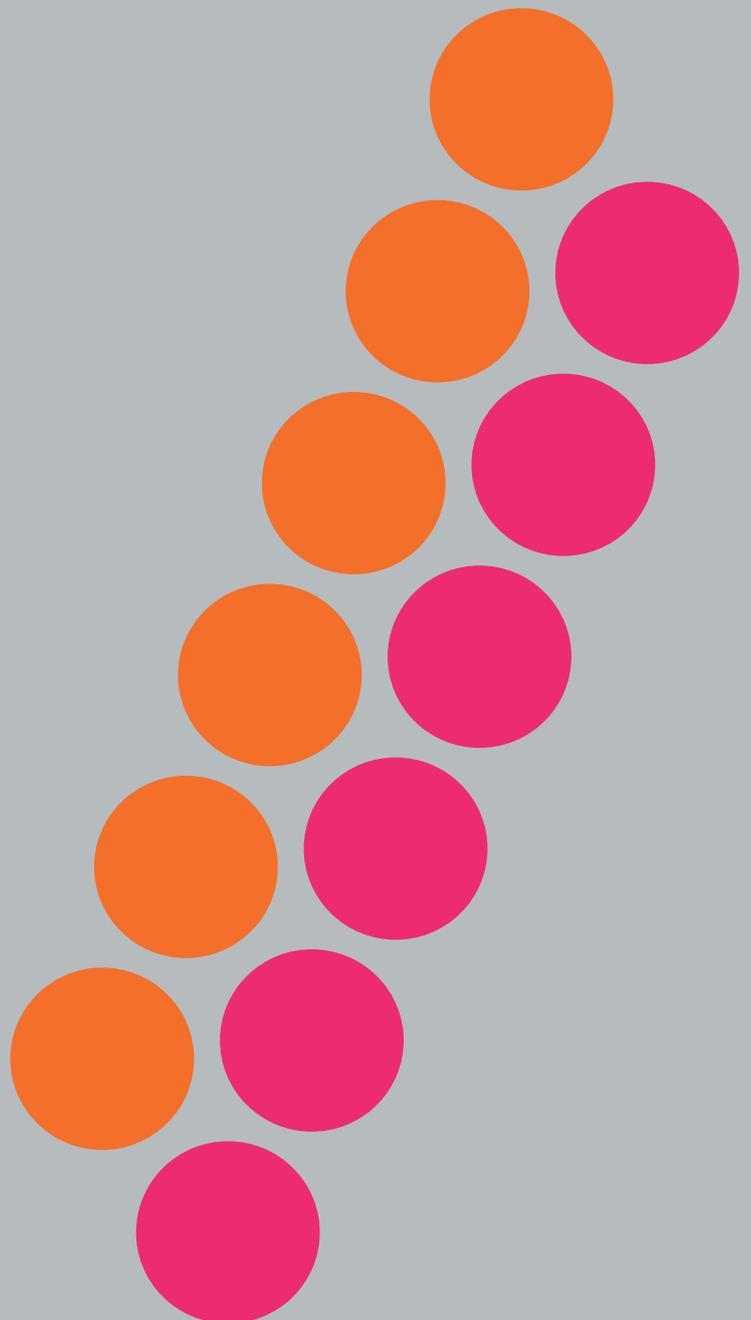


Woodford Patient Capital Trust plc

Half Yearly Financial Report

for the period from inception (26 January 2015) to 30 June 2015



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Investment Objective

01

The Company's investment objective is to achieve long-term capital growth through investing in a portfolio consisting predominantly of UK Companies, both quoted and unquoted.

The Company will aim to deliver a return in excess of 10 per cent. per annum over the longer term.

Investment Policy

02

Asset allocation and risk diversification

The Company will invest in a diversified portfolio consisting predominantly of UK Companies, both quoted and unquoted.

The Company will invest in:

- (i) mid and large-capitalisation listed, mature companies;
- (ii) Early-Growth Companies, which are typically quoted although may be unquoted companies; and
- (iii) Early-Stage Companies, which are likely to include both quoted and unquoted companies.

Initially, the Company is expected to have a portfolio that is dominated by mid and large-capitalisation listed, mature companies that offer growth opportunities. It may also have an allocation to cash, pending investment in Early-Stage Companies and Early-Growth Companies. Over time, the exposure to Early-Stage Companies and Early-Growth Companies is expected to gradually build. This process is anticipated to take one to two years from Admission. In due course, the Company's portfolio is expected to reflect the following breakdown:

- (i) approximately 25 per cent. invested in mid and large-capitalisation listed, mature companies;
- (ii) approximately 25 per cent. invested in Early-Growth Companies; and
- (iii) approximately 50 per cent. invested in Early-Stage Companies.

However, the actual portfolio composition at any one time will reflect the opportunities available to the Portfolio Manager, the performance of the underlying investee companies and the maturity of the portfolio.

Once fully invested, the Company's portfolio is expected to consist of 50-100 holdings. The Company may become a significant shareholder in any of the underlying portfolio companies.

The Company's portfolio will be constructed on the basis of an assessment of the fundamental value of individual securities and will not be structured on the basis of sector weightings.

The Company's portfolio is expected to be diversified across a number of sectors and, while there are no specific limits placed on exposure to any one sector, the Company will at all times invest and manage the portfolio in a manner consistent with spreading investment risk.

Investment Restrictions

03

The Company will be subject to the following investment restrictions:

- investment in unquoted companies will be limited to 60 per cent. of Net Asset Value at the time of investment;
- investment in non-UK Companies will be limited to 30 per cent. of Net Asset Value at the time of investment;
- once fully invested, the Company's portfolio shall be invested in a minimum of 40 holdings;
- the Company shall not invest more than 10 per cent. of its Net Asset Value at the time of investment in an investee company, save that the Portfolio Manager may make further investments into an investee company subject to an aggregate investment limit in any investee company of 15 per cent. of Net Asset Value at the time of investment;
- the Company may invest in other investment funds, including listed closed-ended investment funds, to gain investment exposure but such investment will be unleveraged and (other than in relation to investment in money market funds for the purposes of cash management) limited, in aggregate, to 10 per cent. of Net Asset Value at the time of investment; and
- in relation to cash management, the Company shall not have exposure of more than 10 per cent. of Net Asset Value, at the time of investment, to any one issuer.

Dividend Policy

The Directors intend to manage the Company's affairs to achieve Shareholder returns through capital growth rather than income. Therefore, it should not be expected that the Company will pay a significant annual dividend, if any.

Regulation 19 of the Investment Trust (Approved Company) (Tax) Regulations 2011 provided that, subject to certain exceptions, an investment trust may not retain more than 15 per cent. of its income in respect of each accounting period. Accordingly, the Company may declare an annual dividend from time to time for the purpose of seeking to maintain its status as an investment trust.

Financial and Operational Highlights

04

Total Assets

	30 June 2015
Total Assets	£814,858,000

Net Asset Value and Share Price

	30 June 2015 pence
Net Asset Value per share	101.86
Share Price	113.50

Net Asset Value and Share Price Performance

	30 June 2015 %
Increase in Net Asset Value since admission (21 April 2015)*	3.1
Increase in Share Price since admission (21 April 2015)	13.5
Share Price Premium to Net Asset Value	11.4

*The Net Asset Value per ordinary share rose from 98.83p as at 21 April 2015

Highlights

Compelling opportunity

Woodford believes that the lack of long-term patient equity capital has created a compelling opportunity to invest in businesses with outstanding intellectual property.

Unique portfolio

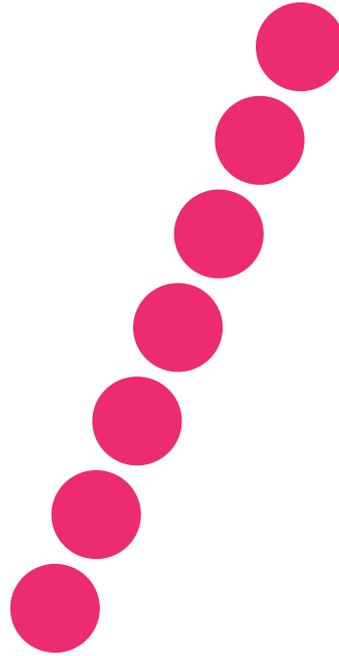
The Company's portfolio represents a mix of Woodford's high conviction mid and large cap ideas together with exposure to Early-Stage Companies and Early-Growth Companies.

Innovative fee structure

Woodford does not receive a management fee from the Company for its services and is only awarded a fee based on performance. The majority of any performance fee is payable in Ordinary shares further aligning the Portfolio Manager's interests with shareholders.

Attractive target returns

The Company aims to deliver a return in excess of 10 per cent. per annum over the longer term.



Diversified portfolio

Once fully invested, the Company's portfolio is expected to consist of 50-100 holdings with exposure to Early-Stage Companies and Early-Growth Companies growing over time.

Portfolio Manager

The Portfolio Manager specialises in managing UK equities for retail and institutional investors. The Portfolio Manager had £11.9 billion of assets under management as at 30 June 2015, including £6.1 billion of assets in the Portfolio Manager's CF Woodford Equity Income Fund.

Portfolio management team

Neil Woodford, one of the most respected fund managers in the UK, has principal responsibility for the management of the Company's portfolio. Neil is supported by a team of investment professionals including Stephen Lamacraft, Saku Saha and Paul Lamacraft.

Chairman's Statement

05

The board is very pleased to present the Woodford Patient Capital Trust's maiden interim results for the period ended 30 June 2015.

The investment community's enthusiastic response to the launch of Woodford Patient Capital Trust surpassed our expectations. Since the initial public offering closed in April, Neil Woodford and his investment team have been busy deploying capital into a range of exciting young companies, together with a few more familiar mature businesses. As you will read in the Manager's Review, the team have already made great progress, with more than three-quarters of the £800m raised already deployed.

The net asset value per share ended the period at 101.86p, so the portfolio has, thus far, recouped initial charges and provided a modestly positive return. The share price ended the period at 113.5p. The premium of 11.4%, in part, reflects the investment team's strong reputation and long-term track record but it has also arisen by virtue of the Company's entry into the FTSE 250 Index in mid-June, which will have resulted in demand from index trackers.

In light of the current premium rating of the Company's shares, the Board intends to implement a tap issuance programme through its corporate broker, Winterflood Securities Limited, to satisfy excess demand in the secondary market. New shares issued under the tap issuance programme will only be issued at a premium to net asset value and will be accretive to existing shareholders.

It is great to be off to a positive start, both in share price terms and in the form of portfolio progress. Whilst clearly it is early days, we are confident that this initial performance is indicative of the investment management team's ability to identify and invest in innovative, disruptive, typically science-based businesses at attractive valuations.

We feel obliged to remind investors that as the name of the Company suggests, this is a long-term strategy. Its success should be judged over a number of years, not weeks or months. Nevertheless, the board is excited by the incredible potential that already exists in the portfolio, and we share the investment team's confidence in the future long-term growth prospects of the Company.

Susan Searle

Chairman
10 August 2015

Manager's Report

06

Since April's launch, we have been actively building the portfolio for the Woodford Patient Capital Trust and it is already taking shape. By the end of the period, more than 75% of the funds raised had been deployed.

Initially, our activity was focused towards building exposure to the mid and large capitalisation businesses that account for about a quarter of the portfolio. The larger and more liquid of these, such as AstraZeneca, GlaxoSmithKline, Legal & General and Rolls-Royce, we were able to build quickly and we were assisted by placings in mid-cap stocks such as Allied Minds and IP Group. Placings in Circassia and Oxford Pharmascience also allowed us to quickly scale up our exposure to these other exciting businesses. Positions in smaller, less liquid securities, such as Vernalis, 4D Pharma and Xeros, took longer to build but, by being patient and disciplined, we have been able to build the positions that we sought.

At launch, we mentioned that we also had a number of unquoted opportunities in the pipeline and many of these are already represented in the portfolio. These include Proton Partners International, which is bringing the first proton beam cancer therapy centres to the UK and Oxford Sciences Innovation, which represents a critical new link in Oxford's science innovation infrastructure and an important part of the UK's burgeoning technology commercialisation industry. There are several more unquoted businesses in the pipeline which we would expect to enter the portfolio over the remainder of the year. We now anticipate that the portfolio will be fully invested by the end of this year.

Although it is very early days, we are pleased that the Company's net asset value has moved forward modestly. Much of the positive performance to date has been delivered by holdings we would classify as early-stage. Indeed, our blue-chip holdings have typically detracted from performance thus far, with GlaxoSmithKline and AstraZeneca in particular showing short-term share price weakness.

More positively, within the UK biotech sector, Vernalis also contributed positively, following FDA approval of its first cough cold product Tuzistra at the end of April. Investors continue to significantly undervalue the potential of Vernalis' cough cold franchise, in our view. 4D Pharma, which is making good progress with two new biotherapeutic treatments: Blautix, for irritable bowel syndrome, and Thetanix, for Crohn's disease, also performed well. During May, the company announced that both drugs are moving towards first-in-man clinical studies, whilst it is also making good progress in other areas such as asthma and rheumatoid arthritis.

Our US biotech exposure, principally Prothena and Northwest Biotherapeutics, has contributed positively to performance. Again, we would caution that it is a very short time period over which to be commenting on performance in what is clearly a very long-term strategy. Nevertheless, the market does seem to be warming to the positive investment cases for these exciting businesses. There is a great deal of enthusiasm in the US biotech sector about new potential treatments for cancer and in other areas of high unmet clinical need, as well as hopes of acquisitions by cash-rich pharmaceutical majors. Although this has led to several US biotech stocks trading on bubble-like valuations, we have focused our exposure on stocks where future potential is, in our view, significantly undervalued by the market – Prothena, Northwest Biotherapeutics and Alkermes, all trade on valuations more in line with those we see on this side of the Atlantic. Hence, each of them represents significant positions in the portfolio.

Outside of the health care industry, RM2 International performed well. The business is still at an early-stage of its development but has tremendous potential to disrupt the pallet industry. Although it has suffered setbacks over the past few years, its recent contract win with PPG International is very positive news, in our view, and could herald the broader adoption of its composite pallets, which are superior to wooden pallets in almost every way: lighter, more durable and more cost-effective, as well as more environmentally friendly. Norwegian technology business Idex, which is developing a unique and very promising in-glass fingerprint sensor solution which has enormous potential in the tablet & smartphone industry, also contributed positively.

There follows below a brief introduction to the top 10 holdings in the Woodford Patient Capital Trust. The full portfolio, as at the end of the interim period is available on our website (<https://woodfordfunds.com>) and we commit to fully disclosing the portfolio at each month end from now on. We also intend to provide more information on other holdings as we move through the remainder of the year and will provide a monthly roundup of portfolio news. We recommend that investors subscribe on our website to be notified of these regular updates.

In conclusion, we are delighted with the shape of the portfolio and by the positive, albeit early, net asset value progression. More importantly, we are pleased with the operational progress being made by our investee companies and very excited by the long-term potential that they collectively represent. We are very positive about the portfolio's ability to deliver outsized long-term returns to investors and view the future with great confidence.

Neil Woodford

Fund Manager
10 August 2015

Top Ten Holdings

07

	% of total portfolio assets
Prothena	4.5%
<p>US clinical-stage biotech company focused on developing immune therapies in haematology and central nervous system disorders. Its lead program NEOD001 is in phase III for AL amyloidosis, while PRX002 is being developed with Roche in Parkinson's disease. It also has a third program in pre-clinical development across a wide range of therapeutic areas.</p>	
Verseon	4.2%
<p>US-based but UK-listed platform drug development business. Verseon's proprietary platform uses computerised molecular modelling techniques to engineer novel drugs consistently, reliably, and cost-effectively. It already has an anticoagulation treatment in pre-clinical development with therapies for diabetic macular oedema and solid tumours not far behind.</p>	
Northwest Biotherapeutics	4.0%
<p>US biotech company developing personalised cancer vaccines using dendritic cells utilising its DCVax platform technology. Its lead program is a Phase III trial in an aggressive form of brain cancer and it also progressing a Phase I/II trial for all inoperable solid tumour cancers.</p>	
Proton Partners	3.7%
<p>A new company, formed to bring Proton Beam Therapy centres to the UK. The company is opening three centres, in Cardiff, London and Northumberland, by 2017. The centres will be available to NHS patients and private patients, in what represents a significant breakthrough to the UK's provision of cancer treatment.</p>	
Circassia	3.7%
<p>Allergy and asthma specialist, with its novel asthma diagnosis and management products sold direct in the US and Germany, and its lead immunotherapy targeting cat allergy in phase III. House dust mite, grass and ragweed allergy therapies have also completed phase IIb proof-of-concept trials. Its broader pipeline includes direct substitutes for major asthma brands, plus longer-term novel products.</p>	

% of total portfolio assets

Vernalis **3.2%**

A UK biotechnology business with a rapidly maturing extended release cough cold franchise. Its lead product Tuzistra was approved by the FDA in April 2015 and it has another four cough cold products in development. It also has a portfolio of central nervous system and oncology programmes in clinical trials.

Oxford Science Innovations **2.8%**

A new company formed earlier this year as Oxford University's preferred partner for the provision of capital for spinout companies based on research from its science and medical divisions. The company represents a critical new link in Oxford's science innovation infrastructure and an important part of the UK's burgeoning technology commercialisation industry.

Alkermes **2.8%**

US-listed biotech company with a diversified on-market portfolio and substantial clinical pipeline of product candidates for chronic diseases such as schizophrenia, depression, addiction and multiple sclerosis. In particular, treatments for clinical depression and schizophrenia have recently produced positive results in clinical trials.

Allied Minds **2.6%**

An intellectual property development company that focuses exclusively on the US. Its mission is to "form, fund, manage and build" technology businesses using its unparalleled access to the best intellectual property emanating from US universities and other government-sponsored research institutions.

Imperial Innovations **2.4%**

An intellectual property development company, founded as the technology transfer office for Imperial College London, but with strong links to other leading UK universities. Imperial Innovations aims to commercialise the UK's best academic research with a particular focus on therapeutics, medical technology, engineering & materials and information communication technology.

Interim Management Report

08

Related Party Transactions

During the period since admission no transactions with related parties have taken place which materially affected the financial position or performance of the Company. Details of related party transactions are contained on pages 58 to 59 of the Company's prospectus dated 24 February 2015 and Note 19 on page 23 of this report.

Principal Risks and Uncertainties

The Company is exposed to a number of risks and uncertainties which were identified prior to the Company's listing and detailed in the Company's prospectus dated 24 February 2015 and in Note 20 on page 28 of this report. During the period since the Company was listed no additional risks or uncertainties have been identified.

Going Concern

The Directors consider that the Company has adequate resources to enable it to continue in operational existence for the foreseeable future. Accordingly, the Directors believe that it is appropriate to adopt the going concern basis in preparing the Company's financial statements.

Responsibility Statement of the Directors

08

For the Period from inception 26 January 2015 to
30 June 2015

The Directors, being the persons responsible, confirm
that to the best of their knowledge:

- a) The condensed set of Financial Statements contained within the half-yearly financial report have been prepared in accordance with FRS 104 issued by the Accounting Standards Board on "Half-yearly financial reports";
- b) The Interim Management Report includes a fair review, as required by Disclosure and Transparency Rule 4.2.7R, of important events that have occurred during the first six months of the financial year, their impact on the condensed set of Financial Statements, and a description of the principal risks and perceived uncertainties for the remaining six months of the financial year; and
- c) The Interim Management Report includes a fair review of the information concerning related parties transactions as required by Disclosure and Transparency Rule 4.2.8R.

Signed on behalf of the Board of Directors by:

Susan Searle

Chairman
10 August 2015

Independent Review Report

09

We have been engaged by the Company to review the financial information in the Half-Yearly Financial Report for the period ended 30 June 2015 which comprises the statement of comprehensive income, the statement of financial position, the reconciliation of movements in shareholders' funds, the cash flow statement and the related notes.

We have read the other information contained in the half yearly financial report which comprises only the chairman's statement, the manager's report, the interim management report and the responsibility statement of directors and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

This report is made solely to the Company in accordance with guidance contained in ISRE (UK and Ireland) 2410, 'Review of Interim Financial Information performed by the Independent Auditor of the Entity'. Our review work has been undertaken so that we might state to the Company those matters we are required to state to them in a review report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company, for our review work, for this report, or for the conclusion we have formed.

Directors' responsibilities

The Half-Yearly Financial Report is the responsibility of, and has been approved by, the directors in accordance with the Disclosure and Transparency Rules of the United Kingdom's Financial Conduct Authority.

As disclosed in note 2 the financial statements of the Company are prepared in accordance with applicable United Kingdom Accounting Standards and with the Statement of Recommended Practice 'Financial Statements of Investment Trust Companies and Venture Capital Trusts', issued November 2014. The financial information in the Half-Yearly Financial Report has been prepared in accordance with the FRS 104 – Interim Financial Reporting.

Our responsibility

Our responsibility is to express to the Company a conclusion on the financial information in the Half-Yearly Financial Report based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the financial information in the Half-Yearly Financial Report for the period ended 30 June 2015 is not prepared, in all material respects, in accordance with the basis of accounting described in Note 2.

GRANT THORNTON UK LLP

London
10 August 2015

Statement of Comprehensive Income

10

from 26 January 2015 (date of incorporation) to 30 June 2015 (unaudited)

			(Unaudited) 26 January 2015 to 30 June 2015	
	Notes	Revenue £000	Capital £000	Total £000
Gains on investments measured at fair value through profit or loss		0	23,079	23,079
Income	3	820	0	820
Portfolio Management fee	4	0	0	0
Other expenses	5	(198)	0	(198)
Return before finance costs & taxation		622	23,079	23,701
Finance costs	6	(20)	0	(20)
Return on ordinary activities before taxation		602	23,079	23,681
Taxation on ordinary activities	7	0	0	0
Return for the period		602	23,079	23,681
Other comprehensive income		0	0	0
Total comprehensive income for the financial period		602	23,079	23,681
Return per ordinary share (pence):		0.08p	2.88p	2.96p

The notes on pages 21 to 28 form part of these accounts.

The total column of this statement is the profit and loss account of the company.

All the revenue and capital items in the above statement derive from continuing operations.

Statement of Financial Position

11

as at 30 June 2015 (unaudited)

	Notes	(Unaudited) 30 June 2015 £000
Fixed assets		
Investments at fair value	8	602,603
Current assets		
Debtors	9	357
Cash at bank		212,606
		212,963
Creditors - amounts falling due within one year		
Creditors	10	(708)
Net current assets		212,255
Total assets less current liabilities		814,858
Net assets		814,858
Capital and reserves		
Share capital	12	8,000
Share premium	13	783,177
Capital reserve	14	23,079
Revenue reserve	15	602
Total shareholders' funds		814,858
NAV per share - Ordinary Shares (pence)		101.86p

The notes on pages 21 to 28 form part of these accounts.

Statement of Changes in Equity

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for the period from 26 January 2015 to 30 June 2015 (unaudited)

	Share Capital £'000	Share Premium Account £'000	Capital Reserve £'000	Revenue Reserve £'000	Total £'000
Beginning of period	-	-	-	-	-
Total comprehensive income for the financial period	-	-	23,079	602	23,681
Issue of Ordinary Shares	8,000	792,000	-	-	800,000
Share Issue Costs	-	(8,823)	-	-	(8,823)
Balance at 30 June 2015	8,000	783,177	23,079	602	814,858

Distributable reserves comprise: the revenue reserve; and capital reserves attributable to realised profits.

Share capital represents the nominal value of shares that have been issued. The share premium account includes any premiums received on issue of share capital. Any direct transaction costs associated with the issuing of shares are deducted from share premium.

All investments are held at fair value through profit or loss. When the Company revalues the investments still held during the period, any gains or losses arising are credited/charged to the a capital reserve.

Cash Flow Statement

13

for the period from 26 January 2015 to 30 June 2015 (unaudited)

	(unaudited) 30 June 2015 £'000
Cash flows from operating activities	
Profit before finance costs and taxation	23,701
Adjustments for:	
Movement in investments held at fair value through profit or loss	(23,079)
Interest paid	(20)
Increase in trade and other debtors	(95)
Increase in trade creditors	160
Net cash generated from operating activities	667
Cash flows from investing activities	
Proceeds from investments	(579,352)
Net cash from investing activities	(579,352)
Cash flows from financing activities	
Issue of ordinary share capital	800,000
Payment of IPO costs	(8,709)
Net Cash used in financing activities	791,291
Net increase in cash and cash equivalents	212,606
Cash and cash equivalents at the beginning of the period	-
Cash and cash equivalents at end of period	212,606

Notes to the Financial Statements

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1. GENERAL INFORMATION

Woodford Patient Capital Trust Plc (the “Company”) was incorporated in England and Wales on 26 January 2015 with registered number 09405653, as a closed-ended investment company. The Company commenced its operations on 21 April 2015. The Company intends to carry on business as an investment trust within the meaning of Chapter 4 of Part 24 of the Corporation Tax Act 2010.

The Company’s investment objective is to achieve long-term capital growth through investing in a portfolio consisting predominantly of UK Companies, both quoted and unquoted. The Company will aim to deliver a return in excess of 10 per cent. per annum over the longer term.

The Company’s shares were admitted to the Official List of the UK Listing Authority with a premium listing on 21 April 2015. On the same day, trading of the Ordinary Shares commenced on the London Stock Exchange.

The financial information contained in this Half-Yearly Financial Report is not the Company’s statutory accounts. The financial information for the period since inception (26 January 2015) to 30th June 2015 have not been audited but have been reviewed by the Company’s auditors and their report can be found on page 15.

2. ACCOUNTING POLICIES

The principal accounting policies followed by the Company are set out below:

(a) Basis of accounting

The Company has adopted applicable UK Accounting Standards, being FRS 102 – The Financial Reporting Standard- and the Statement of Recommended Practice “Financial Statements of Investment Trust Companies and Venture Capital Trusts” (issued in November 2014). The half year accounts are prepared in accordance with Financial Reporting Standards 104 – Interim Financial Reporting. The financial statements have been prepared on the historical cost basis except for the modification to a fair value basis for certain financial instruments as specified in the accounting policies below.

The financial statements have been prepared on a going concern basis and on assumption that approval as an investment trust will continue to be granted.

The financial statements have been presented in Sterling (£).

(b) Investments

Investments are measured at fair value through profit and loss. They are accounted for on the date they are traded and are included initially at fair value as determined by the directors, which is taken to be their cost. Subsequently investments are valued at fair value which is the bid market price for listed investments. Unquoted investments are valued at fair value by the Board which is established with regard to the International Private Equity and Venture Capital Valuation Guidelines (IPEVC). Fair value estimates are made at a specific point in time, based on market conditions and information about the financial instrument. These estimates are subjective in nature and involve uncertainties and matters of significant judgements (e.g. interest rates, volatility, estimated cash flows) and therefore cannot be determined with precision.

Current Asset Investments

Investments in liquidity funds are classified as current asset investments as they are investments held for the short term. In accordance with FRS 102, investments in liquidity funds used for cash management are accounted for as 'basic financial instruments'. Income from these investments is recognised using the effective interest method.

Changes in the fair value of investments measured at fair value through profit or loss and gains or losses on disposal are included in the capital column of the income statement within "gains/(losses) on investments measured at fair value through profit or loss".

(c) Foreign currency

Transactions denominated in foreign currencies are translated into sterling at actual exchange rates as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the period end are reported at the rates of exchange prevailing at the year end. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included as an exchange gain or loss to capital or revenue in the income statement as appropriate. Foreign exchange movements on investments are included in the Income Statement within gains on investments.

(d) Income

Investment income has been accounted for on an ex-dividend basis or when the Company's right to the income is established. Special dividends are credited to capital or revenue in the Income Statement, according to the circumstances surrounding the payment of the dividend. UK dividends are accounted for net of any tax credits. Overseas dividends are included gross of withholding tax.

Interest receivable on deposits is accounted for on an accruals basis.

(e) Expenses

All expenses are accounted for on an accruals basis and are charged as follows:

- any performance fee is allocated to capital;
- investment transactions costs are allocated to capital;
- other expenses are charged wholly to revenue; and
- direct issue costs are deducted from the share premium account.

(f) Taxation

The charge for taxation is based upon the net revenue for the year. The tax charge is allocated to the revenue and capital accounts according to the marginal basis whereby revenue expenses are first matched against taxable income arising in the revenue account. Deferred taxation will be recognised as an asset or a liability if transactions have occurred at the interim reporting date that give rise to an obligation to pay more taxation in the future, or a right to pay less taxation in the future. An asset will not be recognised to the extent that the transfer of economic benefit is uncertain.

3. INCOME

	Period ended 30 June 2015 £000
Income from investments	
UK franked dividends	820
	820

4. PORTFOLIO MANAGEMENT FEE

	Period ended 30 June 2015 £000
Performance fee accrual: 100% charged to capital	0
	0

The Portfolio Manager has agreed not to receive a management fee from the Company in respect of its services provided under the Portfolio Management Services Agreement. The Portfolio Manager is entitled to receive a performance fee equal to 15 per cent. of any excess returns over a cumulative 10 per cent. per annum hurdle rate, subject to a high watermark.

5. OTHER EXPENSES

	Period ended 30 June 2015 £000
Secretarial services	11
Administration expenses	153
Auditor's remuneration - half year review	10
Directors' fees	24
	198

6. FINANCE COSTS

	Period ended 30 June 2015 £000
Interest paid	20
	20

7. TAXATION

	Period ended 30 June 2015 £000
Taxation	0
	0

8. INVESTMENTS

30 June 2015
£000

Level a

Investments listed on a recognised investment exchange: 483,709

Level b

Unquoted investments: 118,894
602,603

Quoted market prices in active markets – “Level a”

Level a: quoted prices in active markets for an identical asset. The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available, and those prices represent actual and regularly occurring market transactions on an arm’s length basis. The quoted market price used for financial assets held is the current bid price.

Valued using models with significant observable market parameters – “Level b”

Level b: where quoted prices are not available, the price of a recent transaction for an identical asset, (which includes the Company’s transaction cost for that asset) providing there has been no significant change in economic circumstances or a significant lapse in time since the transaction took place. The Company’s unquoted investments currently all fall into this category.

Valued using models with observable parameters – “Level c (i)”

Level c(i): fair values where the value estimate relies on observable market data. The fair value is determined by using valuation techniques. These valuation techniques maximise the use of observable data where it is available and rely as little as possible on entity specific estimates. If all the inputs required to fair value an instrument are observable, the instruments is included in level c (i). None of the Company’s unquoted investments currently fall into this category.

Valued using models with significant unobservable parameters – “Level c (ii)”

Level c(ii): fair values are not traded in an active market and the fair value is determined by using valuation techniques such as less recent third party transactions or earnings multiples. If one or more of the significant inputs is not based on observable market data, the instrument is included in level c (ii). None of the Company’s unquoted investments currently fall into this category.

There have been no transfers between these classifications in the year. The change in fair value for the current and previous year is recognised through the statement of comprehensive income.

9. DEBTORS

	30 June 2015
	£000
Accrued income and prepayments	357
	357

10. CREDITORS

	30 June 2015
	£000
Amounts falling due within one year:	
Purchases for future settlement	435
Other Creditors	273
	708

11. SHARE CAPITAL

The table below details the issued share capital of the Company as at the date of the accounts:

	30 June 2015	30 June 2015
	No of Shares	£000
Allotted, issued & fully paid:		
Ordinary shares of 1p	800,000,000	8,000
	800,000,000	8,000

On incorporation, the issued share capital of the Company was £0.01 represented by one Ordinary Share, held by Woodford Investment Management LLP as subscriber to the Company's memorandum of association. The Ordinary share was fully paid up.

To enable the Company to obtain a certificate of entitlement to conduct business and to borrow under Section 761 of the Act, on 13 February 2015, 50,000 redeemable shares were allotted to the Portfolio Manager. The redeemable shares were paid up as to one quarter of their nominal value and were redeemed immediately following Admission 21 April 2015 out of the proceeds of the Issue.

On 21 April 2015, 799,999,999 Ordinary shares of 1p each were issued to shareholders as part of the placing and offer for subscription in accordance with the Company's prospectus dated 24 February 2015.

Share Movement

The table below sets out the share movement since incorporation (26 January 2015) to 30 June 2015.

For the period from 26 January 2015 to 30 June 2015

	Shares in issue			Shares in
	the beginning of	Shares	Shares	issue at
	the period	Subscribed	Redeemed	30 June
Redeemable shares	0	50,000	50,000	0
Ordinary shares of 1p	1	800,000,000	0	800,000,000

12. SHARE PREMIUM

	30 June 2015
	£000
Share premium arising on ordinary shares	792,000
Share issue costs	(8,823)
Closing balance	783,177

13. CAPITAL RESERVE

	30 June 2015
	£000
Gains on investments - held at fair value through profit or loss	23,079
Closing balance	23,079

14. REVENUE RESERVE

	Period ended
	30 June 2015
	£000
Retained profit for the period	602
Closing balance	602

15. FINANCIAL COMMITMENTS

At 30 June 2015 there were no commitments in respect of unpaid calls or underwriting.

16. RETURN PER ORDINARY SHARE

Total return per ordinary share is based on the return on ordinary activities after taxation of £602,000. This calculation is based on the 800,000,000 ordinary shares in issue during the period.

17. NET ASSET VALUE PER SHARE

Total shareholders' funds and the net asset value per share attributable to the ordinary shareholders at the period-end calculated in accordance with the Articles of Association were as follows:

	Net Asset Value per share 30 June 2015	Net assets available 30 June 2015
	pence	£000
Ordinary Shares (800,000,000 shares in issue)	101.86	814,858

The net asset value per share is based on total shareholders' funds above, and on 800,000,000 ordinary shares in issue at the period end.

18. TRANSACTIONS WITH THE PORTFOLIO MANAGER AND THE ALTERNATIVE INVESTMENT FUND MANAGER 'AIFM'

The Company provides additional information concerning its relationship with the Portfolio Manager, Woodford Investment Management LLP ("Woodford"). The amount of the accrual established as a provision for the performance fee due to Woodford is nil as set out in Note 4. At 30 June 2015 no amount was payable in respect of the fee as it only crystallises at the end of a performance period although it would accrue if over the hurdle.

Capita Financial Managers Limited as the Alternative Investment Fund Manager ('AIFM') of the Company, has a fee payable for the period ended 30 June 2015 of £23,146.33.

Woodford has subcontracted to Northern Trust Global Services Limited the provision of the middle office function on behalf of the Company, which they recharge the Company at cost. From time to time Woodford instruct various third parties to undertake various functions on behalf of the Company which they recharge the Company at cost. During the period since inception, charges relating to middle office services amounts to £20,367.98

19. RELATED PARTY TRANSACTIONS

The Board consists of four non-executive Directors, all of whom are considered to be independent of the Investment Manager by the Board. None of the Directors has a service contract with the Company, each Director having been appointed pursuant to a letter of appointment entered into with the Company. The Directors' appointments can be terminated in accordance with the Articles of Association and without compensation.

There is no notice period specified in the letters of appointment or Articles for the removal of Directors. The Articles provide that the office of Director shall be terminated by, among other things: (i) written resignation; (ii) unauthorised absences from board meetings for six consecutive months or more; or (iii) written request of all of the other Directors.

The Directors' current level of remuneration is £27,000 per annum for each Director, with the chairman of the audit committee receiving an additional fee of £5,000 per annum. The Chairman's fee is £40,000 per annum.

There are no amounts set aside or accrued by the Company to provide pension, retirement or similar benefits.

As at 30 June 2015, the Directors' interests in the Company's Ordinary shares, were as follows:

Director	Number of Ordinary Shares	Percentage of issued Ordinary Share capital
Susan Searle	36,062	0.005%
Scott Brown	24,341	0.003%
Steven Harris	45,077	0.006%
Louise Makin	13,523	0.002%

20. Principal Risks and Uncertainties

The Directors are responsible for identifying and controlling risks. However responsibility for day to day management of risk has been delegated to its third party providers.

The principal risks and uncertainties that could have a material impact on the Company's performance have not changed from those set out in detail on pages 14 to 19 of the Company's prospectus issued on 24 February 2015, available on the Company's website www.woodfordfunds.com and as detailed below:

Risks Specific to the Company

- The Company has no operating history.
- The Company has no employees and is reliant on the performance of third party service providers. Failure by the Portfolio Manager or any other third party service provider to perform in accordance with the terms of its appointment could have a material detrimental impact on the operation of the Company.
- There can be no guarantee that the investment objective of the Company will be achieved.
- The Company is expected to invest a significant proportion of its assets in Early-Stage Companies and Early-Growth Companies which, by their nature, may be smaller capitalisation companies. Such companies may not have the financial strength, diversity and resources of larger and more established companies and may find it more difficult to operate, especially in periods of low economic growth. The market in the shares of such companies may be less liquid and, as a consequence, their share price may be more volatile than investments in larger companies.
- The Company is expected to invest a significant proportion of its assets in unquoted securities, which may be less liquid and more difficult to realise than publicly traded securities.
- The departure of some or all of the Portfolio Manager's investment professionals could prevent the Company from achieving its investment objective. In particular, Neil Woodford is considered a key individual as the fund manager principally responsible for the management of the Company's assets. The past performance of the Portfolio Manager's investment professionals cannot be relied upon as an indication of the future performance of the Company.
- Any change in the Company's tax status or in taxation legislation or practice generally could affect the value of the investments held by the Company, affect the Company's ability to provide returns to Shareholders, or alter the post-tax returns to Shareholders.

Directors, Portfolio Manager and Advisers

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Directors

Susan J Searle (Chairman)
Scott Brown
Steven Harris
Dame Pamela Louise Makin

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Company Secretary

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Website

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Share Identifiers

ISIN: GB00BVG1CF25

Sedol: BVG1CF2

Ticker: WPCT

Woodford Investment Management LLP,
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