Athelney Trust Plc

Small cap experts with 21 years of dividend growth

28 February 2024

Athelney Trust (ATY) is a Main Market listed investment trust with a portfolio which is specifically focused on small (£50-230m market cap) UK companies. All investments are liquid, either fully LSE listed or via a trading facility on AIM or AQSE.

The portfolio comprises companies with strong profit and dividend growth records, assessed as undervalued vs (a) prospective earnings and distributions and (b) relative to their underlying asset bases (land, buildings, other assets and cash).

Track record and ambitions

We believe investors should consider the following issues, which we review in this report:

- The trust's investment strategy, current portfolio, FY23 results and strong long-term track record.
- The asset manager's performance and strategy. **EC Pohl (ECP)** has been represented on the Board since 2010 and managed the trust since 2019. ECP is a proven and successful wealth manager over a sustained period. Later in this note we set out information on its own funds, and how ECP's strategies align with ATY's medium-term ambitions.
- Plans to build AUM scale. ATY's relatively small fund size (c £4.5m AUM) and strict control of expenses currently limits its internal resources and other costs. An investment trust is by definition a closed end fund but can raise money via share issues. ECP believes that this would add flexibility to management and investment decisions. It is, however, adamant that this will not be done at a dilutive price - so it will await a share price closer to NAV.

Prospects and valuation

The shares trade at a c 10% discount to 204.7p NAV/share (31 January 2024). A core attraction for investors is the trust's dividend record and commitment to progressive distributions. ATY agreed a 9.8p/share dividend in FY23 equivalent to a 5.3% yield, with prospects for further growth in the current and future financial years.

The underlying portfolio is well diversified by company and sector, invested in entities in sound financial condition and well positioned competitively. That fits the asset manager's conviction that it has an opportunity to identify value and capitalise on an under-researched segment. Its resources are directed to uncover opportunities to generate superior investment returns.

Its decision-making processes are clearly defined and applied rigorously and without sentiment, focus on long-term performance and see-through short-term market turbulence.

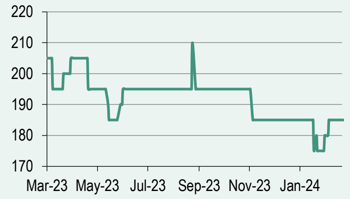
Conclusion

We see the portfolio as well placed to benefit as market sentiment towards UK smaller companies and investment trusts progressively improves. As that is reflected in improvements in underlying average equity ratings, we would expect the trust's NAV to appreciate, with the existing high discount of its shares to NAV diminishing.

Company Data

EPIC	ATY
Price (last close)	185p
52 weeks Hi/Lo	210p/175p
Market cap	£4.0m
NAV at y/e	£4.5m
Current shares discount to NAV	10%

Share Price, p



Source: ADVFN

Description

Athelney Trust is a UK listed investment trust. Its objective is to provide its shareholders with long-term capital and dividend growth from a diversified portfolio of UK listed small cap companies, industries, and sectors.

The strategy is focused on total return, although the Asset Manager is committed to maintaining its 21-year progressive dividend record.

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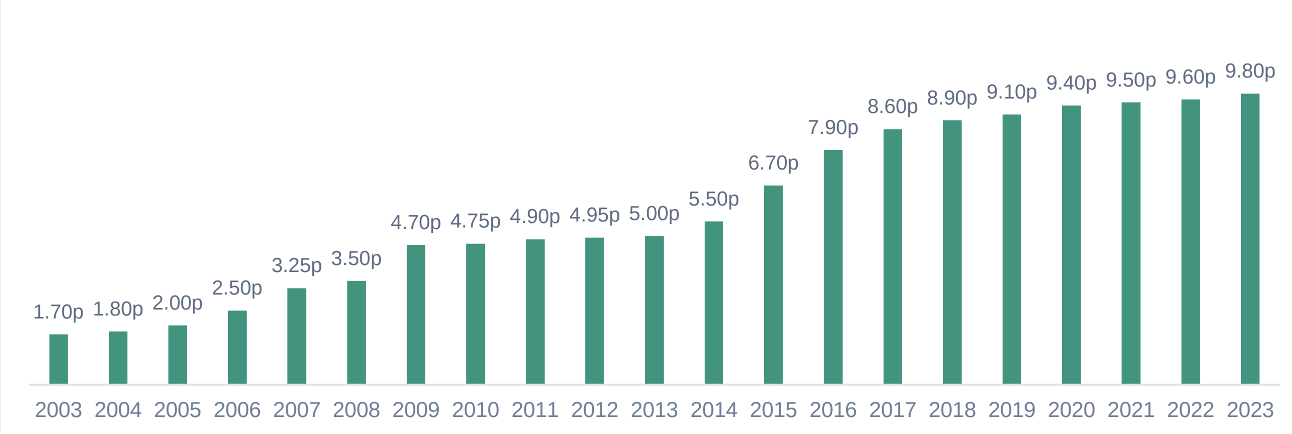
Athelney Trust

ATY is a closed-end vehicle with fixed share capital. The shares are underpinned by a 5.3% yield, two decades of consecutive dividend growth and underlying income and capital growth potential of its UK-listed smaller company portfolio. Unaudited NAV at end Jan 2024 was **204.7p/share**, 2.1% below end Dec 2023.

The shares current trade at a discount to NAV above 10%. Any premium/discount is influenced by anticipated portfolio performance, and also pivots upon (a) supply and demand for the shares, (b) the asset manager's reputation and track record, (c) ongoing expense ratio and (d) profile of the independent board of directors.

In 2023 ATY paid 9.8p of dividends per share vs 9.6p for the prior year. That's equivalent to a 5.3% yield vs the 3.37% weighted average yield for the AIC UK Smaller Companies. The trust's distribution record saw it promoted to the full list of **AIC Dividend Heroes** which have recorded at least 20 consecutive years of progressive distributions. Just 17 of the 324 AIC members made that list in 2022.

Dividend growth record of ATY



Source: ATY documents

Recent returns have been affected by negative sentiment towards UK smaller companies. However, the portfolio is well diversified by asset and sector and ECP sees significant upside potential as a number of key investments begin to outperform and over time there is an expected progressive pick up in sentiment towards and ratings of UK smaller companies.

Discrete annual performance (%)

	Return Type	19/20	20/21	21/22	22/23	23/24
Athelney Trust	Share price total return	8.2	-10.0	23.1	-8.9	-5.2
Athelney Trust	NAV total return	16.1	1.0	11.1	-13.3	-6.5
Morningstar UK Small Cap	Total return	9.9	17.1	-1.5	-3.1	-2.3

Source: AIC The Association of Investment Companies (at end February 2024)

As strong performance feeds through to a reduced NAV discount and potentially moves the shares above NAV/share, ATY may seek to raise additional funds via share issues which it believes this will build flexibility and benefit shareholders.

No timing has been set for future fundraisings and the manager has confirmed that it is not prepared to do this on terms which would dilute existing shareholders.

Investment philosophy

ATY invests in UK listed smaller companies with proven track records. It seeks to ensure that if its portfolio is affected by underlying markets, there are opportunities to actively manage assets to outperform across a cycle. The focus is high quality growth businesses capable of generating predictable, above average economic returns, which the manager expects to be reflected in superior investment performance and relative valuation ratings over the longer-term. Each holding has been assessed and selected on the basis of its characteristics as a reliable source of dividend growth on a five-year rolling basis.

The asset manager is Australia based EC Pohl & Co (ECP). It manages c AUD$2.7bn (£1.4bn) of institutional and retail funds and applies well tested investment strategies to create diversified, income focused portfolios. Its investment strategy also ensures that equities selected have the liquidity to exit a position at market when deemed appropriate.

Strategic search for an information advantage

The focus on small to mid-caps seeks to increase the potential for **s**ubstantial growth in earnings from an agile business, and potential for additional rerating based upon both an evolving track record and scale. ECP believes that successful active management pivots on an information advantage and that the greatest opportunities to derive this lie with the small cap segment.

The primary investment focus is quality businesses within the growth phase of their lifecycle.

Optimal timing of investment by ATY

Source: ATY document

Its view is that **UK smaller companies are generally undervalued** relative to intrinsic prospects and expects ratings to improve progressively as fundamental strengths are recognised. As NAV builds it anticipates that this will be matched by a reduction in the discount at which ATY shares trade. It regards recent material derating of equity valuations, particularly for growth-oriented stocks and anticipated ongoing market volatility, as an opportunity to invest in businesses which exhibit resilience across the full economic cycle.

The portfolio has been positioned to benefit from anticipated upside as:

- Companies deliver against specific strategies
- Individual share ratings improve in line with intrinsic values
- Investors perceive more certainty in the timing of a decline in UK interest rates, possibly during the second half of this calendar year
- It experiences a commensurate reduction in the trust's NAV discount to reflect these prospects

ECP capitalises upon some advantages specific to investment trusts, notably their ability to invest with longer time horizons. Although an investment trust can borrow money to invest, the IM has indicated that it does not intend to secure debt for this purpose.

Asset allocation

At the core of the investment philosophy is a belief in a clear connection between a business's underlying economics and its long-term investment returns. **ATY takes the approach of a business owner rather than a share trader.** It carries out detailed analysis to distinguish between numbers and narrative to identify sustainable practices and a long-term mindset.

The trust's asset allocation is to fully LSE listed companies, or those with a trading facility on AIM or AQSE. The portfolio comprises shares of companies with (a) strong profit and dividend growth records, assessed as undervalued vs prospective earnings and distributions and (b) which are undervalued relative to their underlying asset bases (land, buildings, other assets and cash).

The manager screens UK Small Caps (£50m to £230m market cap) to identify quality growth companies. It seeks to capitalise on an under-researched segment in which institutions are often underweight. It directs its resources specifically to uncover opportunities which will deliver superior investment returns. Decision-making processes are clearly defined and applied consistently, rigorously and without sentiment.

The table below reveals a strong property weighting. This is predominantly UK REITs, selected for their prospective distributions. It expects other dividends to increase sufficiently over time to enable it to progressively reduce its UK REIT weighting and build exposure to stronger capital growth prospects that nonetheless still support its AIC dividend hero status.

We expect ATY to, if necessary, support its dividend short-term from reserves and ongoing distributions from REITs which are typically higher yield.

ATY asset allocation

Sector	% of fund
Property - Commercial & Residential	25.6
General Financial	19.4
Media	11.0
Support Services	8.2
Leisure Goods	6.7
Travel and Leisure	4.5
Food & Beverages	4.1
Chemicals	4.0
Mobile Communications	3.9
Technology Software Services	3.7
Multiutilities	3.4
Construction and Materials	3.1
Electronic and Electrical Equipment	1.2
Industrial Engineering	1.2
	100.0

Source: ATY fact sheet 31 December 2023

The above stock selection strategy has driven investment. ATY is by temperament a long-term investor, but regularly revisits its portfolio to assess potential to improve returns. It has seen material turnover over the last 18 months.

There is no specific benchmark, but the most relevant reference Index is the Numis Smaller Companies plus AIM excluding Investment Companies Index. Most portfolio holdings are likely to be drawn from the constituents of that index.

Details of ATY's portfolio are set out below.

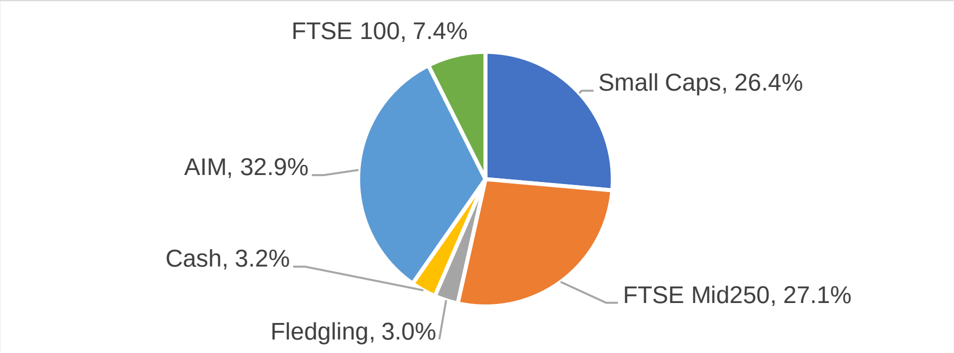
20 Largest Holdings

At 31 Dec 2023	Proportion of Trust, %
AEW UK REIT	12.8
Impax Aset Management	8.0
Tritax Big Box	7.5
Games Workshop	6.5
4Imprint	5.1
Cake Box Holdings	4.4
Fevertree Drinks	3.9
Treatt	3.9
Gamma Communications	3.7
LondonMetric Property	3.6
Cerillion	3.5
Close Brothers	3.5
National Grid	3.3
Clarke T	3.0
Rightmove	2.9
S&U	2.9
Liontrust Asset Management	2.8
Paypoint	2.8
NWF Group	2.7
YouGov	2.6
Top 20 total	**89.4%**
Other five holdings	7.4
Cash	3.2
Total %	**100.0%**

Source: ATY FY23 Annual Report

The portfolio is actively managed, and the weightings above reflect the manager's conviction rather than the index. There is consequently potential for performance and volatility to significantly vary vs the reference index.

Nature of investee companies



Source: ATY FY23 Annual Report

Stock selection

The investment screen incorporates rules and procedures to help ATY to see through market 'noise'. It seeks sustainable competitive advantage which provides an asset with flexibility to withstand short-term headwinds regardless of market conditions, maintain market share and continue to find ways to grow. It regards an ability to move quickly, adapt dynamically and take advantage of opportunities as they arise and capitalise on market trends and demand as key to ongoing success of such businesses.

Components of the selection process include:

- Placing high value on a business's long-term potential, not just performance
- Identification of sustainable, growing businesses
- Disregarding temporary market turbulence

The investment strategy seeks quality franchises via in-depth, detailed analysis to establish whether (a) there is a sustainable competitive advantage, (b) it operates in a favourable industry and (c) It has suitable management in place to execute on an appropriate strategy. The key attributes defining investments are:

Investment focus	
Organic Sales Growth	• Focus on quality franchises organically growing sales above GDP growth • Sustainability. This pivots on a business's access to a large, growing market opportunity and compelling competitive advantages. These will also drive ongoing market share gains
A Proven Track Record	• Management's capability and the strength of the business' model. • Consistent delivery of a 15%+ Return on Equity • A belief that a stock's long-term return to shareholders will be driven by the underlying business's Return on Capital
Company's future profits	• Backing proven management teams and successful business models • Management is key decision maker re strategy and competitive positioning • Critical to have confidence in target's ability to sustainably execute its strategy and grow its earnings, even in a tough trading environment
Low Leverage	• ATY is a long-term investor; capital preservation is highest priority • Balance sheet strength provides options and flexibility to execute strategy over the long-term • Investments must operate with low debt levels, which translates into sufficient resources to execute on their strategy. Avoid businesses with impending debt refinancing, potentially vulnerable to market deterioration • Interest Coverage above 4x provides sufficient bandwidth for all eventualities

Source: ATY FY23 Annual Report

These filters have driven the decision-making process that underpins the current portfolio. Other key components of the selection screening process would seek to identify:

- Equity illiquidity: is there a limit to the ability to buy or sell shares?
- Reliance on key personnel
- Businesses which are less systemised. These may be regarded as sub-optimal
- Limited financial transparency and access to independent research
- Businesses aligned primality with the interests of their founders, rather than external shareholders
- Higher risk of individual default

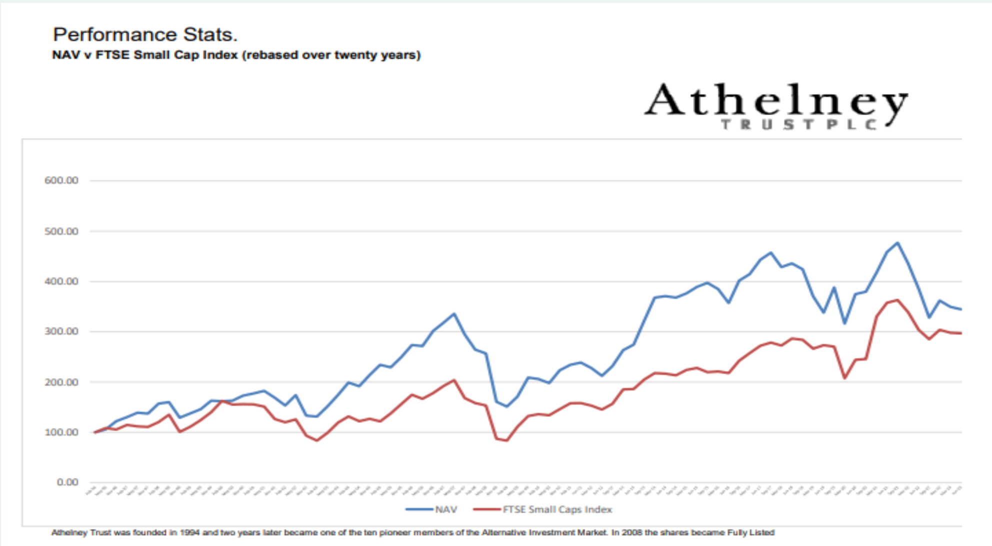
Its investment process includes screens which exclude entities which it regards as higher risk. If the process generates satisfactory metrics on those issues, the next stage analyses balance sheet quality to assess asset backing. These examine in particular:

Structured risk evaluation

Balance sheet	Liabilities – are these generally fixed? Provisions: be wary of off-balance sheet liabilities Asset values. These are typically determined by the market; what is realisable value? Is there potential for long-term wealth creation? Take the perspective of a business owner, not a share trader. The value of the equity is key. Pointless debt. Are dividend payments covered by business cash flow
Earnings Quality	Also consider: Are key sources of earnings annuity streams or one-offs? What are the risks to revenue or costs? Earnings representation. Does the accounting figure accurately represent the business's true, economic income?
Revenue overstatement.	Adjust for: Upfront recognition, e.g., software multi-year contracts Over estimations of project completion and WIP Uncollectible receivables which will later be written down
Cost of goods sold understatement	Any potential for operating cost understatement: Inventory write-down, reducing future COGS Inventory building from overproduction Capitalisation of costs (hidden operating costs) Depreciation & Amortisation understatement; unrealistic useful lives Costs hidden in provisions as 'significant items'
Management earnings	Exclude share-based compensation (non-cash) Is there any abnormal overstatement or hidden opex in one-offs?
Earnings Quality	Connections between accounts

Source: Company

20 years record of outperformance against index



Source: Company

FY23 investment Performance

ATY's shares currently stand at a 10% discount to trust NAV as at end January 2024 compared with the AIC UK Smaller Companies weighted average of 12%.

FY23 results and portfolio performance reflect the negative views surrounding UK smaller companies in the period, rather than specific issues within ATY's holdings. The manager noted that it believes its portfolio is in a period of rationalisation as a number of its companies proactively target their cost bases and drive efficiencies, cut unprofitable ventures and target high-value customers.

Absolute performance to end Dec 2023

12-month period	Negative 4.4% NAV total return Change in NAV plus dividends paid (FY22: minus 26.2%)
Five-year period	3.6% outperformance vs FTSE 250 (pa before management fees, expenses and dividends)
FY23 (total return basis)	4.7% decline in NAV and 11.9% fall in ATY share price Comparative is 8.2% fall in AIM All-Share index
Dividend	9.8p/share (FY22: 9.6p) 21st successive year of progressive dividend growth

Source: Company

The above was compounded by investor sentiment towards investment trusts, especially as higher interest rates presented attractive alternatives. During the period even higher-quality UK small company stocks generally lost ground to larger, liquid equities. As a result, investment trusts have yet to shake off some of the poor returns in the wider market over the past few years. In more challenging markets ATY takes a patient investment strategy that seeks good companies with shares at low price-book ratios.

In 2023 ATY's Share Price Total Return was -7.8% vs the segment weighted average of -1.0%. The NAV one-year Total Return of 1.1% shows a relative performance vs sector peers of -1.5%.

ECP has a defined commitment for responsible investment to ensure it meets clients' investment objectives. These are defined broadly as returns 2-4% p.a. above the benchmark over a rolling five-year period.

Athelney Trust – recent performance

	Return Type	1 year	3 years	5 years	10 years
Athelney Trust	Share price total return	-5.2	6.3	3.6	30.7
UK Smaller Companies AIC sector	Share price total return	-1.7	-8.9	17.8	62.9
Athelney Trust	NAV total return	-6.5	-9.7	6.6	27.6
UK Smaller Companies AIC sector	NAV total return	-0.5	-3.2	21.9	64.6
Morningstar UK Small Cap	Total return	-2.3	-6.8	9.1	32.1

Source: AIC The Association of Investment Companies (at end February 2024)

ECP sees the challenging investment backdrop reflected in ongoing material discounts to underlying share prices which are 'in double digit-territory' for the investment trust category (10.0% for UK Smaller Company investment trusts at end December 2023). As a closed-ended fund ATY can save up to 15% of its portfolio income each year, which provides a reserve in years where dividend income growth is more modest than originally projected.

Positively, it expect this to drive efficiencies and refine their value proposition in ways that will build competitive positioning, business resilience and growth rates. ATY productivity to pick up as these entities increase market shares and invest strategically in their businesses. This has already been reflected in portfolio company performance as supply chains have normalised and some inflation pressures diminish.

Outlook

ATY's portfolio scale remains modest at £4.5m AUM. It is however a closed-end fund which has not sought to raise additional funds and is debt free. The manager sees potential to scale AUM over the next few years.

Macro events have recently adversely affected portfolio performance, but the investment philosophy is based on a conviction that the long-term economics of a business drives investment returns. It holds a portfolio of companies with strong business models, capable and experienced management teams, and long-term portfolio company financial metrics including organic sales growth, earnings and dividend growth.

Income from investments

Y/e 31 December 2023, £	**2023**	**2022**
UK Main Market listed investments	105,608	79,926
UK AIM-traded shares	34,980	28,253
UK dividend income	**140,588**	**108,179**
Foreign dividend income	2,160	3,760
UK Property REITs	73,339	71,308
Bank interest	3,279	26
Total income	**219,366**	**183,273**

Source: ATY FY23 accounts

With respect to ongoing expenses, long-term prospects could be enhanced by devoting additional resource to detailed analysis and investigation of a broader base of prospective investments. This table below illustrates that management charges are a key component of expenses. However, a strong focus on cost control includes ensuring that NED fees are in line with other funds of similar scale, although appropriate time and resource is devoted to identifying opportunities and maintaining good governance.

Return on Ordinary Activities before Taxation

Y/e 31 December 2023, £	**2023**	**2022**
Directors' remuneration		
Non-executive Directors' fees	21,000	21,000
Wages and salaries	34,193	40,077
Auditor's remuneration		
Audit Services - Statutory audit	46,140	11,984
Miscellaneous expenses:		
Management services	32,472	32,472
PR and communications	2,225	6,687
Stock exchange subscription	12,000	10,500
Sundry investment management and other expenses	24,826	23,276
Legal fees	1,440	3,793
	174,296	**149,789**

Source: ATY FY23 accounts

ATY approved a continued freeze on the NEDs fee (£10,500 pa) and there is no premium for Chair positions. The Ongoing Charges Figure (OCF), based upon the AIC recommended methodology, is 3.84% (2023: 2.89%). The main difference was the material increase in the audit fee in FY23. This was unavoidable and reflected the appointment new auditors post introduction of new industry regulations covering UK investment trusts. As long as ATY remains a small fund reducing its OCF will be a challenge but remains an area of focus.

An experienced asset manager – EC Pohl & Co

The fund manager is Dr Manny Pohl who is also Chairman and CIO of investment house ECP Asset Management (ECP) in Australia. He has been involved in ATY since 2010 and driven the investment process since April 2019.

EC Pohl & Co is an Australian active fund manager with **AUD2.5bn (£1.3bn) total AUM**. That includes AUD400m of individually managed share portfolio services provided to sophisticated investors, individuals, superannuation funds and family offices. It is 100% owned by its founder and staff of nine investment professionals with 120 years of cumulative experience. ECP is increasingly active outside of Australia, and we expect to see **both its activities and profile increase materially in Europe.**

ECP's investment strategy has been comprehensively tested and continually refined across multiple economic and stock market cycles. It is disciplined in nature and does not revert to speculation to create additional performance.

Its focus is sustainable, high-quality, long-term growth enterprises able to deliver predictable, above-average economic returns and better long-term returns on investment. It prefers to invest in strong rather than popular businesses with a specific focus on the price it pays for earnings.

ECP Fund Performance – Absolute and Relative

	Size	Total Return % & Fund Peer Rating													
	AUDm	1 mth	#	3 mth	#	FYTD	#	1 Yr	#	3 Yrs	#	5 Yrs	#	10 Yrs	#
Global Equity															
ECP Global Growth	16	1.7	23	10.0	3	12.9	1	46.0	2	9.5	29				
Australian Small Companies															
ECP Emerging Companies	298	5.8	22	7.0	14	16.7	1	20.7	3	2.2	23	17.2	2	14.4	4
Australian Equity															
ECP Growth	844	8.0	8	13.2	4	16.8	1	26.6	1	6.2	56	15.2	1	12.1	2

Source: Morningstar Australian Institutional Sector Survey Dec 2023

Strong track record

ECP's record was noted in Morningstar's Australian Institutional Sector Survey December 2023 Market and Investment Manager Summary. Two excerpts from that report are quoted below:

- 'The best-performing Australian share strategies for the trailing one-year period were **ECP Growth with a 26.6% return**, followed by Hyperion Broad Cap Composite at 25.1%, and Hyperion ASX 300 Composite at 24.7%. That compared with a return of 6.8% for December 2023 by the median Australian share manager, which underperformed the Morningstar Australia Index's 7.4% return.'
- 'Longer-term median results were 11.7% for the trailing three years, 12.8% over five years, and 11.5% for the ten years to Dec. 31. Hyperion (70.2%), **ECP Global Growth (46.0%)**, and Aoris (32.7%) were the best-performing global share funds for the trailing year.

  Longer-term annualized returns from the median manager were 12.6% for the trailing one year, 9.8% for three years, 11.0% for five years, and 8.8% for ten years to 31 Dec. The median manager returned 21.2% on an unhedged basis.'

Investment strategy

The manager has outlined a total return investment strategy for ATY to provide its shareholders with a progressive dividend yield and capital appreciation. The trust is already one of few members of the AIC's league table of 'Next Generation of Dividend Heroes'.

ATY's investment template stems from ECP's strategy to identify sustainable, quality growth companies selected via a proprietary investment process. A target's capacity to provide progressive distributions is a key component of its investment thesis but, as at ATY, ECP's core focus is total return. ECP believes that a business's economics drives long-term investment returns and therefore its investment philosophy is to seek companies with **specific characteristics** that it believes will outperform the market:

- In the growth phase of their lifecycle, capital efficient, not excessively leveraged and generate predictable earnings streams.
- Avoiding later stage businesses (mature to declining) which tend to be more dependent on overall market growth to determine their destiny.

Investment choices are driven by forensic research and detailed understanding of company performance and potential. Portfolios are built without reference to index weightings. ECP focuses on the prospects for individual investments in relation to each other over a five-year horizon, a deliberately long-term approach designed to ignore temporary themes. The core premise is that building wealth is a long-term endeavour.

ECP's approach is to invest for long-term wealth creation and typically, to hold equities for a period of five years or more. In addition to London-listed Athelney Trust (ATY), retail investors can access its expertise via ASX-listed Flagship Investments Limited, ECP Emerging Growth Limited and Global Masters Fund Limited. ECP also established the ECP UCITS ICAV in January 2023. Domiciled in Ireland it seeded its initial sub-fund, the ECP Global Growth Fund with $10m.

Executive Team – Investment Manager	
Dr Manny Pohl AM Managing Director & Fund Manager	Chairman, CIO and founder in June 2012 of independent and well-regarded Australian fund manager EC Pohl & Co. and its subsidiary ECP Asset Management. He has over 30 years investment experience, initially head of research of South African broking firm, Davis Borkum Hare and then Westpac Investment Management, Australia from 1994. Founded Hyperion Asset Management in 1996 and left in 2012. An experienced director of several major corporations in both his native South Africa, UK and Australia. Recognised in 2019 Queen's Birthday honours list for significant service to the finance sector, and to the community.
Frank Ashton Non-Exec Chairman	Career focus on providing independent management advice to companies in a broad variety of sectors. Career includes 15 years at PWC and KPMG (Operational Due Diligence), five in Strategy and M&A for Cummins Inc. Proven track record in shareholder value creation and governance, provision of strategic and operational advice to both public and private companies in Europe and USA, and work at a policy level for government entities.
Simon Moore Non-Exec Director & Consultant Senior Investment Analyst	Investment trust analyst since 1994 for City of London stockbrokers including Williams de Broe, Teather & Greenwood and Collins Stewart. Was Senior Investment Manager at Seven Investment Management, Head of Research at Tilney Bestinvest and Senior Investment Analyst at EQ Investors. A long-standing member of two key committees at Association of Investment Companies: Statistics committee and the Property and Infrastructure Forum. He is a member of the UK Society of Investment Professionals and the CFA institute. Non-Executive Director of Home REIT Plc since 2020.

Source: Athelney Trust documents

FINANCIALS

Income Statement						
Y/e 31 December 2023, £	**Revenue**	**Capital**	**2023 Total**	**Revenue**	**Capital**	**2022 Total**
Losses – invs. at fair value		(57,725)	(57,725)		(1,787,296)	(1,787,296)
Income from investments	219,366		219,366	183,273		183,273
Inv. management expenses	(3,419)	(31,019)	(34,438)	(4,008)	(36,327)	(40,335)
Other expenses	(48,254)	(91,604)	(139,858)	(30,734)	(78,720)	(109,454)
Net return before tax	167,693	(180,348)	(12,655)	148,531	(1,902,343)	(1,753,812)
Tax	(623)		(623)			0
Net return (negative return) on ordinary activities before tax	167,070	(180,348)	(13,278)	148,531	(1,902,343)	(1,753,812)
Net return per share	7.7p	(8.3p)	(0.6p)	6.9p	(88.2p)	(81.3p)
Dividend per share	9.7p			9.6p		

Source: Company

Statement of Financial Position		
As at 31 December 2023, £	**2023**	**2022**
Fixed assets		
Investments held at fair value through P&L	4,374,302	4,180,985
Current assets		
Debtors	137,709	543,301
Cash and bank and in hand	40,347	27,361
	178,056	570,662
Creditors falling due within one year	(40,388)	(17,085)
Net current assets	137,668	137,668
Total assets less current liabilities	4,511,970	4,734,562
Net assets	4,511,970	4,734,562
Capital and reserves		
Called up share capital	539,470	539,470
Share premium account	881,087	881,087
Other reserves (non-distributable)		
Capital reserve - realised	2,467,624	2,539,394
Capital reserve - unrealised	453,206	561,784
Revenue reserve (distributable)	170,583	212,827
Shareholders' funds - all equity	4,511,970	4,734,562
Net Asset Value per share, p	218.8	229.0

Source: Company

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