

**PROVEN LEGACY LIMITED**

**HALF-YEARLY REPORT**

**For the Six Months Ended 31 December 2023**

**PROVEN LEGACY LIMITED**  
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**FOR THE SIX MONTHS ENDED 31 DECEMBER 2023**

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## CHAIR'S STATEMENT

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### Introduction

I have pleasure in presenting the half yearly report for ProVen Legacy Limited (the "Company") for the six months ended 31 December 2023.

### Net Asset Value

During the six-month period, the Net Asset Value ("NAV") per Growth Share increased by 1.5p, from 108.9p to 110.4p at 31 December 2023. The NAV per Income Share also increased by 1.5p, from 102.9p to 104.4p at 31 December 2023.

The difference in Net Asset Value between the two share classes is primarily a result of the dividends paid to Income Shareholders to date as well as the associated administrative costs.

### Results

The net profit for the six-month period to 31 December 2023 was £41,289 (December 2022: £26,001).

### Fundraising activities

As stated in the Annual Report and Accounts for the year ended 30 June 2023, the Lending Adviser continues to manage the ProVen Estate Planning Service with Armstrong Capital, which launched in early 2021.

### Lending activity

As of 31 December 2023, the Company had advanced thirteen loans totalling £10,139,496 (June 2023: twelve loans totalling £9,913,650). Of these, a total of £6,058,650 had been fully repaid. Of the remaining balance, total outstanding balances amounted to £2,725,309 at 31 December 2023 (June 2023: £2,825,883).

In the six-month period, £125,846 was extended to Vision Asset Finance to allow them to fund an operating lease to Cornerstone Academy, a multi-school academy responsible for four primary schools in and around Exeter.

A further amount of £100,000 was extended to Cogora Group Limited in the six-month period.

### Post balance sheet events

Subsequent to the period end in January 2024, 106,487 Redeemable Growth Shares were redeemed at a price of £1.09 per Redeemable Growth Share, with an aggregate consideration of £115,543. In March 2024, the Company issued 44,384 Redeemable Growth Shares at a price of 110.4p, with a nominal value of £444. The consideration for these shares was £49,000, excluding share issue costs of £1,000.

Other than the matters described above, there were no material events during the period from 1 January 2024 to the date of this half yearly report.

### Outlook

The Lending Adviser is currently in discussions with a number of other borrowers and these discussions are at various stages of engagement. Your Board is therefore confident there is a strong pipeline of lending opportunities available to deploy the capital and interest repayments received on the current portfolio, as well as funds raised in the near future.



**Jamie Perkins**  
Chair  
13 March 2024

## PROVEN LEGACY LIMITED

### UNAUDITED CONDENSED INCOME STATEMENT FOR THE SIX MONTHS ENDED 31 DECEMBER 2023

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	Six months ended 31 December 2023 (unaudited)	Six months ended 31 December 2022 (unaudited)
Note	£	£
Loan interest income	107,793	118,267
Other income	8,250	1,000
Administrative expenses	(73,270)	(86,066)
<b>Operating profit</b>	<b>42,773</b>	<b>33,201</b>
Interest income	11,555	130
Bank charges	(185)	(188)
<b>Profit on ordinary activities before taxation</b>	<b>54,143</b>	<b>33,143</b>
Taxation	(12,854)	(7,142)
<b>Profit on ordinary activities after taxation</b>	<b>41,289</b>	<b>26,001</b>

The Company has no recognised gains or losses other than the results as set out above and accordingly a separate statement of other comprehensive income has not been prepared.

The notes set out on pages 8 to 12 form part of these financial statements.

**PROVEN LEGACY LIMITED**

**UNAUDITED CONDENSED STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2023**

		As at 31 December 2023 (unaudited)	As at 30 June 2023 (audited)
	Note	£	£
<b>Fixed Assets</b>			
Loans	9	2,725,309	2,825,883
<b>Current assets</b>			
Debtors		37,937	11,953
Cash at bank and in hand		535,418	648,947
Creditors – amounts falling due within one year		(84,369)	(107,188)
<b>Net current assets</b>		<b>488,986</b>	<b>553,712</b>
<b>Total assets less current liabilities</b>		<b>3,214,295</b>	<b>3,379,595</b>
<b>Capital and reserves</b>			
Called up share capital	8	29,181	31,102
Share premium		-	3,223,528
Unallotted share capital		-	-
Revenue reserves		3,185,114	124,965
<b>Total equity shareholders' funds</b>		<b>3,214,295</b>	<b>3,379,595</b>
<b>Net Asset Value per Redeemable Growth Share</b>		<b>110.4p</b>	<b>108.9p</b>
<b>Net Asset Value per Redeemable Income Share</b>		<b>104.4p</b>	<b>102.9p</b>

The notes set out on pages 8 to 12 form part of these financial statements.



**Jamie Perkins**  
Chair  
13 March 2024

**PROVEN LEGACY LIMITED**

**UNAUDITED CONDENSED STATEMENT OF CHANGES IN EQUITY  
FOR THE SIX MONTHS ENDED 31 DECEMBER 2023**

	Called up share capital	Share premium	Revenue reserve	Total
<b>Six months to 31 December 2023 (unaudited)</b>	£	£	£	£
<b>At 1 July 2023</b>	<b>31,102</b>	<b>3,223,528</b>	<b>124,965</b>	<b>3,379,595</b>
Redemption of shares	(1,921)	-	(204,668)	<b>(206,589)</b>
Cancellation of share premium account	-	(3,223,528)	3,223,528	-
Total comprehensive profit	-	-	41,289	<b>41,289</b>
<b>At 31 December 2023</b>	<b>29,181</b>	<b>-</b>	<b>3,185,114</b>	<b>3,214,295</b>

	Called up share capital	Share premium	Revenue reserve	Total
<b>Six months to 31 December 2022 (unaudited)</b>	£	£	£	£
<b>At 1 July 2022</b>	<b>32,869</b>	<b>3,046,718</b>	<b>433,903</b>	<b>3,513,490</b>
Issue of new shares in the period	584	63,496	-	<b>64,080</b>
Share issue costs	-	(1,288)	-	<b>(1,288)</b>
Redemption of shares	(500)	-	(52,913)	<b>(53,413)</b>
Total comprehensive profit	-	-	26,001	<b>26,001</b>
<b>At 31 December 2022</b>	<b>32,953</b>	<b>3,108,926</b>	<b>406,991</b>	<b>3,548,870</b>

The notes set out on pages 8 to 12 form part of these financial statements.

**PROVEN LEGACY LIMITED**

**UNAUDITED CONDENSED STATEMENT OF CASH FLOWS  
FOR THE SIX MONTHS ENDED 31 DECEMBER 2023**

	<b>Six months Ended 31 December 2023 (unaudited)</b>	<b>Six months Ended 31 December 2022 (unaudited)</b>
	£	£
Profit on ordinary activities after taxation	41,289	26,001
Loans advanced	(226,446)	(980,000)
Capital repayments received	297,894	2,266,739
(Increase)/decrease in debtors	(11,186)	30,800
(Decrease)/increase in creditors	(8,491)	53,341
<b>Net cash from operating activities</b>	<b>93,060</b>	<b>1,396,881</b>
<b>Cash flows from investing activities</b>	<b>-</b>	<b>-</b>
<b>Cash flows from financing activities</b>		
Proceeds from share issue	-	64,080
Share issue costs	-	(1,288)
Shares redeemed	(206,589)	(53,413)
Dividends paid	-	-
<b>Net cash from financing</b>	<b>(206,589)</b>	<b>9,379</b>
<b>(Decrease)/increase in cash and cash equivalents</b>	<b>(113,529)</b>	<b>1,406,260</b>
<b>Cash at beginning of period</b>	<b>648,947</b>	<b>289,279</b>
Net cash (outflow)/inflow for the period	(113,529)	1,406,260
<b>Cash at end of period</b>	<b>535,418</b>	<b>1,695,539</b>

The notes set out on pages 8 to 12 form part of these financial statements.

# PROVEN LEGACY LIMITED

## NOTES TO THE HALF-YEARLY REPORT (UNAUDITED)

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### 1) Accounting policies

The Company has prepared its financial statements under Financial Reporting Standard 104 (“FRS104”).

The following accounting policies have been applied consistently throughout the period. Further details of principal accounting policies were disclosed in the Annual Report and Accounts for the year to 30 June 2023.

#### Income

Interest receivable on loans is recognised on an accruals basis.

#### Expenses

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

#### Loans

Loans are recognised when the Company becomes a party to the contractual provisions of the loans. Loans are initially recognised at transaction price and subsequently recognised at amortised cost, less any allowance for impairment. Loans are derecognised when the contractual rights to cash flows expire or have been settled.

#### Cash at bank and in hand

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

#### Capital and reserves

Capital and reserves for the Company represent the following:

Share capital – the nominal value of shares issued, increased for subsequent share issues or reduced due to shares bought back by the Company for cancellation.

Share premium – this reserve contains the excess of gross proceeds over the nominal value of shares allotted, less any share issue costs.

Unallotted share capital – this reserve contains any consideration received for the issue of share capital, but which, at the date of these accounts, is yet to be formally issued and allotted to the individuals who paid such consideration.

Revenue reserve – the cumulative net return or loss of the Company.

- 2) All revenue and capital items in the Unaudited Condensed Income Statement derive from continuing operations.
- 3) There are no other items of comprehensive income other than those disclosed in the Unaudited Condensed Income Statement.
- 4) The Company has only one operating segment as reported to the Board of Directors in their capacity as chief operating decision makers and derives its income from loans arranged with a variety of small and medium sized UK private companies.



**PROVEN LEGACY LIMITED**  
**NOTES TO THE HALF-YEARLY REPORT (UNAUDITED)**

5) The comparative figures are in respect of the year ended 30 June 2023 and the six-month period ended 31 December 2022.

6) Basic and diluted NAV per share for the period has been calculated on 2,917,934 shares, being the number of shares in issue at the period end.

**7) Contingencies, Guarantees and Financial Commitments**

At 31 December 2023, the Company had no other contingent liabilities, guarantees and financial commitments.

**8) Share capital**

	(unaudited)		(audited)	
	31 December 2023		30 June 2023	
	Number	Amount £	Number	Amount £
Ordinary Shares of £1 each	2	2	2	2
Redeemable Growth Shares of £0.01 each	2,798,942	27,989	2,991,182	29,910
Redeemable Income Shares of £0.01 each	118,990	1,190	118,990	1,190
<b>Total</b>		<b>29,181</b>		<b>31,102</b>

Share movement in the period

During the period, movements in the Company's share capital were as follows:

	Redeemable Growth Shares		Redeemable Income Shares		Ordinary Shares	
	Number	Amount £	Number	Amount £	Number	Amount £
As at 1 July 2023	2,991,182	29,910	118,990	1,190	2	2
Redeemed in the period	(192,240)	(1,921)	-	-	-	-
As at 31 December 2023	<b>2,798,942</b>	<b>27,989</b>	<b>118,990</b>	<b>1,190</b>	<b>2</b>	<b>2</b>

During the period, 192,240 Redeemable Growth Shares were redeemed at an average price of £1.07 per Redeemable Growth Share, with a consideration of £206,589.

Under the terms of the Offer for Subscription dated 3 June 2016 ("2016 Offer"), the Offer for Subscription dated 7 August 2017 ("2017 Offer"), the Offer for Subscription dated 21 August 2018 ("2018 Offer") and the Offer for Subscription dated 17 September 2019 ("2019 Offer"), Shareholders have the ability to redeem shares in accordance with the terms and conditions set out in the aforementioned offers.

As stated in the Annual Report and Accounts for the year ended 30 June 2023, the Lending Adviser launched an Estate Planning Service in early 2021 with solar experts, Armstrong Capital.

**PROVEN LEGACY LIMITED**  
**NOTES TO THE HALF-YEARLY REPORT (UNAUDITED)**

**9) Loans**

**Six months to 31 December 2023**

*Debt instruments measured at amortised cost*

	<b>£</b>
Loans at 1 July 2023	2,825,883
Loans advanced	225,846
Capital repayments	(326,420)
<b>Loans at 31 December 2023</b>	<b>2,725,309</b>

**Year to 30 June 2023**

*Debt instruments measured at amortised cost*

	<b>£</b>
Loans at 1 July 2022	3,302,771
Loans advanced	2,480,000
Capital repayments	(2,956,888)
<b>Loans at 30 June 2023</b>	<b>2,825,883</b>

**10) Controlling Party and related party transactions**

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

Malcolm Moss, a Director of the Company, is also a Partner of Beringea LLP. Beringea LLP was the Company's Lending Adviser and Administration Manager during the period.

During the period from 1 July 2023 to 31 December 2023, fees payable to Beringea LLP in its capacity as Administration Manager amounted to £8,192 (December 2022: £8,959). The full amount remained outstanding at 31 December 2023 in respect of administration fees.

Fees payable to Beringea LLP in its capacity as Lending Adviser amounted to £24,577 (December 2022: £26,878). The full amount remained outstanding at 31 December 2023 in respect of advisory fees. These figures exclude VAT payable.

**11)** The unaudited financial statements set out herein have not been subject to review by the auditor and do not constitute statutory accounts within the meaning of Section 434 of the Companies Act 2006. They have therefore not been delivered to the Registrar of Companies. The figures for the period ended 30 June 2023 have been extracted from the financial statements for that period, which have been delivered to the Registrar of Companies; the Auditor's report on those financial statements was unqualified.

**12)** The Directors confirm that, to the best of their knowledge, the half-yearly financial statements have been prepared in accordance with Financial Reporting Standard 104 issued by the Financial Reporting Council.

**PROVEN LEGACY LIMITED**  
**NOTES TO THE HALF-YEARLY REPORT (UNAUDITED)**

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**13) Principal risks**

The Company's operations expose the Company to a number of risks associated with financial instruments. The principal financial risks arising from the Company's operations are:

- Interest rate risk (as part of market risk);
- Credit risk; and
- Liquidity risk.

*Interest rate risk*

Interest rate risk is the risk that a change in interest rates will affect the financial performance or financial position of the Company. Interest rate risk is expected to be minimal as the loans attract interest at a fixed rate.

*Credit risk*

Credit risk is the risk that a counterparty to a financial instrument is unable to discharge a commitment to the Company made under that instrument. The Company is exposed to credit risk predominately through its loans and cash deposits. The Lending Adviser manages credit risk on loans through regular contact with the borrowers and through review of management accounts and other financial information. Credit risk is also mitigated by taking security over the borrower's assets. The level of security is a key means of managing credit risk on loans.

Cash is held by the Royal Bank of Scotland plc and continues to use the savings platform managed by Flagstone Group Ltd to earn a yield on its cash. As at 31 December 2023, the Company's cash was held with the institutions below.

<b>Bank</b>	<b>Standard and Poor Rating</b>	<b>Fitch Rating</b>
Hampshire Trust Bank plc	Not Available	BBB
HSBC Bank plc	A1	A
Royal Bank of Scotland plc	A1	A
Santander International	A2	A

All of the Company's cash is held with institutions with good scores, as outlined above. Furthermore, the Company's cash is now spread across multiple banks which reduces counterparty risk. The Directors therefore consider the risk profile associated with cash to be low.

There have been no impairment charges recognised during the period that are directly attributable to changes in credit risk.

The Company's exposure to credit risk is summarised as follows:

Cash and cash equivalents	£ 535,418
Loans	<u>2,725,309</u>
	<u><b>3,260,727</b></u>

**PROVEN LEGACY LIMITED**  
**NOTES TO THE HALF-YEARLY REPORT (UNAUDITED)**

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*Liquidity risk*

Liquidity risk is the risk that the Company encounters difficulties in meeting obligations associated with its financial liabilities.

The Company always aims to hold sufficient level of cash in order to meet expenses and other cash outflows as required. The Company will generally seek to structure loans with monthly or quarterly repayments, where appropriate. For these reasons, the Board believes that the Company's exposure to liquidity risk is minimal.

The Company's matched bargain service will seek to satisfy any redemption requests received from the Company's shareholders, which mitigates the liquidity risk surrounding redemptions.

As at 31 December 2023, no creditors are past due.

The below sets out a summary of the Company's assets and liabilities by expected maturity:

	<b>Loans</b>	<b>Cash</b>	<b>Creditors</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Receivable after more than 1 year	2,031,905	-	-
Receivable/(due) within 1 year	693,404	535,418	(84,369)
<b>Total</b>	<b>2,725,309</b>	<b>535,418</b>	<b>(84,369)</b>

**14) Going concern**

The Directors have, at the time of approving the financial statements, a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, they adopt the going concern basis of accounting in preparing the financial statements.

**15) Post balance sheet events**

Subsequent to the period end in January 2024, 106,487 Redeemable Growth Shares were redeemed at a price of £1.09 per Redeemable Growth Share, with an aggregate consideration of £115,543.

In March 2024, the Company issued 44,384 Redeemable Growth Shares at a price of 110.4p, with a nominal value of £444. The consideration for these shares was £49,000, excluding share issue costs of £1,000.

Other than the matters described above, there were no material events during the period from 1 January 2024 to the date of this half yearly report.

## PROVEN LEGACY LIMITED COMPANY INFORMATION

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**Company Number**

10024220

**Directors**

Jamie Perkins (Chair)  
Robin Chamberlayne  
Malcolm Moss  
all of  
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London WC2B 5SQ

**Company Secretary**

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**Lending Adviser**

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Tel: 020 7845 7820

**Administration Manager**

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**Tax Advisers**

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**Solicitors to the Company**

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**Flagstone Ltd**

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