2022, at which point those operations will cease and the Company's principal activity will be to hold its investments, the largest of which will be the LXi investment, for income and capital returns. We do not envisage making any new investments in the Group.

## Strategic report (continued)

### Review of the business (continued)

The impact of the merger, along with that of dividends received and paid after the balance sheet date, is presented here to illustrate the impact of those major post balance sheet events, but not adjusting for any other trading or revaluations since 28 February 2022.

	28 February 2022 (audited) £000	SIR/LXi merger £000	SIR dividends received £000	Dividends paid £000	Pro forma net assets (unaudited) £000
Investment in SIR	64,018	(64,018)	-	-	-
Investment in LXi	-	63,442	-	-	63,442
Cash	2,302	16,673	1,308	(15,850)	4,433
Deferred tax liability	(11,238)	(996)	-	-	(12,234)
Current tax liability	(39)	(2,302)	(249)	-	(2,590)
Provisions	(3,011)	(600)	(50)	743	(2,918)
Other net assets	9,154	-	-	-	9,154
<b>Net assets attributable to shareholders</b>	<b>61,186</b>	<b>12,199</b>	<b>1,009</b>	<b>(15,107)</b>	<b>59,287</b>
<b>Net asset value per share (pence)</b>	<b>53.0</b>				<b>51.3</b>

Taking account of the valuation uplift delivered by way of the merger, together with dividends received by shareholders, the pro forma Total Accounting Return in the six months since the balance sheet date is just over 21.5%.

### Performance of UK property investments in the period

The Group's most significant investment at the balance sheet date was the interest in SIR. The fair value of that investment increased from £55.7 million to £64.0 million during the period following a rise in the quoted share price from 359.5p to 413p, resulting in an unrealised revaluation gain of £8.3 million. The Group received £1.9 million (2021: £2.5 million) in cash distributions from SIR during the period (lower than in the prior year as a result of the shorter reporting period).

The investment in SIR is required to be carried at its fair value at the balance sheet date. Given that the investment was a material holding relative to SIR's issued share capital and as the Company was controlled by a member of the SIR management team who was also a director of SIR, the fair value of the investment was not necessarily the market value of the shares quoted on the stock exchange. In order to obtain a figure for fair value, we consulted with SIR's broker, which estimated the fair value of this interest that takes the quoted share price and discounts it by 8% (2021: 8%). If the investment were carried at its undiscounted market value as at 28 February 2022, the net asset value of the Group as at 28 February 2022 would have been £4.6 million (7.1%) higher.

The Group recognises a deferred tax liability for the corporation tax that would be payable on the capital gain in the event of a sale of its investment in SIR, which at the start of the period was a liability of £7.0 million. A tax charge of £1.5 million arose during the period on the unrealised revaluation gains above. In addition, the UK corporation tax rate will rise from 19% to 25% with effect from April 2023 and, since the investment is expected to be held for the long term, the deferred tax liability was restated in the period to reflect that higher rate. This resulted in a further tax charge of £2.7 million and a deferred tax liability at the balance sheet date of £11.3 million.

## Strategic report (continued)

### Review of the business (continued)

#### *Performance of UK property investments in the period (continued)*

The Group also has a 14.4% interest in Burford Beta Holdings Limited ("Burford"), a company carrying out property trading and development in the UK. The investment was written down to nil in a prior period to reflect contingent liabilities in the underlying entity. Following the realisation of a number of investments in the Burford group, as at the balance sheet date the Group's investment had been reinstated to the directors' assessment of its fair value of £3.0 million.

#### *Performance of overseas property investments in the period*

The Group holds a 50% interest in a development site in Barbados, carried at its fair value of £5.1 million (2021: £5.0 million). The valuation is sensitive to local market conditions and exchange rates, and the ultimate repatriation of any value realised is dependent on strict local foreign exchange controls. Our expectation remains the same as in prior years, which is that the development site will generate a positive return over the medium term, though there is a risk associated with the timing and amount of the repatriation of any cash ultimately realised.

#### *Disposal of non-property investment during the period*

At the start of the period, the Company held a minority shareholding in the ordinary and preference shares of a private company with a fair value of £1.9 million. Following a further investment of £0.1 million by the Company, the entire shareholding was sold during the period for cash proceeds at the book value of £2.0 million.

#### *Fee income*

Fee income of £1.8 million (2021: £1.8 million) was earned during the period for the provision of services to a related party which acted as investment adviser to SIR. The fee was calculated on the administrative expenses incurred by the Company in providing those services plus an agreed profit margin established on arm's length terms.

#### *Net asset value*

	11 months to 28 February 2022 £m	Year to 31 March 2021 £m
Net asset value at the start of the period/year	55.8	52.8
<i>Realised profits and losses net of current tax</i>		
Distributions from SIR	1.7	2.0
<i>Unrealised profits and losses net of deferred tax</i>		
Change in fair value of SIR investment	4.1	4.9
Change in fair value of other investments	3.1	(0.7)
Movement in provisions for incentive arrangements	0.1	(0.9)
	7.4	3.3
Net asset value before distributions	64.8	58.1
Distributions to shareholders	(3.6)	(2.3)
<b>Net asset value at the end of the period/year</b>	<b>61.2</b>	<b>55.8</b>

## Strategic report (continued)

### Review of the business (continued)

#### Profit and loss account

	11 months to 28 February 2022 £m	Year to 31 March 2021 £m
<i>Recurring items</i>		
Fee income for services relating to SIR	1.8	1.8
Administrative expenses	(1.8)	(1.8)
Operating result	-	-
Dividends received from SIR	1.9	2.5
Current tax charge on operating activities	(0.2)	(0.5)
Post tax profit from recurring operations	1.7	2.0
<i>Non-recurring items</i>		
Unrealised investment revaluations net of deferred tax	7.3	4.2
Movement in provisions for incentive arrangements	-	(0.9)
<b>Profit for the period/year</b>	<b>9.0</b>	<b>5.3</b>

The unrealised investment revaluations net of deferred tax comprise:

	11 months to 28 February 2022 £m	Year to 31 March 2021 £m
SIR shares	6.9	4.9
Barbados investments	0.1	(0.7)
Other investments	3.0	-
Change in deferred tax rate	(2.7)	-
	<b>7.3</b>	<b>4.2</b>

#### Post balance sheet events

In addition to the SIR/LXi merger which occurred after the balance sheet date, since the period end the Group has received further dividends totalling £1.3 million (before tax) from SIR. The Company has also paid two interim dividends totalling £15.1 million (13.1 pence per share).

## Strategic report (continued)

### Principal risks and uncertainties

While risk can never be eliminated altogether, the management of risk is integral to the Board's approach to running the Group's activities. The principal risks faced by the Group and any mitigating actions are as follows:

#### *Illiquid investments*

The Group owns a material but not controlling interest in a listed company, in which until July 2022 the owners and directors of the Company also had ownership and control of the management team, and interests in other private undertakings. Because of the size of the holdings and, in the case of the private undertakings, the fact that they are not traded on a public market, the Group may be unable to realise these investments on a timely basis or at an acceptable price. The Board mitigates this risk, where possible, through the exercise of its influence as an investor over policies and decisions in those undertakings.

#### *Liquidity risk*

Working capital requirements are met principally by cash resources generated from the Group's operations, the majority of which comprised fee and dividend income during the period. With effect from July 2022, the Group's income will almost entirely comprise dividend income. Cash levels are monitored and forecast regularly on base case and realistic stressed scenarios to ensure sufficient resources are available to meet the Group's requirements.

#### *Treasury risk*

The Group is exposed to the risk of default by the institutions holding its cash balances. The Group's cash deposits are only placed with counterparties considered by the Board to offer a low risk of default. Short term interest bearing deposits may be used to manage liquidity whilst earning a return on cash resources, giving due consideration to counterparty credit risk and maturity profiles.

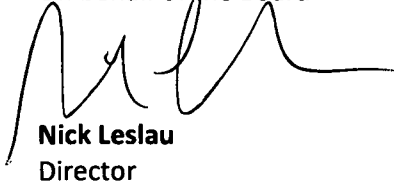
#### *Exchange rate risk*

The Group prepares its financial statements in Pounds Sterling but one of its investments is located in Barbados, with operations denominated in either US Dollars or Barbados Dollars (a currency pegged to the US Dollar). The results of those operations are reported in US Dollars and are therefore subject to exchange rate risk. This risk is partially hedged by the use of US Dollar denominated debt to finance the Group's Barbados investment, but the Group is otherwise exposed to exchange rate movements on the net asset value of its investment. At 28 February 2022, net assets denominated in currencies other than Pounds Sterling amounted to 8% of the Group's net asset value using the exchange rate of £1:US\$1.34 at that date. A 5% movement in the exchange rate would increase or decrease the Group's net asset value by £0.2 million.

#### *Exchange control risk*

Businesses in Barbados are subject to foreign exchange controls which may restrict the ability of the investee companies to repatriate funds to the UK. The Group monitors this risk with the assistance of specialist advisers and seeks to repatriate funds from Barbados when possible.

On behalf of the Board



**Nick Leslau**  
Director

13 September 2022

## Directors' report

The directors present their report and the audited financial statements for the 11 month period ended 28 February 2022. Comparative figures relate to the year ended 31 March 2021.

### Results and dividends

The results of the Group for the period are set out in the consolidated profit and loss account on page 14. Interim dividends of 3.1 pence per share, amounting to £3.6 million, were paid during the financial period.

### Directors and directors' interests

The directors of the Company, who held office throughout the period and up to the date of this report, are Nick Leslau and Sandy Gumm.

#### Nick Leslau, BSc (Hons) FRICS, Chairman & Chief Executive

Nick Leslau, 63, has been Chairman and Chief Executive of the Group since it commenced business and is a non-executive director of LXi REIT Plc. He became Non-Executive Chairman of Prestbury Group in December 1997 and was appointed Group Chairman and Chief Executive in January 1998. Nick is a Chartered Surveyor who was Chief Executive of Burford Holdings Plc for approximately ten years up to 1997. He has sat on many quoted and unquoted company boards including Max Property Group Plc, and is a member of the Bank of England Property Forum. Nick was a non-executive director of Secure Income REIT Plc and Chairman of Prestbury Investment Partners Limited, which was investment adviser to Secure Income REIT Plc until July 2022.

#### Sandy Gumm, BEc CA (Australia), Chief Operating Officer

Sandy Gumm, 55, is an Australian-qualified Chartered Accountant who was the Company's Group Finance Director from December 1997 to July 2007, since when she has been Chief Operating Officer. She is a non-executive director of LXi REIT Plc. Sandy trained at KPMG in Sydney and worked for KPMG for nine years in Sydney and London before becoming Group Financial Controller of Burford Holdings Plc in 1995. Sandy was a non-executive director of Secure Income REIT Plc and Chief Operating Officer of Prestbury Investment Partners Limited, which was investment adviser to Secure Income REIT Plc until July 2022.

The details of the directors' remuneration are set out in note 6 to the financial statements.

### Financial risk management objectives and policies

Details of the Group's financial risk management objectives and policies are set out in the principal risks and uncertainties section of the strategic report.

### Post balance sheet events

Details of post balance sheet events are set out in note 27 to the financial statements.

## Directors' report (continued)

### Auditor

All of the directors have taken all steps that they ought to have taken to make themselves aware of any information needed by the auditor for the purposes of their audit and to establish that the auditor is aware of that information. The directors are not aware of any relevant audit information which has not been brought to the attention of the auditor.

BDO LLP have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the next Annual General Meeting.

### Modern Slavery Act

The Prestbury Investment Holdings Limited group is an investor in and adviser to real estate businesses. During the period, its operations were conducted by a team of 13 working out of offices in London. Its suppliers were, in the main, professional services firms and office supply companies, principally located in the UK.

The directors are committed to ensuring that there is no slavery or human trafficking in the Group's supply chain. The Group requires that its suppliers also adhere to policies consistent with the Modern Slavery Act and conducts checks of the policies of its material suppliers to ensure that this is the case.

This statement is in respect of the financial period ended 28 February 2022 and is made to comply with section 54(1) of the Modern Slavery Act 2015. This policy has been approved by the board of Prestbury Investment Holdings Limited and signed by a director on 13 September 2022.

### 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.

On behalf of the Board



Nick Leslau  
Director

13 September 2022

## **Statement of directors' responsibilities**

The directors are responsible for preparing the strategic report, 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 period. Under that law the directors have elected to prepare the Group and Company 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 Group and Company and of the profit or loss of the Group for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Group and Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# **Report of the independent auditor to the members of Prestbury Investment Holdings Limited**

## **Opinion**

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and the Parent Company's affairs as at 28 February 2022 and of the Group's profit for the period then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Prestbury Investment Holdings Limited (the "Parent Company") and its subsidiaries (the "Group") for the eleven month period ended 28 February 2022, which comprise Consolidated profit and loss account, Consolidated statement of changes in equity, Consolidated balance sheet, Consolidated statement of cash flows, Company balance sheet, Company statement of changes in equity and notes to the financial statements, 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).

## **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## **Independence**

We are independent of the Group and the Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

## **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 Group's and Parent 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.

## **Report of the independent auditor (continued)**

### **Other information**

The Directors are responsible for the other information. The other information comprises the information included in the Report & accounts, other than the financial statements and our auditor's report thereon. 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 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.

### **Other Companies Act 2006 reporting**

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

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

In light of the knowledge and understanding of the Group and Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.

We have nothing to report in respect of the following matters 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; or
- the Directors were not entitled to take advantage of the small companies' exemptions in preparing the Directors' report.

### **Responsibilities of Directors**

As explained more fully in the Statement of directors' responsibilities, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Group and Parent 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 Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

## Report of the independent auditor (continued)

### Auditor's responsibilities for the audit of the financial statements

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

### *Extent to which the audit was capable of detecting irregularities, including fraud*

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

- We gained an understanding of the legal and regulatory framework applicable to the Group and the industry in which it operates, and considered the risk of acts by the Group that were contrary to applicable laws and regulations, including fraud.
- We considered the Group's and Parent Company's compliance with laws and regulations that have a significant impact on the financial statements including, but not limited to, relevant accounting standards, UK company law and tax legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements.
- We designed audit procedures to identify instances of non-compliance with such laws and regulations. Our procedures included reviewing the financial statement disclosures against the requirements of the accounting standards and company law and agreeing those disclosures to underlying supporting documentation where necessary. We made enquiries of management and the Directors as to the risks of non-compliance and any instances thereof.
- We addressed the risk of management override of internal controls, including testing a sample of journal entries based on risk criteria processed during the period and evaluating whether there was evidence of bias in these entries, or other accounting estimates made in the preparation of the financial statements, by management that represented a risk of material misstatement due to fraud.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## Report of the independent auditor (continued)

### Use of our report

This report is made solely to the Parent 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 Parent 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 Parent Company and the Parent Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

*Christopher Wingrave*

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**Christopher Wingrave** (Senior Statutory Auditor)

For and on behalf of BDO LLP, Statutory Auditor

Gatwick

United Kingdom

16 September 2022

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

**Consolidated profit and loss account**  
for the 11 months ended 28 February 2022

		<b>11 months to 28 February 2022 £000</b>	<b>Year to 31 March 2021 £000</b>
	<b>Note</b>		
Revenue	5	1,809	1,815
Administrative expenses		(1,821)	(1,845)
<b>Operating loss</b>		<b>(12)</b>	<b>(30)</b>
Dividends received from investments	12	1,914	2,523
Unrealised changes in fair value of investments:			
PIHL Property LLP	12	8,389	5,256
Associate	13	3,028	-
Other fixed asset investment	14	-	(100)
Movement in provisions	18	145	(850)
Loss on disposal of other fixed asset investment	14	(54)	-
Foreign exchange differences		3	(7)
Gain on disposal of trading property portfolio		-	5
<b>Profit before interest</b>		<b>13,413</b>	<b>6,797</b>
Interest receivable and similar income	8	75	135
<b>Profit before tax</b>	9	<b>13,488</b>	<b>6,932</b>
Tax on profit	10	(4,464)	(1,629)
<b>Profit and total comprehensive income for the financial year/ period</b>		<b>9,024</b>	<b>5,303</b>
<b>Attributable to:</b>			
Owners of the parent company		9,025	5,305
Non-controlling interests		(1)	(2)
<b>Profit and total comprehensive income for the financial period</b>		<b>9,024</b>	<b>5,303</b>

All results were from continuing operations.

The notes on pages 20 to 37 form part of the financial statements.

**Consolidated statement of changes in equity**  
for the 11 months ended 28 February 2022

	Share capital £000	Capital redemption reserve £000	Profit and loss reserve £000	Equity attributable to owners of the parent £000	Non- controlling interests £000	Total £000
<b>11 months to 28 February 2022</b>						
At the start of the period	-	34	55,744	55,778	2	55,780
Profit and total comprehensive income for the period	-	-	9,025	9,025	(1)	9,024
Dividends paid	-	-	(3,617)	(3,617)	-	(3,617)
<b>At the end of the period</b>	-	34	61,152	61,186	1	61,187
<b>Year to 31 March 2021</b>						
At the start of the year	-	34	52,726	52,760	4	52,764
Profit and total comprehensive income for the year	-	-	5,305	5,305	(2)	5,303
Dividends paid	-	-	(2,287)	(2,287)	-	(2,287)
<b>At the end of the year</b>	-	34	55,744	55,778	2	55,780

The notes on pages 20 to 37 form part of the financial statements.

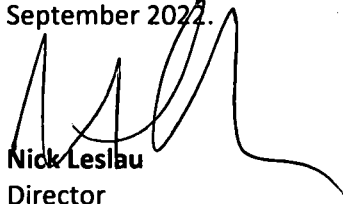
# Consolidated balance sheet

at 28 February 2022

Company number 3985560

	Note	28 February 2022 £000	31 March 2021 £000
<b>Fixed assets</b>			
Investment in PIHL Property LLP	12	69,190	60,698
Investment in associate	13	3,028	-
Other investments	14	-	2,090
Tangible fixed assets	15	74	66
		<b>72,292</b>	<b>62,854</b>
<b>Current assets</b>			
Debtors due in less than one year	16	1,337	1,367
Debtors due in more than one year	16	186	117
Cash at bank and in hand	19	2,302	2,667
		<b>3,825</b>	<b>4,151</b>
<b>Creditors: amounts falling due within one year</b>	17	<b>(495)</b>	<b>(794)</b>
<b>Net current assets</b>		<b>3,330</b>	<b>3,357</b>
<b>Total assets less current liabilities</b>		<b>75,622</b>	<b>66,211</b>
<b>Provisions for liabilities and charges</b>			
Deferred tax liabilities	10	(11,424)	(7,097)
Provisions	18	(3,011)	(3,334)
<b>Net assets</b>		<b>61,187</b>	<b>55,780</b>
<b>Capital and reserves</b>			
Called up share capital	20	-	-
Capital redemption reserve	21	34	34
Profit and loss reserve	21	61,152	55,744
<b>Shareholders' funds</b>	22	<b>61,186</b>	<b>55,778</b>
Non-controlling interests	23	1	2
<b>Total capital employed</b>		<b>61,187</b>	<b>55,780</b>

These financial statements were approved by the Board of Directors and authorised for issue on 13 September 2022.

  
**Nick Leslau**  
 Director

The notes on pages 20 to 37 form part of the financial statements.

**Consolidated statement of cash flows**  
for the period ended 28 February 2022

		11 months to 28 February 2022 £000	Year to 31 March 2021 £000
	Note		
<b>Cash flows from operating activities</b>			
Profit for the financial period		9,024	5,303
Adjusted for:			
Fair value movement in PIHL Property LLP	12	(8,389)	(5,156)
Tax charge	10	4,464	1,629
Fair value movement in associate	13	(3,028)	-
Dividends received from investments	12	(1,914)	(2,523)
(Increase) / decrease in debtors		(178)	15
Movement in provisions	18	(145)	850
Net interest income	8	(75)	(135)
(Decrease) / increase in creditors		(61)	28
Loss on disposal of other fixed asset investments	14	54	-
Depreciation charge and other amounts written off tangible fixed assets	15	32	64
Foreign exchange differences		(3)	7
Gain on disposal of trading property portfolio		-	(5)
Cash flow (used in) / generated from operations		(219)	77
Tax paid		(444)	(1,342)
Interest received		283	11
Net cash flow used in operating activities		(380)	(1,254)
<b>Cash flows from investing activities</b>			
Net proceeds of disposal of other fixed asset investment	14	1,955	-
Dividends received from investments	12	1,914	2,523
Repayment of loan notes in other fixed asset investment	14	152	107
Additions to investment in PIHL Property LLP	12	(103)	(92)
Additions to other fixed asset investment	14	(71)	(70)
Tangible fixed assets acquired	15	(40)	(4)
Net cash flow from investing activities		3,807	2,464
<b>Cash flows from financing activities</b>			
Dividends paid		(3,617)	(2,287)
Payments under incentive arrangements	18	(178)	(88)
Net cash flow used in financing activities		(3,795)	(2,375)
<b>Decrease in cash in the period</b>		<b>(368)</b>	<b>(1,165)</b>
Foreign exchange differences		3	(7)
Cash at the start of the period	19	2,667	3,839
<b>Cash at the end of the period</b>	<b>19</b>	<b>2,302</b>	<b>2,667</b>

The notes on pages 20 to 37 form part of the financial statements.

# Company balance sheet

at 28 February 2022

Company number 3985560

	Note	28 February 2022 £000	31 March 2021 £000
<b>Fixed assets</b>			
Investments in subsidiary undertakings	11	57,579	100,669
Investment in associate	13	3,028	-
Fixed asset investments	14	-	2,090
Tangible fixed assets		55	66
		<b>60,662</b>	<b>102,825</b>
<b>Current assets</b>			
Debtors due within one year	16	1,151	1,255
Debtors due in more than one year	16	186	117
Cash at bank and in hand		2,262	2,623
		<b>3,599</b>	<b>3,995</b>
<b>Creditors: amounts falling due within one year</b>	17	<b>(392)</b>	<b>(47,718)</b>
<b>Net current assets / (liabilities)</b>		<b>3,207</b>	<b>(43,723)</b>
<b>Total assets less current liabilities</b>		<b>63,869</b>	<b>59,102</b>
Provisions for liabilities and charges	18	(3,011)	(3,334)
<b>Net assets</b>		<b>60,858</b>	<b>55,768</b>
<b>Capital and reserves</b>			
Called up share capital	20	-	-
Capital redemption reserve	21	34	34
Profit and loss reserve	21	60,824	55,734
<b>Total capital employed</b>		<b>60,858</b>	<b>55,768</b>

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own profit and loss account in these financial statements. The Group profit for the period includes a profit of £8.7 million (2021: £5.5 million) which is dealt with in the financial statements of the Company.

These financial statements were approved by the Board of Directors and authorised for issue on 13 September 2022.

  
**Nick Leslau**  
 Director

The notes on pages 20 to 37 form part of the financial statements.

**Company statement of changes in equity**  
for the 11 months ended 28 February 2022

	Share capital £000	Capital redemption reserve £000	Profit and loss reserve £000	Total £000
<b>11 months to 28 February 2022</b>				
At the start of the period	-	34	55,734	<b>55,768</b>
Profit and total comprehensive income for the period	-	-	8,707	<b>8,707</b>
Dividends paid	-	-	(3,617)	<b>(3,617)</b>
<b>At the end of the period</b>	-	34	60,824	<b>60,858</b>

	Share capital £000	Capital redemption reserve £000	Profit and loss reserve £000	Total £000
<b>Year to 31 March 2021</b>				
At the start of the year	-	34	52,568	<b>52,602</b>
Profit and total comprehensive income for the year	-	-	5,453	<b>5,453</b>
Dividends paid	-	-	(2,287)	<b>(2,287)</b>
<b>At the end of the year</b>	-	34	55,734	<b>55,768</b>

The notes on pages 20 to 37 form part of the financial statements.

## Notes to the financial statements

### 1. General information

Prestbury Investment Holdings Limited is a private company limited by shares, incorporated in England. The registered office is Cavendish House, 18 Cavendish Square, London, W1G 0PJ. The nature of the Group's and Company's principal activities and operations is given in the strategic report.

Items included in the financial statements of each of the Group's undertakings are measured using the currency of the primary economic environment in which the undertaking operates (the "functional currency"). The consolidated financial statements are presented in Pounds Sterling, which is the Company's functional currency and the Group's and Company's presentation currency.

### 2. Accounting policies

The financial statements have been prepared in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland ("FRS 102") and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires the directors to exercise judgement in applying the Group's and Company's accounting policies. The areas involving a higher degree of judgement and where assumptions and estimates are significant are shown in note 3.

### Going concern

Taking into consideration expectations of dividends receivable by the Company and the Group and having regard to the winding down of management operations by October 2022, the directors consider that the cash buffer retained by the Company is likely to be preserved and to be sufficient for the business to cover its medium term liquidity requirements, on both base case and a stressed scenario assuming no further dividends are received. On that basis the directors consider that the Group and the Company will be able to meet their liabilities as they fall due for the foreseeable future, being a period of at least 12 months from the date on which these financial statements are approved. Accordingly, these financial statements have been prepared on a going concern basis.

### Parent company disclosure exemptions

In preparing the separate financial statements of the Company, advantage has been taken of the following disclosure exemptions available in FRS 102:

- only one reconciliation of the number of shares outstanding at the beginning and end of the period has been presented as the reconciliations for the Group and Company are identical;
- no cash flow statement has been presented for the Company;
- disclosures in respect of the Company's financial instruments have not been presented as equivalent disclosures have been provided in respect of the Group as a whole; and
- no separate disclosure has been given for the aggregate remuneration of the key management personnel of the Company as their remuneration is included in the totals for the Group as a whole, and the Group and Company disclosures are identical.

## Notes to the financial statements (continued)

### 2. Accounting policies (continued)

#### Basis of consolidation

The consolidated financial statements present the results of the Company and its subsidiary undertakings (the "Group") as if they formed a single entity. Intercompany transactions and balances between Group companies are therefore eliminated in full.

The acquisition method of accounting has been adopted. This means that the results of subsidiaries acquired or disposed of during a period are included in the consolidated profit and loss account from the date control is obtained until the date control ceases. Control comprises the power to govern the financial and operating policies of the investee undertaking so as to be able to benefit from its activities.

On acquisition of a subsidiary, all of the subsidiary's assets and liabilities that exist at the date of acquisition are recorded at their fair values reflecting their condition at that date. All changes to those assets and liabilities, and the resulting gains and losses that arise after the Group has gained control of the subsidiary, are reflected in the post-acquisition financial statements.

#### Associates

An entity is treated as an associate undertaking where the Group has a participating interest and has the power to exercise significant influence over its operating and financial policy decisions. An investment ceases to be accounted for as an associate when the Group ceases to exercise significant influence or have the requisite participating interest.

In the Group financial statements, interests in associate undertakings are accounted for using the equity method of accounting. Under this method an equity investment is initially recognised at the transaction price (including transaction costs) and is subsequently adjusted to reflect the investor's share of the profit or loss, other comprehensive income and equity of the associate. The consolidated profit and loss account includes the Group's share of the operating results, interest, pre-tax results and attributable tax of such undertakings applying accounting policies consistent with those of the Group.

In the consolidated balance sheet, the interests in associates are shown as the Group's share of the identifiable net assets.

#### Fixed asset investments

Investments in entities where the Group does not have the power to govern or exercise significant influence over the financial and operating policies of the investee undertaking are included in the balance sheet at the directors' assessment of fair value. Changes in fair value are recognised in the profit and loss account; those changes attributable to changes in own credit risk are not considered to be material. These investments are classified as fixed asset investments where the Group intends to hold them on a continuing basis.

Investments in subsidiary and associate undertakings are stated at cost less any provision for impairment in the Company's balance sheet.

#### Financial assets

Financial assets other than investments are initially recognised at the transaction price (including transaction costs) and subsequently held at cost, less any impairment.

## Notes to the financial statements (continued)

### 2. Accounting policies (continued)

#### Financial liabilities and equity

Financial liabilities and equity are classified according to the substance of the financial instrument's contractual obligations rather than its legal form. Financial liabilities are initially recognised at the transaction price (including transaction costs) unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Financial liabilities are subsequently measured at amortised cost using the effective interest method so that the amount charged represents a constant rate on the carrying amount.

#### 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.

#### Provisions

The Company has recognised provisions in respect of its incentive arrangements for certain individuals. The provisions are measured as the best estimate of the expenditure required to settle the obligations at the reporting date and are not discounted for the time value of money.

#### Revenue

Revenue in the period consisted of fees receivable for management services at invoiced amounts excluding any value added tax. Revenue represents the value of services provided under contracts to the extent that there is a right to consideration and is recorded at the fair value of the consideration received or receivable.

#### Operating leases

Annual rentals under operating leases are charged (or credited in the case of subtenant leases) to the profit and loss account on a straight line basis over the term of the lease, even if payments are not made on such a basis. Where rent free periods have been given to subtenants of the Group's offices, the rent receivable is spread over the period until the earlier of the first tenant break option or lease expiry.

#### Depreciation

Tangible fixed assets are depreciated to their residual values on a straight line basis over their estimated useful lives, as follows:

Fixtures, fittings and equipment	10 years
Computer hardware and software	3 years

#### Pensions

The Company does not operate a pension plan, nor does any subsidiary undertaking. Defined contributions, including Workplace Pension contributions, have been made to the private pensions of an executive director and to certain employees.

## Notes to the financial statements (continued)

### 2. Accounting policies (continued)

#### Current and deferred tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a charge attributable to an item of income or 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 tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company and its subsidiaries operate and generate taxable income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, except:

- the recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- where timing differences relate to interests in subsidiaries, associates and other investments and the Group can control their reversal and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations.

Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date. Deferred tax balances are not discounted.

#### Foreign exchange

Foreign currency transactions are translated into the relevant Group undertaking's functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

On consolidation, the results of overseas operations are translated into the Group's presentational currency of Pounds Sterling at the average rates of exchange for the periods in question, which are considered not to be materially different to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rates ruling at the reporting date. Exchange differences arising on translating the opening net assets at the opening rate and the results of overseas operations at the average rate are recognised in other comprehensive income.

US Dollar denominated results have been converted to Sterling at an average exchange rate for the period of US\$1:£0.73 (2021: US\$1:£0.76) and period end balances have been converted to Sterling at the 28 February 2022 exchange rate of US\$1:£0.75 (2021: US\$1:£0.72). Barbados Dollar denominated results have been converted to Sterling at an average exchange rate for the period of B\$1:£0.36 (2021: B\$1:£0.38) and period end balances have been converted to Sterling at the 28 February 2022 exchange rate of B\$1:£0.37 (2021: B\$1:£0.36).

## Notes to the financial statements (continued)

### 2. Accounting policies (continued)

#### Dividends payable

Equity dividends are recognised when they become legally payable: interim dividends when paid and final dividends when approved by the shareholders at an annual general meeting.

### 3. Critical judgements, assumptions and estimates

Accounting policies which have a significant bearing on the financial statements may require subjective or complex judgements. The principal area of judgement is the fair value of the fixed asset investment in PIHL Property LLP described in note 12, which in turn depends largely on the directors' assessment of the fair values of:

- the investment in Secure Income REIT Plc ("SIR"), which requires the directors to estimate the effect on the share price of the discount that would be required in order to sell the shares given that the investment represents a material management holding. In determining that discount, the directors have taken into account external advice to the LLP from Stifel Nicolaus Europe Limited, the nominated adviser and broker to SIR, and adopted valuations that reflect that advice; and
- the investment in a company which owns a development site in Barbados, which requires an assessment of local market conditions and the risk associated with the repatriation of cash from Barbados due to exchange controls.

### 4. Segmental information

The Group's operations are located in the United Kingdom and Barbados, as follows:

	UK	Barbados	Total
11 months to 28 February 2022	£000	£000	£000
Revenue	1,809	-	1,809
Profit before tax	13,449	39	13,488
Net assets	56,044	5,143	61,187
<b>Year to 31 March 2021</b>			
Revenue	1,815	-	1,815
Profit/(loss) before tax	7,649	(717)	6,932
Net assets	50,779	5,001	55,780

Certain transactions in the undertakings that invest in Barbados are measured in Barbados Dollars, a currency that is pegged at a rate of c. 2:1 to the US Dollar, or in US Dollars. Assets held in Barbados are subject to exchange controls that could restrict the extent to which they are available to the Group.

### 5. Revenue

Revenue represents fee income earned in the UK.

## Notes to the financial statements (continued)

### 6. Directors' remuneration

	Period to 28 February 2022 £000	Year to 31 March 2021 £000
Directors' emoluments	74	58
Company contributions to private pension schemes	9	10
	<b>83</b>	<b>68</b>

	Emoluments: incentive payments £000	Pension contributions £000	Total £000
<b>11 months to 28 February 2022</b>			
Nick Leslau	-	-	-
Sandy Gumm	74	9	83
	<b>74</b>	<b>9</b>	<b>83</b>

	Emoluments: incentive payments £000	Pension contributions £000	Total £000
<b>Year to 31 March 2021</b>			
Nick Leslau	-	-	-
Sandy Gumm	58	10	68
	<b>58</b>	<b>10</b>	<b>68</b>

The directors are not remunerated by the Company, other than through certain pension contributions and those incentive arrangements described in note 18, to which one of the directors remains entitled. The incentive payments shown above reflect cash amounts paid during the period arising from those arrangements.

The key management personnel of the Company and the Group, who together have authority and responsibility for planning, directing and controlling the activities of the Group, are the two directors of the Company.

## Notes to the financial statements (continued)

### 7. Staff numbers and costs

The average number of persons employed during the period was as follows:

<b>Group and Company</b>	<b>11 months to 28 February 2022 Number</b>	<b>Year to 31 March 2021 Number</b>
Property	1	1
Finance	5	5
Administration	5	5
	<b>11</b>	<b>11</b>

The two directors are not employees of the Company. The employment costs of staff during the period, excluding amounts paid to directors, were as follows:

<b>Group and Company</b>	<b>11 months to 28 February 2022 £000</b>	<b>Year to 31 March 2021 £000</b>
Wages and salaries	689	705
Social security costs	77	90
Other pension costs	22	34
	<b>788</b>	<b>829</b>

During the prior year, a further provision of £0.6 million was made in respect of amounts payable to certain employees as described in note 18. During the current period that provision has been reversed as the cost is not ultimately expected to be borne by the Company.

### 8. Interest receivable and similar income

<b>Group</b>	<b>11 months to 28 February 2022 £000</b>	<b>Year to 31 March 2021 £000</b>
Interest receivable on loan notes held in fixed asset investment	69	124
Other interest receivable	6	9
Bank interest receivable	-	2
	<b>75</b>	<b>135</b>

## Notes to the financial statements (continued)

### 9. Profit before tax

The profit before tax is stated after charging / (crediting):

	11 months to 28 February 2022 £000	Year to 31 March 2021 £000
Land and buildings: operating leases	640	700
Land and buildings: sublease income on operating leases	(193)	(276)
Movement in provision for amounts payable under incentive arrangements (note 18)	444	261
Movement in other provision (note 18)	(589)	589
Depreciation (note 15)	32	42
<i>Auditor's remuneration for:</i>		
The audit of the Company and its annual consolidated financial statements	46	29
The audit of the Company's subsidiaries, pursuant to legislation	-	13
Other services	2	2

### 10. Tax

	11 months to 28 February 2022 £000	Year to 31 March 2021 £000
<b>Analysis of tax charge in the profit and loss account</b>		
UK corporation tax – current tax charge	218	499
UK corporation tax – adjustments in respect of prior years	(12)	16
Deferred tax	4,258	1,114
	<b>4,464</b>	<b>1,629</b>
<b>Factors affecting the tax charge</b>		
Profit on ordinary activities before tax	<b>13,488</b>	<b>6,932</b>
Corporation tax at the standard UK rate of 19% (2021: 19%)	<b>2,563</b>	<b>1,318</b>
Effects of:		
Change of tax rate applicable to deferred tax balances	<b>2,697</b>	-
Tax impact of unrealised revaluation movements	<b>(608)</b>	134
Tax treatment of movement in provision in respect of incentive arrangements	<b>(195)</b>	153
Adjustments in respect of prior years	<b>(12)</b>	16
Capital losses not utilisable/(utilised)	<b>10</b>	(1)
Capital allowances lower than depreciation	<b>5</b>	6
Taxable share of results from partnership investments	<b>5</b>	2
Disallowable items	<b>(2)</b>	-
Income losses not available for group relief	<b>1</b>	1
<b>Total tax charge for the period</b>	<b>4,464</b>	<b>1,629</b>

The UK corporation tax rate will increase to 25% with effect from April 2023, which will increase the Group's current tax charge from that date.

## Notes to the financial statements (continued)

### 10. Tax (continued)

The deferred tax charge comprises:

	11 months to 28 February 2022 £000	Year to 31 March 2021 £000
<b>Group</b>		
Origination and reversal of timing differences	4,258	1,114

The deferred tax assets and liabilities have been measured based on the tax rates substantively enacted at the balance sheet date. The increase in the tax rate to 25% with effect from April 2023 noted above has resulted in an increase in the Group's deferred tax balances that are expected to reverse after that date.

As at 28 February 2022 the Group's deferred tax balances, all of which arise on unrealised revaluation movements in the Group's investments, other than a deferred tax asset of £0.2 million (2021: £nil) which arises on realised capital losses, comprised:

	Deferred tax assets £000	Deferred tax liabilities £000	Total £000
<b>Group</b>			
At the start of the period	117	(7,097)	(6,980)
Deferred tax on unrealised revaluation movements	-	(1,586)	(1,586)
Deferred tax on realised revaluation movements	25	-	25
Change of tax rate	44	(2,741)	(2,697)
Credit / (charge) to the profit and loss account	69	(4,327)	(4,258)
At the end of the period	186	(11,424)	(11,238)

As at 28 February 2022 the Group's unprovided deferred tax assets were as follows:

	<b>Group</b> 28 February 2022 £000	<b>Group</b> 31 March 2021 £000	<b>Company</b> 28 February 2022 £000	<b>Company</b> 31 March 2021 £000
Trade losses and management expenses	296	640	279	627
Capital losses	1,907	1,988	-	-
	<b>2,203</b>	<b>2,628</b>	<b>279</b>	<b>627</b>

Deferred tax assets have not been recognised in respect of these amounts due to uncertainty over the timing of future taxable profits against which they can be utilised.

## Notes to the financial statements (continued)

### 11. Investments in subsidiary undertakings

	11 months to 28 February 2022 £000	Year to 31 March 2021 £000
<b>Cost and net book value</b>		
At the start of the period	100,669	96,924
Reversal of historic impairment from revaluation movements	5,759	6,268
Impairment as a result of dividends received from subsidiaries	(48,849)	(2,523)
<b>At the end of the period</b>	<b>57,579</b>	<b>100,669</b>

The Company's subsidiary undertakings at 28 February 2022 are listed below. All are directly held and are registered and operate in England, with their registered office at Cavendish House, 18 Cavendish Square, London, W1G 0PJ.

Name	Company number	Nature of business at 28 February 2022
Prestbury SIR 1 Limited	09361164	Investment company
Prestbury SIR 2 Limited	09361122	Investment company
Prestbury SIR 3 Limited	09360996	Investment company
PIHL Equity Administration Limited	05716927	Investment company
PIHL Services Limited	05386803	Investment and management company
New Prestbury Limited	03794420	Dormant
Sale & Leaseback Limited	06275379	Dormant
Prestbury (Stukeley Road) Limited	03672195	Dormant

The Company holds 100% of the voting rights and 65% of the income and capital entitlements of PIHL Equity Administration Limited. All other subsidiary undertakings are wholly owned by the Company.

Prestbury SIR 1 Limited, Prestbury SIR 2 Limited, Prestbury SIR 3 Limited, PIHL Equity Administration Limited and PIHL Services Limited are taking advantage of the exemption from audit under section 479a of the Companies Act 2006, and as a result the Company will provide a statutory guarantee as at 28 February 2022 for any outstanding liabilities of these companies, all of which have been included in these consolidated financial statements. As at 28 February 2022, none of these subsidiary undertakings had net liabilities.

### 12. Investment in PIHL Property LLP

The Group holds investments in Secure Income REIT Plc ("SIR") and Hometown Group Limited together with Hometown Partnership ("Hometown") through its interests in 0.1% of the A Capital and 99.99% of the B Capital of PIHL Property LLP ("Property LLP"), which is registered and operates in England, with its registered office at Cavendish House, 18 Cavendish Square, London, W1G 0PJ. The historic cost of the Group's investment in Property LLP is £26.3 million (2021: £26.2 million).

The A capital carries the voting rights in Property LLP and entitles the holder to a pro rata share of any returns derived from Property LLP's investments after a priority return on the B capital. The B capital carries no voting rights in Property LLP but entitles the holder to a priority profit share equivalent to a return on equity invested of up to 9% per annum compounded annually, provided that Property LLP's underlying investments generate sufficient returns in aggregate.

## Notes to the financial statements (continued)

### 12. Investment in PIHL Property LLP (continued)

The movement in the fair value of the investment in the period comprised:

Group	SIR £000	Holetown £000	Other £000	Total £000
At the start of the period	55,673	5,001	24	60,698
Additions at cost	-	103	-	103
Unrealised revaluation movement	10,259	39	5	10,303
Distributions paid to the Group	(1,914)	-	-	(1,914)
Change in fair value	8,345	39	5	8,389
At the end of the period	64,018	5,143	29	69,190

The unrealised valuation movement in the Group's investment comprised the following underlying movements in Property LLP:

Group	SIR £000	Holetown £000	Other £000	Total £000
Revaluation gain / (loss)	8,313	39	27	8,379
SIR dividends received	1,946	-	-	1,946
Administrative expenses	-	-	(22)	(22)
Unrealised revaluation movement	10,259	39	5	10,303

As at 28 February 2022, Property LLP continued to hold a 5.2% interest in SIR, on which there was an unrealised revaluation gain of £8.3 million in the period reflecting an increase in the SIR share price from 359.5p to 413p. As a result, the Group's interest in SIR was carried in the balance sheet at a fair value of £64.0 million as at 28 February 2022 compared to £55.7 million as at 31 March 2021. The fair value of the investment reflects a discount of 8% (2021: 8%) to the SIR mid-market quoted share price at the balance sheet date, representing an estimate of the discount that would be required in order to sell the shares in a block trade given that the investment represents a material management holding in SIR.

Property LLP also indirectly holds a 50% voting interest in Holetown Group Limited and Holetown Partnership (collectively "Holetown"). Holetown Group Limited is the parent company of a group which owns a 3.5 acre beachfront development site on the west coast of Barbados and is a joint venture company, incorporated in England with its registered office at Cavendish House, 18 Cavendish Square, London, W1G 0PJ, in which the Group indirectly has a 40% economic interest. Holetown Partnership is a partnership between the joint venture investors in Holetown Group Limited, so the Group ultimately has the same relative interest in that partnership as in Holetown Group Limited. Holetown Partnership is the lender to Holetown Group Limited.

The total capital invested to date by the Group in Holetown is £13.0 million (2021: £12.9 million) of which £0.1 million (2021: £0.1 million) was invested in the period. The investment is held at £5.1 million (2021: £5.0 million) in these financial statements, representing the directors' assessment of its fair value, with the movement in the period comprising a £0.1 million unrealised revaluation gain from exchange rate movements (2021: loss of £0.6 million) as the functional currency of the investment is US dollars.

## Notes to the financial statements (continued)

### 13. Associate

The Group's associate is Burford Beta Holdings Limited, incorporated in England with its registered office at Richmond House, Avonmouth Way, Avonmouth, Bristol, BS11 8DE. Its principal activities are property trading and development and the Company holds a 14.45% interest, via a 43.0% holding in the ordinary A shares of Burford Beta Holdings Limited, one of three share classes in that company. The investment was fully impaired in a prior year to reflect contingent liabilities in an underlying entity and the uncertainty of any return being realised but, following the realisation of a number of the underlying group's investments during the period, £3.0 million of that impairment has been reversed to reflect the directors' assessment of the recoverable amount.

Results of the associate for the period ended 28 February 2022 are not yet available but the directors do not consider that they would have a material impact on the results of the Group or the Company for the period.

### 14. Other fixed asset investment

During the period the Company sold its other fixed asset investment, which comprised ordinary and preference shares in a private company along with loan notes secured on other shareholdings in that company.

	Ordinary and preference shares £000	Loan notes £000	11 months to 28 February 2022 £000	Year to 31 March 2021 £000
<b>Group and Company</b>				
At 1 April 2021	1,938	152	2,090	2,227
Additions	71	-	71	70
Disposal	(2,009)	-	(2,009)	-
Repayment of loan notes	-	(152)	(152)	(107)
Change in fair value	-	-	-	(100)
<b>At 28 February 2022</b>	-	-	-	2,090

The loss on disposal of the ordinary and preference shares comprised:

	11 months to 28 February 2022 £000	Year to 31 March 2021 £000
<b>Group and Company</b>		
Disposal proceeds – cash consideration	1,955	-
Book value	(2,009)	-
	(54)	-

In addition to the amounts above, the Company received cash consideration of £0.3 million in settlement of accrued interest on the preference shares and loan notes.

## Notes to the financial statements (continued)

### 15. Tangible fixed assets

Group	Computer hardware and software £000	Fixtures, fittings and equipment £000	Total £000
<b>Cost</b>			
At 1 April 2021	34	246	280
Additions	18	22	40
Fully depreciated amounts written off	(29)	(80)	(109)
<b>At 28 February 2022</b>	<b>23</b>	<b>188</b>	<b>211</b>
<b>Depreciation</b>			
At 1 April 2021	(32)	(182)	(214)
Charge for the period	(5)	(27)	(32)
Fully depreciated amounts written off	29	80	109
<b>At 28 February 2022</b>	<b>(8)</b>	<b>(129)</b>	<b>(137)</b>
<b>Net book value</b>			
<b>At 28 February 2022</b>	<b>15</b>	<b>59</b>	<b>74</b>
At 31 March 2021	2	64	66

### 16. Debtors

	Group 28 February 2022 £000	Group 31 March 2021 £000	Company 28 February 2022 £000	Company 31 March 2021 £000
Trade debtors	65	193	-	149
Prepayments and accrued income	761	703	572	431
Other debtors	497	465	427	452
Rent free incentives	14	6	-	-
Amounts due from group undertakings	-	-	152	223
<b>Debtors due within one year</b>	<b>1,337</b>	<b>1,367</b>	<b>1,151</b>	<b>1,255</b>
Deferred tax assets	186	117	186	117
<b>Debtors due in more than one year</b>	<b>186</b>	<b>117</b>	<b>186</b>	<b>117</b>

### 17. Creditors due within one year

	Group 28 February 2022 £000	Group 31 March 2021 £000	Company 28 February 2022 £000	Company 31 March 2021 £000
Trade creditors	64	240	23	191
Accruals and deferred income	283	143	220	57
Tax and social security	102	65	130	96
Corporation tax	39	277	-	-
Other creditors	7	69	7	7
Amounts due to group undertakings	-	-	12	47,367
	<b>495</b>	<b>794</b>	<b>392</b>	<b>47,718</b>

## Notes to the financial statements (continued)

### 18. Provisions

	28 February 2022 £000	31 March 2021 £000
<b>Group and Company</b>		
Amounts payable under incentive arrangements	3,011	2,745
Other provision	-	589
	<b>3,011</b>	<b>3,334</b>

The movements in the provisions comprised:

	28 February 2022 £000	31 March 2021 £000
At the start of the period	3,334	2,597
(Credit) / charge in the profit and loss account:		
Amounts payable under incentive arrangements	444	261
Other provision	(589)	589
	(145)	850
Payments made alongside distributions to shareholders (including employer's national insurance)	(178)	(113)
<b>At the end of the period/year</b>	<b>3,011</b>	<b>3,334</b>

The directors believe that it is appropriate to remunerate senior staff in a way which aligns their interests with those of all shareholders and have put in place arrangements whereby this can be achieved. The three participants in the incentive arrangements (one of whom is a director who does not participate in any decision about her own remuneration) are entitled to share in an aggregate of 4.7% of the net asset value of the Group and are therefore entitled to receive payments equal to an aggregate of 4.7% of any distributions or other returns made to shareholders, net of employer's national insurance contributions which reduce the amounts receivable by the participants. As a result, alongside the dividends paid to shareholders during the period, payments totalling £0.2 million (2021: £0.1 million) were made in respect of these arrangements, including employer's national insurance.

A separate provision of £0.6 million was recognised in the prior year in respect of arrangements with two further senior members of staff, where the Company had the right, but not the obligation, to charge the cost of those arrangements to third parties. Since the balance sheet date, the relevant liabilities have crystallised in full at nil cost to the Company, so the directors consider it appropriate to reverse the provision in the current period.

## Notes to the financial statements (continued)

### 19. Financial assets and liabilities

The Group's financial assets and liabilities can be analysed as follows:

	28 February 2022 £000	31 March 2021 £000
<b>Financial assets</b>		
Measured at amortised cost	3,377	3,277
Measured at fair value through profit or loss	-	2,090
	<b>3,377</b>	<b>5,367</b>

	28 February 2022 £000	31 March 2021 £000
<b>Financial liabilities</b>		
Measured at amortised cost	(326)	(404)

Financial assets measured at amortised cost comprise cash, trade debtors, accrued income and other debtors. Financial assets measured at fair value through profit or loss comprise other fixed asset investments.

Financial liabilities measured at amortised cost comprise trade creditors, other creditors and accruals.

Information regarding the Group's exposure to and management of financial risks is included in the strategic report. The Group's income and losses in respect of financial instruments can be analysed as follows:

	11 months to 28 February 2022 £000	Year to 31 March 2021 £000
<b>Interest income</b>		
Financial assets at fair value through profit or loss	69	124
Financial assets at amortised cost	6	11
	<b>75</b>	<b>135</b>
<b>Loss on disposal</b>		
Financial assets at fair value through profit or loss	(54)	-

There were no impairment losses in relation to financial assets in the period (2021: £nil).

The reconciliation of the Group's net cash in the period was as follows:

	1 April 2021 £000	Cash flows £000	Other non-cash movements £000	28 February 2022 £000
Cash at bank and in hand	2,667	(368)	3	2,302
<b>Net cash</b>	<b>2,667</b>	<b>(368)</b>	<b>3</b>	<b>2,302</b>

## Notes to the financial statements (continued)

### 20. Called up share capital

	28 February 2022	31 March 2021
	£	£
<b>Issued share capital</b>		
<i>Irredeemable Ordinary Shares of 0.0001p</i>		
115,529,096 (2021: 115,529,096) issued	116	116
<b>Total share capital</b>	<b>116</b>	<b>116</b>

Share capital represents the aggregate nominal value of shares issued.

### 21. Reserves

The capital redemption reserve represents the nominal value of six classes of shares that were acquired and cancelled by the Company in previous years.

The profit and loss reserve represents cumulative profits or losses, including unrealised movements on the fair values of investments, net of dividends paid. As at 28 February 2022, £57.8 million (2021: £22.8 million) of the Company's profit and loss reserve represented distributable reserves.

### 22. Net asset value per share

	28 February 2022	31 March 2021
Net asset value attributable to shareholders (£000)	61,186	55,778
Number of shares in issue	115,529,096	115,529,096
<b>Net asset value (pence per share)</b>	<b>53.0</b>	<b>48.3</b>
Movement in net asset value per share in the period (pence)	4.7	2.6
Dividends per share paid in the period (pence)	3.1	2.0
<b>Total shareholder return (pence per share)</b>	<b>7.8</b>	<b>4.6</b>
<b>Total shareholder return (% of net asset value)</b>	<b>16.1%</b>	<b>10.1%</b>

### 23. Non-controlling interests

	11 months to 28 February 2022	Year to 31 March 2021
	£000	£000
At the start of the period/year	2	4
Share of total comprehensive income	(1)	(2)
<b>At the end of the period/year</b>	<b>1</b>	<b>2</b>

As at 28 February 2022 the non-controlling interests represented a 35% shareholding in PIHL Equity Administration Limited, which holds a partnership investment that is now in members' voluntary liquidation.

## Notes to the financial statements (continued)

### 24. Operating leases

The Group had minimum lease payments under non-cancellable operating leases as follows:

	28 February 2022 £000	31 March 2021 £000
Within one year	700	700
Between one year and five years	2,800	2,800
More than five years	698	1,339
	<b>4,198</b>	<b>4,839</b>

A Group company has an operating lease on the Group's offices, with 6.0 years unexpired as at 28 February 2022 (2021: 6.9 years). The rent is payable to a related party, details of which are given in note 25. The Group also has the benefit of non-cancellable operating lease rental income from subleases on that property with future minimum rental receipts as follows:

	28 February 2022 £000	31 March 2021 £000
Within one year	209	119
Between one year and five years	64	-
	<b>273</b>	<b>119</b>

The Company had no commitments under non-cancellable operating leases at either balance sheet date.

### 25. Related party transactions

Any transactions with or between wholly owned subsidiary undertakings that are included in the Group's consolidated financial statements are not required to be, and have not been, disclosed.

During the period, the Company provided financial, administration, company secretarial, property management and other services to Prestbury Investment Partners Limited ("PIP") to support the provision of investment advisory services to Secure Income REIT Plc ("SIR"). Nick Leslau is the ultimate controlling party of PIP and Sandy Gumm is a shareholder in PIP and a member of its key management personnel. The revenue received for these services by the Company from PIP was £1.8 million (2021: £1.8 million), £0.4 million (2021: £0.1 million) of which was outstanding at the balance sheet date and is included in prepayments and accrued income (2021: trade debtors). As described in note 27, these arrangements were terminated in July 2022 when the management of SIR changed following completion of the recommended merger with LXI.

The rent payable by the Group on its offices, described in note 24, is payable to 18 Cavendish Square Limited, a company controlled by Nick Leslau. The rental charge for the period was £0.6 million (2021: £0.7 million), all of which had been paid at the balance sheet date.

## Notes to the financial statements (continued)

### 26. Controlling party information

As at 28 February 2022, the Company's immediate parent undertaking was Lesray Holdings Limited and its ultimate parent undertaking was Yoginvest Limited. Both Lesray Holdings Limited and Yoginvest Limited are registered in England with the registered office at Belfry House, Champions Way, Hendon, London, NW4 1PX, and neither prepares consolidated financial statements on the basis that each is the parent undertaking of a small group. Nick Leslau is the ultimate controlling party of Yoginvest Limited and the Company.

### 27. Events after the balance sheet date

Since the balance sheet date, the Group has exchanged its interest in Secure Income REIT Plc ("SIR") for cash and shares in LXi REIT Plc ("LXi"), a UK Real Estate Investment Trust listed on the main market of the London Stock Exchange, following the recommended merger of the two companies in a share for share exchange with a partial cash alternative.

The acquisition valued SIR shares at 475.5p each, which was equivalent to a fair value of £80.1 million for the Group's investment, and on completion of that transaction the Group received 44.3 million LXi shares with a fair value at that date of £63.4 million and cash of £16.7 million. This represents a gain of £16.1 million over the 28 February 2022 book value.

Following a change of investment adviser as a result of the merger, in July 2022 the Company ceased to earn fee income as a result of the termination of the relevant arrangements, with the costs of termination met by the entity from which the Company received its fee income. The Company is contractually obliged to provide transitional services until 7 October 2022, at which point those operations will cease.

Since the period end, the Group has received distributions totalling £1.3 million from SIR and the Company has paid two interim dividends totalling £15.1 million (13.1 pence per share).

On a pro forma basis, the impact of the post balance sheet transactions above, but without adjusting for any other post balance sheet trading or revaluations, is as follows:

	28 February 2022 (audited) £000	SIR/LXi merger £000	SIR dividends received £000	Dividends paid £000	Pro forma net assets (unaudited) £000
Investment in SIR	64,018	(64,018)	-	-	-
Investment in LXi	-	63,442	-	-	63,442
Cash	2,302	16,673	1,308	(15,850)	4,433
Deferred tax liability	(11,238)	(996)	-	-	(12,234)
Current tax liability	(39)	(2,302)	(249)	-	(2,590)
Provisions	(3,011)	(600)	(50)	743	(2,918)
Other net assets	9,154	-	-	-	9,154
<b>Net assets attributable to shareholders</b>	<b>61,186</b>	<b>12,199</b>	<b>1,009</b>	<b>(15,107)</b>	<b>59,287</b>
<b>Net asset value per share (pence)</b>	<b>53.0</b>				<b>51.3</b>
<b>Pro forma Total Accounting Return</b>					<b>21.5%</b>

## Company information

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Director and Company Secretary Sandy Gumm BEc CA (ANZ)

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### *Registrars' helpline*

0371 664 0300

Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom will be charged at the applicable international rate. The helpline is open 9.00am to 5.30pm, Monday to Friday excluding public holidays in England and Wales.

### *Registrars' email*

ShareholderEnquiries@LinkGroup.co.uk

### *Registrars' share portal*

The share portal allows you to view your holdings and change your address online. To register for the share portal visit [www.SignalShares.com](http://www.SignalShares.com). All you need is your investor code, which can be found on your share certificate.

The Company's shares are not listed.

Enquiries about the whereabouts of share certificates, changes of address or transfers of shares should be addressed in the first instance to the registrars.

Other enquiries should be directed in writing to the Company Secretary at the registered office or by email to [enquiries@Prestbury.co.uk](mailto:enquiries@Prestbury.co.uk).