



MCI

MIDDLEFIELD Canadian Income PCC

Including Middlefield Canadian Income - GBP PC
A cell of the Company

HALF YEARLY REPORT & INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)

For the Period 1 January, 2020 to 30 June, 2020

Middlefield Canadian Income PCC

Including Middlefield Canadian Income - GBP PC, A cell of the Company

CORPORATE INFORMATION AND HIGHLIGHTS

ABOUT

MCI is a closed-ended investment company incorporated on 24 May 2006. The Fund was admitted to the FTSE UK All-Share Index effective 20 June 2011.

INVESTMENT OBJECTIVE

The Fund seeks to provide Shareholders with a high level of dividends as well as capital growth over the longer term. The Fund intends to pay dividends on a quarterly basis each year.

GEARING

The Fund has the power to borrow up to 25 percent of its total assets and is expected to employ gearing in the range of 0 to 20 percent in the normal course of events.

TARGET DIVIDEND

The Fund currently targets a dividend of 5.1 pence per share per annum payable quarterly.

NAV	NAV per Share	Share Price	Market Capitalisation	Net Gearing
£102.24m	96.02p	81.5p	£86.79m	6.3%
Dividends ¹	Dividend Yield	Share Price Return ¹	NAV Return ¹	Benchmark Return ¹
2.6p	6.3%	-16.3%	-15.9%	-19.6%

Sources: Middlefield, Bloomberg. As at 30 June, 2020

¹Year-to-date

WHY MIDDLEFIELD CANADIAN INCOME PCC?

HISTORY

Founded in 1979, Middlefield Group is licensed by the FCA with an office in the U.K. Middlefield is a specialty investment manager focused on global equity income. The Fund has significantly outperformed its benchmark since the Fund's inception in July 2006.

ACTIVE MANAGEMENT

Active management allows the Manager to strategically and tactically shift the portfolio's composition to achieve greater investment results compared to the overall market.

PROCESS

The Fund's robust investment process utilises top down / bottom up analysis that combines unique thematic overviews with comprehensive company-level research for stock selection.

DIVERSIFICATION

The Fund invests in North American equity income securities, with a particular focus in Canada, providing U.K. investors with diversification into sectors underrepresented in the U.K.

EXPERTISE

With \$4 billion in assets under management, Middlefield Group has developed a specialized expertise in equity strategies emphasising both current income and total return over many years.

YIELD

The Fund offers an attractive dividend yield of 6.3% using the last traded share price at the end of the period.

TABLE OF CONTENTS

1	Responsibility Statement
2	Performance Record
3	Chairman's Report
6	Investment Manager's Report
11	ESG Policy
12	Distribution of Investments
	Interim Condensed Financial Statements of the Fund (Unaudited)
13	Condensed Statement of Financial Position of the Fund (Unaudited)
14	Condensed Statement of Comprehensive Income/(Loss) of the Fund (Unaudited)
15	Condensed Statement of Changes in Redeemable Participating Preference Shareholder's Equity of the Fund (Unaudited)
16	Condensed Cash Flow Statement of the Fund (Unaudited)
17	Notes to the Financial Statements of the Fund
	Interim Condensed Financial Statements of the Company
30	Statement of Financial Position of the Company
31	Notes the Financial Statements of the Company
32	Definitions




RESPONSIBILITY STATEMENT

We confirm that to the best of our knowledge:

- The interim report and financial statements have been prepared in accordance with International Accounting Standard 34 “Interim Financial Reporting” and give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company.
- The Chairman’s Report and Investment Manager’s Interim Report include a fair review of the development, performance and position of the Company and a description of the risks and uncertainties as disclosed in note 17 to the interim financial statements, that it faces for the next six months as required by DTR 4.2.7.R of the disclosure Guidance and Transparency Rules.
- The Investment Manager’s Interim Report and note 11 to the interim financial statements include a fair review of related party transactions and changes therein, as required by DTR 4.2.8.R of the Disclosure Guidance and Transparency Rules.

By order of the board:



Nicholas Villers

Chairman



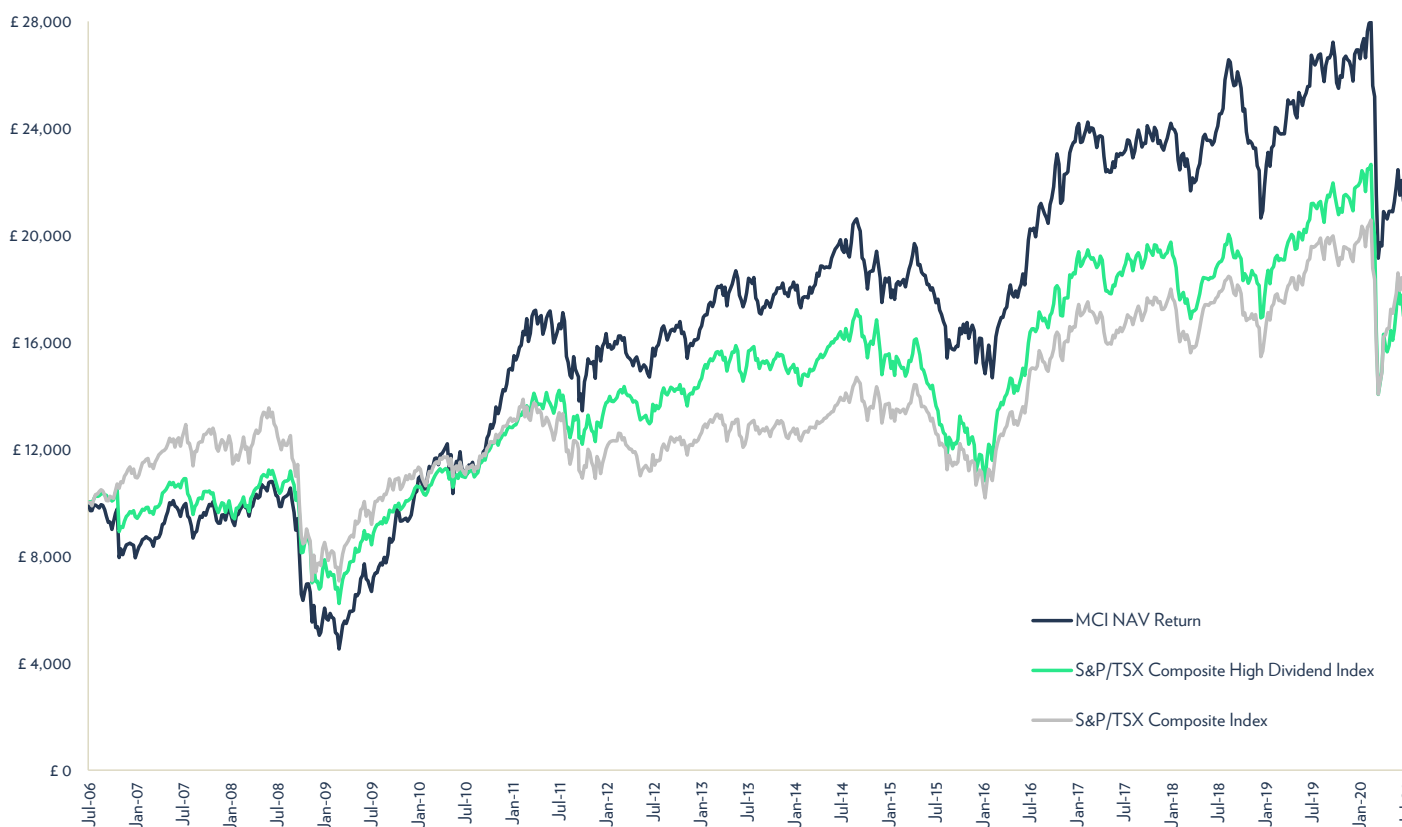
Philip Bisson

Director

Date: 17 September 2020

PERFORMANCE RECORD

PERFORMANCE SINCE INCEPTION



Notes:

1. Total net asset value returns (net of fees and including the reinvestment of dividends).
2. The Fund's Benchmark, the S&P/TSX High Dividend Index, has been currency adjusted to reflect CAD\$ returns from inception to October 2011 (while the Fund was CAD\$ hedged) and GBP returns thereafter.

FUND PERFORMANCE

Recent Performance	1 Mth	3 Mth	6 Mth	YTD	1 Year
Share Price	3.4%	10.6%	-16.3%	-16.3%	-12.0%
NAV	0.2%	11.1%	-15.9%	-15.9%	-11.5%
Benchmark ¹	1.0%	13.2%	-19.6%	-19.6%	-15.6%
S&P/TSX Composite Index	3.4%	22.1%	-5.5%	-5.5%	-3.5%
Long-Term Performance	3 Year Cumulative	3 Year Annualised	5 Year Cumulative	5 Year Annualised	Since Inception
Share Price	-5.7%	-1.9%	18.6%	3.5%	91.4%
NAV	-2.9%	-1.0%	25.9%	4.7%	114.9%
Benchmark ¹	-6.0%	-2.0%	24.9%	4.6%	77.8%
S&P/TSX Composite Index	12.4%	4.0%	44.7%	7.7%	93.0%

Sources: Middlefield, Bloomberg. As at 30 June, 2020

¹ S&P/TSX Composite High Dividend Index

CHAIRMAN'S REPORT



It is my pleasure to present the Half Yearly Report for the period ended 30 June 2020. The Fund generated a total return of 15.9%, outperforming the Benchmark return of -19.6%. The Fund's share price returned -16.3% during the first half of the year. The global pandemic whipsawed markets during the period, widening the discount to NAV to 15.1% at June's conclusion. Two dividends of 1.275p per redeemable participating preference share were paid during the period. Since inception in 2006, the Fund's NAV has generated a cumulative return of 114.9%, outpacing the cumulative returns of both the Benchmark and the TSX of 77.8% and 93.0%, respectively.

Global markets were overwhelmed by the spread of COVID-19 in the first half of 2020. Economies around the world slumped dramatically as government-imposed lockdowns shuttered businesses and caused a deep contraction in consumer activity. During that period, the Company transitioned to a new digital working arrangement without any impact on operations. In March, sovereign-bond yields fell to record lows as investors flocked to safe haven assets and central banks ramped up bond buying. The Fund implemented a series of measures to de-risk the portfolio with an emphasis on capital preservation, resulting in the Fund's NAV outperforming the benchmark by 9% by the time U.S. equity markets bottomed on 23rd March 2020. The Fund's NAV outperformed the benchmark by 3.7% over the six-month period. The action to preserve capital was principally responsible for a fall in EPS from 2.17p to 1.82p. The Board has maintained the quarterly dividend as it expects earnings to increase in the absence of unforeseen circumstances' as the income benefits from the deployment of additional capital feeds through. With a focus on higher quality, more defensive issuers, the Fund increased its exposure to Utilities based on the view that the sector will benefit from sustained low interest rates as well as widespread political support for renewable power. On the other hand, the Fund reduced its exposure to sectors facing adversity related to the pandemic and weak energy prices. Exposure to Financials was lowered from 20.6% at the end of 2019 to 11.4% of NAV at the end of February, significantly below the Benchmark weight of 29.2% at the time. While positions in Energy producers were reduced to zero, the Fund has maintained exposure to select Pipelines, which are less exposed to swings in commodity prices due to their long-term contractual revenues. Of special note, only one position in the Fund, Chorus Aviation, reduced its dividend in the first half 2020.

Investor panic began to subside in early April as a result of unprecedented monetary and fiscal policy measures implemented by governments and central banks around the world. The massive stimulus programs provided relief to households and businesses and also supported the proper functioning of financial markets. These actions together with increasing optimism surrounding vaccines and therapies drove a rapid and significant appreciation in equities from their March lows with the S&P 500 Index recovering nearly all of its losses by the end of June, led by growth stocks and companies with stable and predictable earnings. The Fund participated in the bounce back by selectively increasing its exposure to U.S. issuers from 24% to 32% of the portfolio by 30 June, 2020, primarily through investments in Information Technology and Healthcare companies. These two sectors are uniquely positioned to capitalize on both near and long-term opportunities that have emerged or accelerated as a result of the pandemic.

The Manager tactically manages the Fund's gearing, which, on a net basis, ranged from 10% to -14.7% (i.e. net cash) over the first half of the year. In response to deeply discounted valuations and more recent signs of a pick-up in economic activity, the Manager gradually deployed capital throughout the second quarter, resulting in net gearing of approximately 6.3% as at 30 June 2020.

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Although the Fund has been significantly underweight Financials, our exposure to select Canadian and U.S. banks was still a drag on performance. The Manager believes the North American banking sector remains well diversified and relatively well capitalized. However, the prospect of lower for longer interest rates and uncertainty surrounding the pace of the economic recovery remain headwinds. The Fund is focused on select insurance and banking companies that trade at attractive valuations and possess above average levels of capitalization and liquidity.

DIVIDENDS

The Fund paid quarterly dividends of 1.275 pence per share in each of January and April 2020, equivalent to dividends of 5.1p per annum.

BOARD TRANSITION

Mrs Joanna Dentskevich resigned from her position on the Board effective 30 June 2020. In her stead, the Board of the Company has appointed Mr Raymond Apsey as a non-executive director of the Company with effect from 3 September, 2020. Mr Apsey's appointment is being made on an interim basis in order to satisfy the Jersey Financial Services Commission's requirement for the Company to have at least two Jersey-resident directors. In light of travel restrictions related to COVID-19, the Nomination and Remuneration Committee's search will be greatly assisted by Mr Apsey's local knowledge.

Mr Apsey previously served as a non-executive director of the Company from its incorporation on 24 May, 2006 until 13 June, 2019. Mr Apsey is a Fellow of the Institute of Chartered Secretaries and Administrators with extensive experience at management level of the offshore finance industry in the Bahamas, the Channel Islands and the Cayman Islands. He joined the Morgan Grenfell Offshore Group in 1975 to head the Corporate and Trust Division and held various senior appointments, including Deputy Managing Director of Jersey, Managing Director of Cayman and Group Director, before retiring in December, 1995. Mr Apsey resides in Jersey.

We are pleased that Mr Apsey has accepted a position on our Board. His financial services expertise, previous tenure, experience and local knowledge make him the ideal candidate for this interim role.

MATERIAL EVENTS

The Board is not aware of any significant event or transaction which has occurred between 1 July 2020 and the date of publication of this statement which could have a material impact on the financial position of the Fund.

COMPANY AND FUND ANNUAL GENERAL MEETINGS

At each of the Company and Fund Annual General Meetings held on 18 June 2020, all resolutions,

relating to both ordinary business and special business, were duly passed on a poll.

CONTACT

Shareholders can write to the Company at its registered office or by email to the Assistant Secretary at fundservicegsy@jtcgroup.com.

PRINCIPAL RISKS AND UNCERTAINTIES

There are a number of potential risks and uncertainties, which could have a material impact on the Fund's performance over the remaining six months of the year and could cause actual results to differ materially from expected and historical results. Further information on the principal risks and uncertainties are included on pages 21 to 24 of the 2019 Annual Report and in Note 17 of the Notes to the Interim Condensed Financial Statements of the Fund (unaudited).

The Directors consider that the principal risks and uncertainties facing the Company, including the uncertainty relating to the impact of the pandemic and Brexit, remain substantially unchanged since the publication of the Company's 2019 annual report and financial statements and are expected to remain relevant to the Company for the next six months of its financial year.

OUTLOOK

We believe the outlook for equity income remains attractive. The Fund's actively managed, diversified portfolio of dividend paying and dividend growing equities is well-positioned against the backdrop of a slower global economy and near-zero interest rates. We remain focused on companies with predictable cash flows and sustainable business models to mitigate volatility, especially in light of the upcoming U.S. general election and the ongoing economic uncertainty from the COVID-19 pandemic.

We thank you for your continued support.



Nicholas Villiers

Chairman

17 September 2020

INVESTMENT MANAGER'S INTERIM REPORT

SIX MONTHS TO 30 JUNE 2020 (UNAUDITED)



On the invitation of the Directors of the Company, this investment manager's interim report is provided by Middlefield Limited, which acts as the investment manager of the Fund.

This statement has been prepared to provide additional information to Shareholders to meet the relevant requirements of the FCA's Disclosure Guidance and Transparency Rules. It should not be relied upon by any party for any purpose other than as stated above.



SUMMARY

The Fund invests in a broadly diversified portfolio comprised primarily of Canadian and U.S. equity income securities with the objective of providing shareholders with high dividends as well as capital growth over the longer term. The Fund intends to pay dividends on a quarterly basis each year. The current distribution is set at 5.1 pence per annum, paid quarterly.

The Fund will seek to achieve its investment objective by primarily investing in the securities of companies and Real Estate Investment Trusts ("REITs"), domiciled in Canada and the United States and listed on Canadian and U.S. stock exchanges, which the investment manager believes will provide an attractive level of distributions and growth over time.

PERFORMANCE SUMMARY

Global markets sold-off sharply in Q1 2020 as the COVID-19 pandemic began to spread throughout the world. Economic activity came to an abrupt halt as governments imposed measures aimed at reducing the rate of infection. In response to the pandemic, central banks and governments around the world were quick to act in lowering short-term borrowing

rates and implementing unprecedented levels of fiscal stimulus. These efforts helped equities recover nearly all of their losses during the second quarter, with many stocks currently trading at or near all-time highs. Despite having been down almost 30% at its lows, the S&P TSX Composite returned -5.3% while the S&P 500 Index returned +3.6% during the first half of 2020 (in GBP).

The U.S. Federal Reserve has enacted a broad array of measures to stem the economic damage from the pandemic, including a \$2.3 trillion lending program and reduction in the federal funds rate from 1.5% to 0%. U.S. monetary policy was matched by significant fiscal stimulus in the form of the USD\$2.2 trillion Coronavirus Aid Relief and Economic Security Act with an expectation of additional stimulus from Congress before the end of September. In Canada, fiscal stimulus has exceeded CAD\$900 billion to provide economic support to both consumers and businesses impacted by the pandemic while the Bank of Canada has reduced the overnight rate from 1.75% in March to 0.25% currently. North American stock prices reacted favourably to the unprecedented stimulus measures and rebounded sharply at the end of March. The vast majority of Canadian and U.S. dividend payers maintained their payout levels as their share prices continued to clawback losses throughout Q2 2020.

Dividend cuts as at 30 June, 2020

	TSX	S&P 500	FTSE 350
Current Yield of Equity Index	3.5%	1.9%	2.6%
# of Dividend Paying Constituents	184	423	221
% of Firms That Have Cut or Suspended Dividends YTD	15%	12%	66%

The recovery in equities has been led by the Information Technology sector, best represented by the NASDAQ Composite which returned 20.5% in GBP for the six months ended 30 June, 2020. The pandemic has accelerated the trend of employees working from home, thereby driving demand for data-reliant services such as streaming, cloud storage and virtual communication. Against this backdrop, the Fund initiated positions in dividend-paying technology stocks during the first half of the year, with the sector representing over 9% of the Fund's assets as at 30 June, 2020. Of note, since being added to the portfolio, Microsoft Corp. has generated a total return of 27% and we expect the company to continue to capture a growing share of corporate and government IT budgets for the foreseeable future.

The Fund also initiated several positions in the Healthcare sector, which trades at a discount to the broader market despite generating strong cash flow from needs-based products, healthy dividends and sector-specific government stimulus. With the COVID-19 vaccine market expected to be worth over \$20 billion globally by 2025, the Fund added exposure to Pfizer, Johnson & Johnson and Abbot Laboratories. Pfizer, with its partner BioNTech, have released encouraging data and received fast-track approval from the U.S. Food and Drug Administration for two of their mRNA-based COVID-19 vaccine candidates. Johnson & Johnson, one of the world's largest healthcare companies diversified across biopharma and medical equipment, is also developing a lead COVID-19 vaccine candidate for clinical trials and has accelerated its initial timeline by several months, with data expected later this year. Finally, Abbott Laboratories, the diversified medical equipment and devices company, has a suite of COVID-19 testing kits which we expect to drive meaningful revenue growth over the next several years.

Driven by Office and Retail REITs that have been adversely affected by the pandemic due to work from home and e-commerce trends, Real Estate underperformed the broader market. Given our concerns about these subgroups, however, the Fund's

Real Estate portfolio has minimal exposure to them. Its largest weighting is Industrial REITs, whose fundamentals continue to strengthen as a result of the accelerated adoption of on-line shopping and the corresponding increase in demand for logistics and distribution services. Granite REIT and WPT Industrial REIT are two of the Fund's core positions and are significantly leveraged to tenants in e-commerce. These companies generated total returns of 11.1% and 3.2% in GBP, respectively, in the first half of the year, significantly outperforming the S&P/TSX Capped REIT Index total return of -19.4% over the same period.

Utilities surpassed Real Estate as the Fund's largest sector weight as at 30 June 2020. In light of a slowing global economy and surging unemployment, it is increasingly likely that infrastructure spending will become a cornerstone of expansionary fiscal policy. Moreover, accommodative monetary policy in the form of low or zero interest rates and a relaxed lending environment are expected to persist, supporting the valuations for the Utilities sector. In particular, companies focused on renewable power generation and the decarbonization of the electric grid are the most compelling at this time. Ongoing support for "net zero" climate policies around the world could lay the foundation for multi-decade tailwinds for renewable power projects. Following recent announcements related to the Green Deal in Europe, Democratic presidential candidate Joe Biden announced a \$2 trillion climate plan with the longer-term goal of achieving a 100% clean electricity standard by 2035. With the substantial reduction in the cost of producing energy from solar and wind, the renewables sector is well-positioned for continued growth in market share and profitability. Portfolio holdings such as Northland Power and Brookfield Renewable Power, which represent the two largest Utilities issuers in the Fund, are well positioned to benefit from this trend.

The Fund was very active in managing its exposure to the Financials sector during the first half of 2020. Financials accounted for over 20% of the Fund's NAV at the beginning of the year and was the Fund's

second largest sector weight. Due to the pandemic, our view on the sector shifted with the flattening of the yield curve and increase in bad debt provisions for corporate and consumer lending books. By 28 February, Financials represented only 11.4% of the Fund's NAV. Due to unprecedented levels of fiscal stimulus as well as deeply discounted valuations, the Fund began to gradually add to high-quality banks and life insurers during May and June, bringing its exposure back up to 16.2% as at 30 June, 2020.

The Canadian dollar appreciated by 2.3% relative to GBP in the first half of the year. Much of its strength can be attributed to the price of gold, which appreciated by over 17% during the first half of the year, lifting the Canadian Materials sector by 15% over this period. The U.S. dollar exhibited its usual strength during times of financial stress, as measured by the U.S. Dollar Index appreciating by 6.7% against a basket of foreign currencies between 31 December 2019 and 20 March 2020. Unlike gold, which is trading near all-time highs, the U.S. dollar depreciated during the second quarter as the Federal Reserve re-initiated quantitative easing in addition to new lending facilities to support businesses and avoid layoffs. The Fund's exposure to both the Canadian and U.S. dollars is unhedged.

OUTLOOK

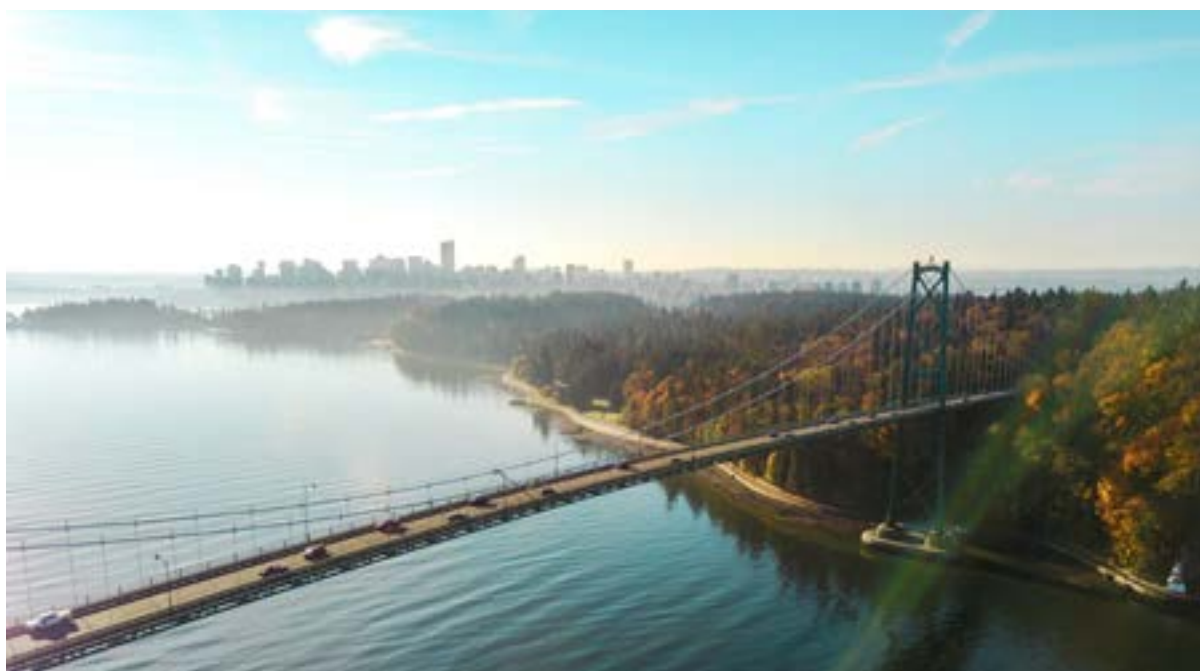
Looking ahead to the second half of 2020, we believe the long-term outlook for North American equities is positive. In the short term, however, there are various risks we are monitoring in addition to the ongoing effects of the pandemic. The U.S. election in November, a pending Brexit deadline and the deterioration of U.S.-China relations could all serve as catalysts for heightened equity market volatility in the latter half of the year. Notwithstanding, central bank policies are expected to remain accommodative and GDP growth is positive in most regions. Canada remains an attractive jurisdiction for investment and is emerging as a world-class incubator for innovation and technology. We expect the Fund's strategic asset allocation towards sectors such as renewable power and industrial real estate to perform well in the current environment.

Middlefield Limited

Past performance is not a guide to future performance.

This half-yearly financial report is available at:

www.middlefield.co.uk.



Top 10 Holdings as at 30 June, 2020

Company	Sector	% of NAV
Northland Power Northland is an independent power producer with significant expertise in developing and operating clean energy generation facilities, particularly in offshore wind. Most recently, the company has been focused on developing offshore wind projects in Europe and Asia and expanding its footprint in Central and South America.	Utilities	5.3%
CIBC CIBC is among Canada's five largest banks, offering domestic retail banking, wealth management capital markets services. CIBC is undervalued relative to the other big banks and pays an attractive dividend which is well-covered by the bank's strong capital position.	Financials	4.8%
Brookfield Renewables Brookfield Renewable Partners is one of the world's largest publicly traded, pure-play independent power producers focused on renewables. Due to its significant scale, diversification and global footprint, it is well-positioned to benefit from government initiatives to increase infrastructure spending on decarbonization projects.	Utilities	4.5%
Enbridge Enbridge is North America's largest energy infrastructure company with business platforms that include a network of crude oil, liquids and natural gas pipelines, regulated gas distribution utilities and renewable power generation. Enbridge delivers over 60% of U.S.-bound Canadian crude oil production and transports c. 20% of all natural gas consumed in the U.S.	Pipelines	4.4%
Microsoft Microsoft was added to the portfolio in March due to the strength of Azure cloud services as well as its integral work-from-home suite, which includes Teams and Office 365. The company delivered strong Q1 results and is well-positioned to outperform throughout the duration of the pandemic and over the long-term.	Information Technology	4.3%

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Company	Sector	% of NAV
Sun Life Financial Sun Life is a leading Canadian financial services company focused on life insurance and wealth management with a solid capital position and low leverage. The company is growing its international operations, specifically in Asia, which supports the company's long-term target of double-digit top and bottom line growth.	Financials	4.3%
BCE BCE is Canada's largest media and communications company with more than 22 million consumer and business connections. The company launched Canada's largest 5G wireless network during the summer of 2020, offering unprecedented mobile data speeds as well as Canada's broadest selection of 5G-capable phones. BCE also owns premier media and entertainment assets in television, radio, digital media and sports.	Communication Services	4.1%
McDonald's McDonald's is the world's largest fast-food restaurant chain and one of the most recognized brands globally. The company generates consistent free cash flow, supporting the company's steady dividend increases. McDonald's has maintained its leadership position through constant innovation of its operations and menu offerings.	Consumer Discretionary	3.7%
WPT Industrial REIT WPT Industrial REIT owns a portfolio of premier warehouse and distribution centers in strategically located markets throughout the U.S. Its properties offer cash flow stability via high occupancy, tenant retention and contracted rent escalations. WPT is partnered with Canada's largest institutional investor, CPPIB, in its private capital management business which targets value-add and development investments.	Real Estate	3.6%
Granite REIT Granite is a Canadian REIT focused on industrial properties, an asset class poised to benefit from the secular growth in E-commerce. Management has completed a number of strategic acquisitions in critical logistics hubs across Canada, the U.S. and Europe and has significantly diversified its tenant base in recent years. Granite has provided the Fund with attractive total returns and has grown its dividend for 8 consecutive years.	Real Estate	3.5%
TOTAL		42.5%

ESG POLICY

OUR PHILOSOPHY

The primary objective of Middlefield's portfolio management team is to provide unitholders with competitive risk-adjusted returns over the long-term. It is our fiduciary responsibility to employ a disciplined investment process that seeks to identify attractive investment opportunities and evaluate all known and unknown risks that could impact portfolio returns. We do this by applying a consistent process to identify investment opportunities and by closely monitoring each of our holdings on an ongoing basis.

Consistent with these objectives, our process integrates Environmental, Social and Governance (ESG) related analysis. ESG has become an important component of a complete and thorough investment analysis. We believe the integration of ESG analysis will result in a more fulsome understanding of a company's strategy, culture and sustainability.

OUR PROCESS

We incorporate ESG data/scores in our multi-disciplined investment process to evaluate investments. Our methodology includes a qualitative review and assignment of ESG scores to individual holdings. Each company is analyzed on an absolute basis and measured relative to its peers. The ESG data/scores do not govern investment decisions on their own. They are reviewed and considered alongside our fundamental, quantitative and qualitative research.

THE SCORING SYSTEM

Middlefield's scoring system utilizes the average ESG scores from three reputable third-party data providers. In addition, we cross-reference potential investments with the constituents of leading ESG indexes to assess their eligibility in ESG-focused mandates. The data providers we have chosen to incorporate into our ESG analysis include:

Sustainalytics

A global leader in ESG and Corporate Governance research and ratings, Sustainalytics supports hundreds of the world's leading investors to incorporate ESG and corporate governance insights into their investment processes. Its coverage spans 11,000 companies across 40 industry-specific metrics.

RobecoSAM

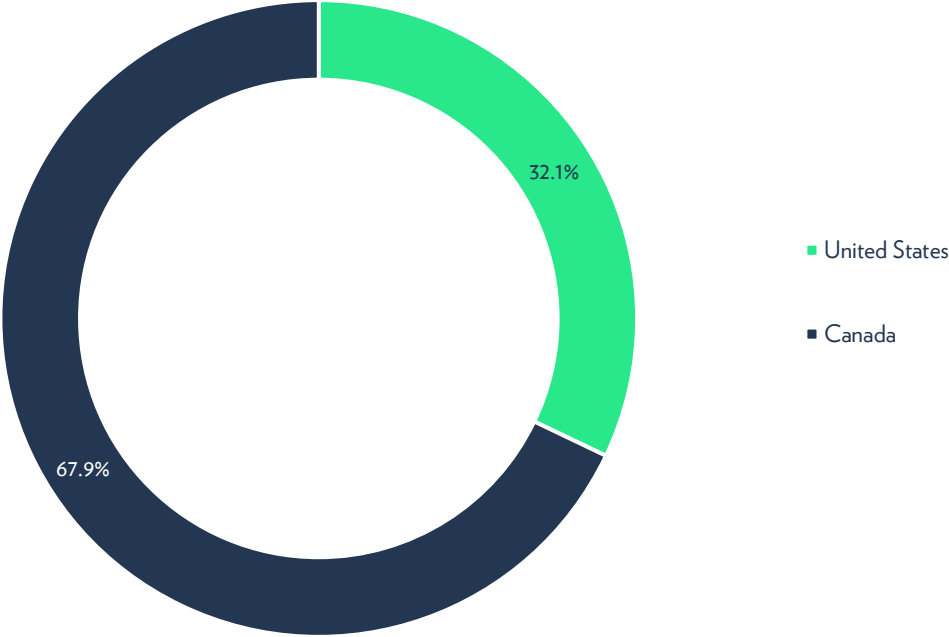
Robeco is an asset management firm focused exclusively on sustainable investing. The firm launched the Dow Jones Sustainability Indices in 1999 and has developed expertise in defining and measuring ESG information.

Bloomberg

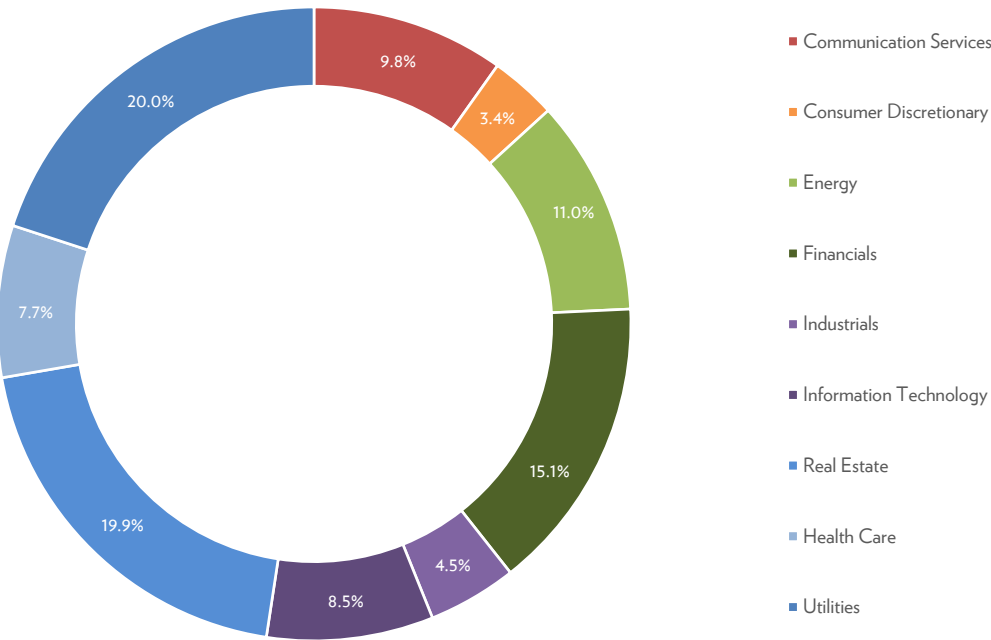
Bloomberg's proprietary ESG disclosure score measures the amount of ESG data a company reports publicly that is relevant to its industry sector. Its coverage spans more than 11,500 companies in 83 countries. ESG data is fully integrated with all of Bloomberg's analytics and can be compared alongside other key ratios and financial performance indicators.

DISTRIBUTION OF INVESTMENTS

DISTRIBUTION OF INVESTMENTS



Sources: Middlefield, Bloomberg. As at 30 June, 2020



Sources: Middlefield, Bloomberg. As at 30 June, 2020

FINANCIAL STATEMENTS OF THE FUND

MIDDLEFIELD CANADIAN INCOME PCC (the “Company”)
Including MIDDLEFIELD CANADIAN INCOME – GBP PC (the “Fund”), a cell of the Company

CONDENSED STATEMENT OF FINANCIAL POSITION OF THE FUND (Unaudited)

As at 30 June 2020

with unaudited comparatives as at 30 June 2019

and audited comparatives as at 31 December 2019

	Notes	30.06.2020 GBP	30.06.2019 GBP	31.12.2019 GBP
Current assets				
Securities (at fair value through profit or loss)	3 & 19	109,221,611	145,061,423	144,075,929
Accrued bond interest		17,402	20,354	27,940
Accrued bank interest		-	2,864	6,908
Accrued dividend income		434,555	636,968	513,405
Other receivables		2	2	2
Prepayments		2,323	8,263	17,659
Cash and cash equivalents	4	7,429,262	2,299,403	6,198,999
		<u>117,105,155</u>	<u>148,029,277</u>	<u>150,840,842</u>
Current liabilities				
Other payables and accruals	5	(359,305)	(329,938)	(413,763)
Interest payable		(7,081)	(20,965)	(24,327)
Loan payable	15	(14,812,456)	(26,886,356)	(26,026,802)
		<u>(15,178,842)</u>	<u>(27,237,259)</u>	<u>(26,464,892)</u>
Net assets		<u>101,926,313</u>	<u>120,792,018</u>	<u>124,375,950</u>
Equity attributable to equity holders				
Stated capital	6	49,704,414	49,704,414	49,704,414
Retained earnings		52,221,899	71,087,604	74,671,536
Total Shareholders' equity		<u>101,926,313</u>	<u>120,792,018</u>	<u>124,375,950</u>
Net asset value per redeemable participating preference share (pence)	7	<u>95.72</u>	<u>113.43</u>	<u>116.80</u>

The interim financial statements and notes on pages 13 to 29 were approved by the Directors on 17 September 2020 and signed on behalf of the Board by:



Thomas Grose
Director



Nicholas Villiers
Director

The accompanying notes on pages 17 to 29 form an integral part of these interim financial statements.

MIDDLEFIELD CANADIAN INCOME PCC (the “Company”)
Including MIDDLEFIELD CANADIAN INCOME – GBP PC (the “Fund”), a cell of the Company

CONDENSED STATEMENT OF COMPREHENSIVE INCOME/(LOSS) OF THE FUND (Unaudited)

For the period 1 January 2020 to 30 June 2020 with unaudited comparatives for the period 1 January 2019 to 30 June 2019 and audited comparatives for the year ended 31 December 2019

		Six months ended 30 June 2020			Six months ended 30 June 2019	Year ended 31 December 2019
	Notes	Revenue GBP	Capital GBP	Total GBP	Total GBP	Total GBP
Revenue						
Dividend and interest income	8	2,850,304	-	2,850,304	3,483,329	6,952,021
Net movement in the fair value of securities (at fair value through profit or loss)	9	-	(21,950,317)	(21,950,317)	20,832,358	25,084,009
Net movement on foreign exchange		-	639,869	639,869	(1,372,326)	(1,128,978)
Total (loss)/revenue		2,850,304	(21,310,448)	(18,460,144)	22,943,361	30,907,052
Expenditure						
Investment management fees		151,152	226,728	377,880	400,861	837,344
Custodian fees		6,025	-	6,025	9,837	17,678
Sponsor's fees		26,993	-	26,993	114,532	140,103
Other expenses		273,575	-	273,575	231,087	586,263
Operating expenses		457,745	226,728	684,473	756,317	1,581,388
Net operating (loss)/profit before finance costs		2,392,559	(21,537,176)	(19,144,617)	22,187,044	29,325,664
Finance cost		(88,987)	(133,481)	(222,468)	(312,465)	(662,327)
(Loss)/profit before tax		2,303,572	(21,670,657)	(19,367,085)	21,874,579	28,663,337
Withholding tax expense		(367,127)	-	(367,127)	(536,085)	(1,025,486)
Net (loss)/profit		1,936,445	(21,670,657)	(19,734,212)	21,338,494	27,637,851
(Loss)/profit per redeemable participating preference share - basic and diluted (pence)	10	1.82	(20.35)	(18.53)	20.04	25.95

The Company including the Fund has no other items of income or expense for the current and prior periods and accordingly the net profit/(loss) for the current and prior periods represent total comprehensive income/(loss).

There are zero earnings attributable to the management shares. All activities derive from continuing operations.

The accompanying notes on pages 17 to 29 form an integral part of these unaudited interim condensed financial statements.

MIDDLEFIELD CANADIAN INCOME PCC (the “Company”)
Including MIDDLEFIELD CANADIAN INCOME – GBP PC (the “Fund”), a cell of the Company

CONDENSED STATEMENT OF CHANGES IN REDEEMABLE PARTICIPATING PREFERENCE SHAREHOLDERS’ EQUITY OF THE FUND (Unaudited)

For the period 1 January 2020 to 30 June 2020 with unaudited comparatives for the period 1 January 2019 to 30 June 2019 and audited comparatives for the year ended 31 December 2019

	Notes	Stated capital account GBP	Retained income GBP	Total GBP
At 1 January 2019		49,704,414	52,464,535	102,168,949
Profit for the period		-	21,338,494	21,338,494
Dividends paid	13	-	(2,715,425)	(2,715,425)
At 30 June 2019		<u>49,704,414</u>	<u>71,087,604</u>	<u>120,792,018</u>
Profit for the period		-	6,299,357	6,299,357
Dividends paid		-	(2,715,425)	(2,715,425)
At 31 December 2019		<u>49,704,414</u>	<u>74,671,536</u>	<u>124,375,950</u>
Loss for the period		-	(19,734,212)	(19,734,212)
Dividends paid	13	-	(2,715,425)	(2,715,425)
At 30 June 2020		<u>49,704,414</u>	<u>52,221,899</u>	<u>101,926,313</u>

The accompanying notes on pages 17 to 29 form an integral part of these unaudited interim condensed financial statements.

MIDDLEFIELD CANADIAN INCOME PCC (the “Company”)
Including MIDDLEFIELD CANADIAN INCOME – GBP PC (the “Fund”), a cell of the Company

CONDENSED CASH FLOW STATEMENT OF THE FUND (Unaudited)

For the period 1 January 2020 to 30 June 2020

with unaudited comparatives for the period 1 January 2019 to 30 June 2019

and audited comparatives for the year ended 31 December 2019

		Six months ended 30 June		Year ended 31 December
	Notes	2020 GBP	2019 GBP	2019 GBP
Cash flows from/(used in) operating activities				
Net (loss)/profit		(19,734,212)	21,338,494	27,637,851
Adjustments for:				
Net movement in the fair value of securities (at fair value through profit or loss)	9	21,950,317	(20,832,358)	(25,084,009)
Realised (gain)/loss on foreign exchange		(391,175)	799,280	598,158
Unrealised (gain)/loss on foreign exchange		(248,694)	573,046	530,820
Payment for purchases of securities		(69,425,325)	(21,721,821)	(47,861,535)
Proceeds from sale of securities		82,329,326	11,588,037	42,964,896
Operating cash flows before movements in working capital		14,480,237	(8,255,322)	(1,213,819)
Decrease/(increase) in receivables		111,632	(58,282)	44,255
(Decrease)/increase in payables and accruals		(71,704)	(49,991)	37,196
Net cash from/(used in) operating activities		14,520,165	(8,363,595)	(1,132,368)
Cash flows (used in)/from financing activities				
Repayment of borrowings		(40,624,864)	(65,818,568)	(172,251,640)
New bank loans raised		29,410,518	72,679,829	178,253,347
Dividends paid	13	(2,715,425)	(2,715,425)	(5,430,850)
Net cash (used in)/from financing activities		(13,929,771)	4,145,836	570,857
Net increase/(decrease) in cash and cash equivalents		590,394	(4,217,759)	(561,511)
Cash and cash equivalents at the beginning of period		6,198,999	7,889,488	7,889,488
Effect of foreign exchange rate changes		639,869	(1,372,326)	(1,128,978)
Cash and cash equivalents at the end of period	4	7,429,262	2,299,403	6,198,999
Cash and cash equivalents made up of:	4			
Cash at bank		7,429,262	2,299,403	6,198,999

The accompanying notes on pages 17 to 29 form an integral part of these unaudited interim condensed financial statements.

MIDDLEFIELD CANADIAN INCOME PCC (the “Company”)
Including MIDDLEFIELD CANADIAN INCOME – GBP PC (the “Fund”), a cell of the Company

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS OF THE FUND (Unaudited)

For the period 1 January 2020 to 30 June 2020

with unaudited comparatives for the period 1 January 2019 to 30 June 2019

and audited comparatives for the year ended 31 December 2019

1. General Information

The Company is a closed-ended investment company incorporated in Jersey on 24 May 2006. The Company has one closed-ended cell: Middlefield Canadian Income - GBP PC, also referred to as the “Fund”. The Fund seeks to provide Shareholders with a high level of dividends as well as capital growth over the longer term. The Fund intends to pay dividends on a quarterly basis each year. The Fund seeks to achieve its investment objective by investing predominantly in the securities of companies and REITs domiciled in Canada and the United States that the Investment Manager believes will provide an attractive level of distributions, together with the prospect for capital growth. In 2015, shareholders also approved an amendment to the investment policy to increase the percentage of the value of portfolio assets which may be invested in securities listed in recognized stock exchange outside Canada to up to 40 per cent.

The address of the Company’s registered office is 28 Esplanade, St Helier, Jersey JE2 3QA, Channel Islands.

The Fund’s shares have been admitted to the Official List of the FCA and to trading on the London Stock Exchange’s Main Market for listed securities.

The functional and presentational currency of the Company and the Fund is Pound Sterling (“GBP”).

The Company and the Fund have no employees.

The half-yearly report and interim condensed financial statements have not been audited or reviewed by the auditor, Deloitte LLP, pursuant to the Auditing Practices Board guidance on ‘Review of Interim Financial Information’.

The information presented for the year ended 31 December 2019 does not constitute the statutory financial statements of the Company. Copies of the statutory financial statements for that year have been delivered to the Registrar of Companies in Jersey and to the UK Financial Conduct Authority’s National Storage Mechanism. Copies are also available from the Company’s website www.middlefield.co.uk. The Auditor’s report on those financial statements was unqualified.

2. Accounting Policies

a. Basis of preparation

The interim condensed financial information for the period ended 30 June 2020 has been prepared in accordance with IAS 34 ‘Interim Financial Reporting’ as adopted by the European Union. The interim condensed financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2019, which have been prepared in accordance with International Financial Reporting Standards (IFRS).

The interim condensed financial statements have been prepared on the historical cost basis, except for the revaluation of fair value through profit or loss investments, and in accordance with IFRS. The condensed statement of comprehensive income is presented in accordance with the Statement of Recommended Practice (SORP) ‘Financial Statements of Investment Trust Companies and Venture Capital Trusts’ issued in January 2009 by the Association of Investment Companies (“AIC”), to the extent that it does not conflict with IFRS.

The condensed statement of financial position, condensed statement of comprehensive income, condensed statement of changes in redeemable participating preference shareholders’ equity and condensed cash flow statement refer solely to the Fund. The non-cellular assets comprise two Management Shares. However, there has been no trading activity with regards to the non-cellular assets.

MIDDLEFIELD CANADIAN INCOME PCC (the “Company”)
Including MIDDLEFIELD CANADIAN INCOME – GBP PC (the “Fund”), a cell of the Company

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS OF THE FUND (Unaudited) (Continued)

For the period 1 January 2020 to 30 June 2020

with unaudited comparatives for the period 1 January 2019 to 30 June 2019

and audited comparatives for the year ended 31 December 2019

2. Accounting Policies (continued)

b. Going concern

In the opinion of the Directors, there is a reasonable expectation that the Company and the Fund have adequate resources to continue in operational existence for the foreseeable future. For this reason, the interim financial statements have been prepared on the going concern basis.

The Directors have arrived at this opinion by considering, inter alia, the following factors:

- the Fund has sufficient liquidity to meet all on-going expenses and repayment of external borrowings; and
- the portfolio of investments held by the Fund materially consists of listed investments which are readily realisable and therefore the Fund will have sufficient resources to meet its liquidity requirements.

c. Standards and Interpretations

The accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2019, as described in those financial statements.

Adoption of new and revised Standards

The following standards, amendments and interpretations which are effective for the financial year beginning 1 January 2020 are not material to the Company:

- Amendments to IAS 1 ‘Presentation of Financial Statements’ and IAS 8 ‘Accounting Policies, Changes In Accounting Estimates and Errors’ on the definition of material effective for annual periods beginning on or after 1 January 2020. These amendments i) use a consistent definition of materiality throughout IFRSs and the Conceptual Framework for Financial Reporting; ii) clarify the explanation of the definition of material; and iii) incorporate some of the guidance in IAS 1 about immateriality information.

The directors have considered the above and are of the opinion that the above Standards and interpretations are not expected to have a material impact on the financial statements.

At the date of authorisation of these interim financial statements, there were no standards and interpretations in issue but not yet effective which are relevant to the Company and the Fund that have been applied to these interim financial statements.

d. Business and geographical segments

The Directors are of the opinion that the Fund is engaged in a single segment of business investing predominantly in securities and REITs domiciled in Canada and the U.S. to which the Fund is solely exposed and therefore no segment reporting is provided.

3. Securities (at fair value through profit or loss)

	30.06.2020 GBP	30.06.2019 GBP	31.12.2019 GBP
Quoted/listed Equities	108,041,302	141,394,048	140,523,906
Quoted/listed Bonds	1,180,309	3,667,375	3,552,023
	<u>109,221,611</u>	<u>145,061,423</u>	<u>144,075,929</u>

Please refer to Note 19 for the Schedule of Investments.

MIDDLEFIELD CANADIAN INCOME PCC (the “Company”)
Including MIDDLEFIELD CANADIAN INCOME – GBP PC (the “Fund”), a cell of the Company

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS OF THE FUND (Unaudited) (Continued)

For the period 1 January 2020 to 30 June 2020

with unaudited comparatives for the period 1 January 2019 to 30 June 2019

and audited comparatives for the year ended 31 December 2019

4. Cash and cash equivalents

	30.06.2020 GBP	30.06.2019 GBP	31.12.2019 GBP
Cash at bank	7,429,262	2,299,403	6,198,999

Cash and cash equivalents comprise cash held by the Fund and bank balances with an original maturity of three months or less. The carrying value of these assets approximates to their fair value.

5. Other payables and accruals

	30.06.2020 GBP	30.06.2019 GBP	31.12.2019 GBP
Investment management fees (Note 11)	172,696	211,379	217,204
Sponsor’s fees	12,336	60,394	15,515
Audit fees	14,918	14,712	30,000
Administration fees	24,671	29,533	31,029
General expenses	2,052	2,309	19,563
Directors’ fees	87,739	1,085	35,000
Registrar’s fees	7,429	7,573	7,371
Custodian fees	5,398	2,953	3,103
Tax fees	-	-	5,800
Marketing fees	-	-	7,500
Investor relations fee (Note 12)	32,066	-	41,678
	<u>359,305</u>	<u>329,938</u>	<u>413,763</u>

6. Stated capital account

The authorised share capital of the Fund is split into two Management Shares of no par value and an unlimited number of redeemable participating preference shares of no par value, the latter of which are attributable solely to the Fund.

	No. of shares	GBP
Management shares issued		
At 31 December 2019	2	2
At 30 June 2020	<u>2</u>	<u>2</u>
Redeemable participating preference shares issued		
At 31 December 2019	106,487,250	49,704,412
Movement for the period	-	-
At 30 June 2020	<u>106,487,250</u>	<u>49,704,412</u>
Total stated capital at 30 June 2020		<u>49,704,414</u>

MIDDLEFIELD CANADIAN INCOME PCC (the “Company”)
Including MIDDLEFIELD CANADIAN INCOME – GBP PC (the “Fund”), a cell of the Company

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS OF THE FUND (Unaudited) (Continued)

For the period 1 January 2020 to 30 June 2020

with unaudited comparatives for the period 1 January 2019 to 30 June 2019

and audited comparatives for the year ended 31 December 2019

6. Stated capital account (continued)

The holders of redeemable participating preference shares are entitled to receive in proportion to their holdings, all of the revenue profits of the Fund (including accumulated revenue reserves).

Each redeemable participating preference shareholder is entitled to one vote for each share held, provided all amounts payable in respect of that share have been paid.

Management shares are non-redeemable, have no right in respect of the accrued entitlement, and have no right to participate in the assets of the Fund on a winding-up. In all other respects, the management shares have the same rights and restrictions as redeemable participating preference shares. Each management share entitles the holder to one vote for each share held.

Redeemable participating preference shares are redeemed at the absolute discretion of the Directors. Since redemption is at the discretion of the Directors, in accordance with the provisions of IAS 32, the redeemable participating preference shares are classified as equity. The Fund will not give effect to redemption requests in respect of more than 25 per cent. of the shares then in issue, or such lesser percentage as the Directors may decide.

At the period end, there were 18,195,000 (30 June 2019: 18,195,000, 31 December 2019: 18,195,000) treasury shares in issue. Treasury shares have no value and no voting rights.

7. Net asset value per redeemable participating preference share

The net asset value per share of 95.72p (30 June 2019: 113.43p, 31 December 2019: 116.80p) is based on the net assets at the period end of £101,926,313 (30 June 2019: £120,792,018, 31 December 2019: £124,375,950) and on 106,487,250 redeemable participating preference shares, being the number of redeemable participating preference shares in issue (excluding shares held in treasury) at the period end (30 June 2019: 106,487,250 shares, 31 December 2019: 106,487,250 shares).

8. Dividend and interest income

	Period ended 30.06.2020			30.06.2019 GBP	31.12.2019 GBP
	Revenue GBP	Capital GBP	Total GBP		
Bond and debenture interest	66,165	-	66,165	36,601	140,647
Bank and loan interest	89,212	-	89,212	71,311	155,755
Dividend income	2,694,927	-	2,694,927	3,375,417	6,655,619
	2,850,304	-	2,850,304	3,483,329	6,952,021

9. Net movement in the fair value of securities

	Period ended 30.06.2020			30.06.2019 GBP	31.12.2019 GBP
	Revenue GBP	Capital GBP	Total GBP		
Net movement in the fair value of securities (at fair value through profit or loss)	-	(21,950,317)	(21,950,317)	20,832,358	25,084,009

MIDDLEFIELD CANADIAN INCOME PCC (the “Company”)
Including MIDDLEFIELD CANADIAN INCOME – GBP PC (the “Fund”), a cell of the Company

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS OF THE FUND (Unaudited) (Continued)

For the period 1 January 2020 to 30 June 2020

with unaudited comparatives for the period 1 January 2019 to 30 June 2019

and audited comparatives for the year ended 31 December 2019

10. Profit per redeemable participating preference share – basic and diluted

The revenue gain per share is based on £1,936,445 (30 June 2019: £2,306,458, 31 December 2019: £4,582,623) net revenue gain on ordinary activities and a weighted average of 106,487,250 (30 June 2019: 106,487,250, 31 December 2019: 106,487,250) shares in issue. The capital loss per share is based on £21,670,657 (30 June 2019: £19,032,036 net capital gain, 31 December 2019: £23,055,228 net capital gain) net capital loss for the period and a weighted average of 106,487,250 shares in issue (30 June 2019: 106,487,250, 31 December 2019: 106,487,250).

11. Related party transactions

The Directors are regarded as related parties. Total Directors' fees earned during the period amounted to £69,239, of which £58,239 remained outstanding at the period end. In addition, the balance of Directors' fees owed on account of the year ended 31 December, 2019 was £29,500, so a total of £87,739 was due to the Directors at the period end (30 June 2019: £60,130 earned, of which £1,085 was due at the period end, 31 December 2019: £130,130 earned, of which £35,000 was due at the year end).

The Investment Manager is also regarded as a related party due to its holding of the two management shares in each of the Company and the Fund in issue. Total management fees paid during the period amounted to £377,880 (30 June 2019: £400,861, 31 December 2019: £837,344). These fees for the above are all arms' length transactions.

12. Investor Relations Fee

The Investment Advisor and Investment Manager are also paid an additional fee for investor relations services. The fee for the period amounted to £70,364 (30 June 2019: £nil, 31 December 2019: £77,844).

13. Dividends

Dividends of 1.275 pence per share were paid on a quarterly basis during the period in the months of January and April totalling £2,715,425 (30 June 2019: £2,715,425). On 31 July 2020, a dividend of £1,357,712 was paid. In accordance with the requirements of IFRS, as this was approved on 2 July 2020, being after the Statement of Financial Position date, no accrual was reflected in the 2020 interim financial statements for this amount of £1,357,712 (4 July 2019: £1,357,712).

14. Taxation

The Company adopted UK tax residency on 11 October, 2011. Since that date, the Company has been managed in such a way as to be able to meet the conditions for approval as an investment trust under Section 1158 of the Corporation Tax Act 2010. As an investment trust, all capital gains are exempt from UK corporate tax. Accordingly, no UK tax has been provided for. On 7 December 2012, the Company received approval from HM Revenue & Customs to be treated as an investment trust in accordance with Section 1158 of the Corporation Tax Act 2010 and will seek to remain so approved.

15. Loan payable

The Fund has a credit facility agreement with Royal Bank of Canada (“RBC”) whereby RBC provides a credit facility, with a maximum principal amount of the lesser of CAD 65,000,000 and 25 per cent. of the total asset value of the Fund.

As at 30 June 2020, the bankers' acceptance drawn under the credit facility totalled CAD 25,000,000 (GBP equivalent of £14,812,456) (period ended 30 June 2019: CAD 45,000,000 (GBP equivalent of £26,886,356), year ended 31 December 2019: CAD 45,000,000 (GBP equivalent £26,026,802)).

As at 30 June 2020, pre-paid interest and stamping fees of £35,878 (period ended 30 June 2019: £150,567, year ended 31 December 2019: £144,093) were paid on the bankers' acceptance and these costs are being amortised over 90 days. Interest paid on the bankers' acceptance totalled £72,049 (period ended 30 June 2019: £301,966, year ended 31 December 2019: £550,886).

Interest is calculated at an annual percentage equal to, in the case of prime loans, the Prime Rate minus 0.35%. In the case of a bankers' acceptance, a stamping fee of 0.60 per cent. per annum is payable.

MIDDLEFIELD CANADIAN INCOME PCC (the “Company”)
Including MIDDLEFIELD CANADIAN INCOME – GBP PC (the “Fund”), a cell of the Company

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS OF THE FUND (Unaudited) (Continued)

For the period 1 January 2020 to 30 June 2020

with unaudited comparatives for the period 1 January 2019 to 30 June 2019

and audited comparatives for the year ended 31 December 2019

16. Security agreement

In conjunction with entering into the Credit Facility, the Fund has entered into a general security agreement with RBC, pursuant to which, the Fund has granted RBC interests in respect of collateral, being all present and future personal property, including the securities portfolio, as security for the Fund’s obligations under the Credit Facility.

17. Financial instruments

Fair values

The carrying amounts of the investments, accrued income, other receivables, cash and cash equivalents and other payables approximate their fair values. In 2015, the percentage of the value of portfolio assets which may be invested in securities listed on a recognized stock exchange outside Canada was increased to up to 40 percent.

Management of Capital

The Investment Manager manages the capital of the Fund in accordance with the Fund’s investment objectives and policies.

The capital structure of the Fund consists of proceeds from the issue of preference shares, loans and reserve accounts. The Investment Manager manages and adjusts its capital in response to general economic conditions, the risk characteristics of the underlying assets and working capital requirements. Generally speaking, the Fund will reduce leverage when investments are likely to decrease in value and will increase leverage when investment appreciation is anticipated. In order to maintain or adjust its capital structure, the Fund may borrow or repay debt under its Credit Facility or undertake other activities deemed appropriate under the specific circumstances. The Fund and the Company do not have any externally imposed capital requirements. However, the Fund is subject to bank covenants in respect of leverage and complied with those covenants in the 6 months to 30 June 2020 and in 2019.

Investment and trading activities

It is intended that the Fund will continue throughout its life to be primarily invested in a Canadian and U.S. equities portfolio.

The Fund’s investing activities expose it to various types of risk that are associated with the financial instruments and markets in which it invests. The most important types of financial risk to which the Fund is exposed are market price risk, interest rate risk and currency risk.

Credit risk

Credit risk is the risk that an issuer or counterparty may be unable or unwilling to meet a commitment that it has entered into with the Fund.

The Fund’s principal assets are bank balances and cash, other receivables and investments as set out in the Statement of Financial Position which represents the Fund’s maximum exposure to credit risk in relation to the financial assets. The credit risk on bank balances is limited because the counterparties are banks with high credit ratings of AA- and A+ assigned by Standard and Poor’s rating agency. All transactions in listed securities are settled upon delivery using approved brokers.

The risk of default is considered minimal as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet its obligations. Where the Investment Manager makes an investment in debt or corporate securities, the credit rating of the issuer is taken into account to manage the Company’s exposure to risk of default. Investments in debt or corporate securities are across a variety of sectors and geographical markets, to avoid concentration of credit risk.

The Fund’s maximum exposure to credit risk is the carry value of the assets on the Statement of Financial Position.

Market price risk

Market price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting similar financial

MIDDLEFIELD CANADIAN INCOME PCC (the “Company”)
Including MIDDLEFIELD CANADIAN INCOME – GBP PC (the “Fund”), a cell of the Company

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS OF THE FUND (Unaudited) (Continued)

For the period 1 January 2020 to 30 June 2020

with unaudited comparatives for the period 1 January 2019 to 30 June 2019

and audited comparatives for the year ended 31 December 2019

17. Financial instruments (continued)

Market price risk (continued)

instruments traded in the market. The Fund’s exposure to market price risk is comprised mainly of movements in the value of the Fund’s investments.

It is the business of the Investment Manager to manage the portfolio and borrowings to achieve the best returns. The Directors manage the risk inherent in the portfolio by monitoring, on a formal basis, the Investment Manager’s compliance with the Company’s stated investment policy and reviewing investment performance.

Country risk

On 17 January 2012 the Financial Reporting Council (“FRC”) released “Responding to the increased country and currency risk in financial reports”. This update from the FRC included guidance on responding to the increased country and currency risk as a result of trade wars, the ongoing uncertainty to the outcome of Brexit, slowing global economic growth and manufacturing activity, and central bank policies.

The Fund invests primarily in Canadian and U.S. securities. The Investment Manager monitors the Company’s exposure to foreign currencies on a daily basis. The Board has reviewed the disclosures and believes that no additional disclosures are required because the Canadian and U.S. economies are stable.

Fair value measurements

IFRS 13 establishes a fair value hierarchy that prioritises the inputs to valuation techniques used to measure fairvalue. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under IFRS 13 are as follows:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices)
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs)

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgment, considering factors specific to the asset or liability.

The determination of what constitutes ‘observable’ requires significant judgment by the Fund. The Fund considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

The following table presents the Fund’s financial instruments by level within the valuation hierarchy as of 30 June 2020.

	Level 1 GBP	Level 2 GBP	Level 3 GBP	Total GBP
Financial assets				
Securities				
(at fair value through profit or loss)	109,221,611	-	-	109,221,611

The following table presents the Fund’s financial instruments by level within the valuation hierarchy as of 31 December 2019.

MIDDLEFIELD CANADIAN INCOME PCC (the “Company”)
Including MIDDLEFIELD CANADIAN INCOME – GBP PC (the “Fund”), a cell of the Company

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS OF THE FUND (Unaudited) (Continued)

For the period 1 January 2020 to 30 June 2020
with unaudited comparatives for the period 1 January 2019 to 30 June 2019
and audited comparatives for the year ended 31 December 2019

17. Financial instruments (continued)

Fair value measurements (continued)

	Level 1 GBP	Level 2 GBP	Level 3 GBP	Total GBP
Financial assets				
Securities				
(at fair value through profit or loss)	144,075,929	-	-	144,075,929

The Fund holds securities that are traded in active markets. Such financial instruments are classified as Level 1 of the IFRS 13 fair value hierarchy. There were no transfers between Level 1 and 2 during the period.

Price sensitivity

At 30 June 2020, if the market prices of the securities had been 30% higher with all other variables held constant, the increase in net assets attributable to holders of redeemable participating preference shares would have been £32,766,483 (30 June 2019: £43,518,427, December 2019: £43,222,779), arising due to the increase in the fair value of financial assets at fair value through profit or loss by £32,766,483 (30 June 2019: £43,518,427, 31 December 2019: £43,222,779).

At 30 June 2020, if the market prices of the securities had been 30% lower with all other variables held constant, the decrease in net assets attributable to holders of redeemable participating preference shares would have been equal, but opposite, to the figures stated above.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Fund's interest rate sensitive assets and liabilities mainly comprise cash and cash equivalents, debt securities and loan payable. The cash and cash equivalents are subject to floating rates and are considered to be part of the investment strategy of the Fund. No other hedging is undertaken in respect of this interest rate risk.

The following table details the Fund's exposure to interest rate risk at 30 June 2020, 30 June 2019 and 31 December 2019:

		Floating rate assets				
	Weighted average interest at period end	30.06.2020 GBP	Weighted average interest at period end	30.06.2019 GBP	Weighted average interest at year end	31.12.2019 GBP
Assets						
Debt Securities	5.75%	1,180,309	5.75%	3,667,375	5.75%	3,552,023
Cash and cash equivalents	*	7,429,262	*	2,299,403	*	6,198,999
		8,609,571		5,966,778		9,751,022
Liabilities						
Loan payable (note 15)		14,812,456		26,886,356		26,026,802
		14,812,456		26,886,356		26,026,802

* Interest on bank balances are not material to the financial statements and are based on prevailing bank base rates.

The above analysis excludes short term debtors and creditors as all material amounts are non interest-bearing.

Interest rate sensitivity analysis

At 30 June 2020, had interest rates been 50 basis points higher and all other variables were held constant, the Company's net assets attributable to the redeemable participating preference shares would have decreased by £46,590 (30 June 2019: £210,931, 31 December 2019: £178,894) due to the decrease in market value of listed debt securities, an increase in interest payable on the loan and to a lesser extent an increase in interest earnings on cash and cash equivalents.

MIDDLEFIELD CANADIAN INCOME PCC (the “Company”)
Including MIDDLEFIELD CANADIAN INCOME – GBP PC (the “Fund”), a cell of the Company

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS OF THE FUND (Unaudited) (Continued)

For the period 1 January 2020 to 30 June 2020

with unaudited comparatives for the period 1 January 2019 to 30 June 2019

and audited comparatives for the year ended 31 December 2019

17. Financial instruments (continued)

Liquidity risk

Liquidity risk is the risk that the Fund cannot meet its liabilities as they fall due. The Fund's primary source of liquidity consists of cash and cash equivalents, securities at fair value through profit or loss and the Credit Facility. The Fund's investments are considered to be readily realisable, predominantly issued by Canadian and U.S. companies and REITs listed on Canadian Stock Exchanges and are actively traded.

As at 30 June 2020, the Fund's ability to manage liquidity risk was as follows:

	Less than 1 month GBP	1 to 3 months GBP	3 months to 1 year GBP	More than 1 year GBP	Total GBP
Assets					
Securities (at fair value through profit or loss)	109,221,611	-	-	-	109,221,611
Accrued bond interest	-	17,402	-	-	17,402
Accrued dividend income	405,866	28,689	-	-	434,555
Accrued bank interest	-	-	-	-	-
Other receivables	2	-	-	-	2
Prepayments	2,323	-	-	-	2,323
Cash and cash equivalents	7,429,262	-	-	-	7,429,262
	117,059,064	46,091	-	-	117,105,155
Liabilities					
Loan payable	-	(14,812,456)	-	-	(14,812,456)
Other payables and accruals	(359,305)	-	-	-	(359,305)
Interest payable	-	(7,081)	-	-	(7,081)
	(359,305)	(14,819,537)	-	-	(15,178,842)
	116,699,759	(14,773,446)	-	-	101,926,313

As at 30 June 2019, the Fund's ability to manage liquidity risk was as follows:

	Less than 1 month GBP	1 to 3 months GBP	3 months to 1 year GBP	More than 1 year GBP	Total GBP
Assets					
Securities (at fair value through profit or loss)	145,061,423	-	-	-	145,061,423
Accrued bond interest	-	16,896	3,458	-	20,354
Accrued dividend income	636,968	-	-	-	636,968
Accrued bank interest	2,864	-	-	-	2,864
Other receivables	2	-	-	-	2
Prepayments	8,263	-	-	-	8,263
Cash and cash equivalents	2,299,403	-	-	-	2,299,403
	148,008,923	16,896	3,458	-	148,029,277
Liabilities					
Loan payable	-	(26,886,356)	-	-	(26,886,356)
Other payables and accruals	(329,938)	-	-	-	(329,938)
Interest payable	-	(20,965)	-	-	(20,965)
	(329,938)	(26,907,321)	-	-	(27,237,259)
	147,678,985	(26,890,425)	3,458	-	120,792,018

MIDDLEFIELD CANADIAN INCOME PCC (the “Company”)
Including MIDDLEFIELD CANADIAN INCOME – GBP PC (the “Fund”), a cell of the Company

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS OF THE FUND (Unaudited) (Continued)

For the period 1 January 2020 to 30 June 2020

with unaudited comparatives for the period 1 January 2019 to 30 June 2019

and audited comparatives for the year ended 31 December 2019

17. Financial instruments (continued)

Liquidity risk (continued)

As at 31 December 2019, the Fund’s ability to manage liquidity risk was as follows:

	Less than 1 month GBP	1 to 3 months GBP	3 months to 1 year GBP	More than 1 year GBP	Total GBP
Assets					
Securities (at fair value through profit or loss)	144,075,929	-	-	-	144,075,929
Accrued bond interest	-	16,410	11,530	-	27,940
Accrued dividend income	513,405	-	-	-	513,405
Accrued bank interest	6,908	-	-	-	6,908
Other receivables	2	-	-	-	2
Prepayments	17,659	-	-	-	17,659
Cash and cash equivalents	6,198,999	-	-	-	6,198,999
	150,812,902	16,410	11,530	-	150,840,842
Liabilities					
Other payables and accruals	(413,763)	-	-	-	(413,762)
Interest payable	-	(24,327)	-	-	(24,328)
Loan payable	-	(26,026,802)	-	-	(26,026,802)
	(413,763)	(26,051,129)	-	-	(26,464,892)
	150,399,139	(26,034,719)	11,530	-	124,375,950

Currency risk

The Fund is denominated in GBP, whereas the Fund’s principal investments are denominated in CAD and USD. Consequently, the Fund is exposed to currency risk. The Fund’s policy is therefore to actively monitor exposure to currency risk. The Board reserves the right to employ currency hedging but, other than in exceptional circumstances, does not intend to hedge. The Board considers that exposure was significant at the period end.

The Fund’s net exposure to CAD currency at the period end was as follows:

	30 June 2020 GBP	30 June 2019 GBP	31 December 2019 GBP
Assets			
Cash and cash equivalents	6,536,665	1,586,680	5,877,323
Canadian equities	74,145,544	104,205,007	105,676,675
Canadian debt	-	2,472,490	2,394,937
Accrued income	387,860	586,378	519,132
	81,070,069	108,850,555	114,468,067
Liabilities			
Loan payable	(14,812,456)	(26,886,356)	26,026,802
Interest payable	(7,081)	(20,965)	24,327
	(14,819,537)	(26,907,321)	26,051,129

MIDDLEFIELD CANADIAN INCOME PCC (the “Company”)
Including MIDDLEFIELD CANADIAN INCOME – GBP PC (the “Fund”), a cell of the Company

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS OF THE FUND (Unaudited) (Continued)

For the period 1 January 2020 to 30 June 2020

with unaudited comparatives for the period 1 January 2019 to 30 June 2019

and audited comparatives for the year ended 31 December 2019

17. Financial instruments (continued)

Currency risk (continued)

The Fund's net exposure to USD currency at the period end was as follows:

	30 June 2020 GBP	30 June 2019 GBP	31 December 2019 GBP
Assets			
Cash and cash equivalents	698,859	540,554	105,048
United States equities	33,895,758	37,189,041	34,847,230
United States debt	1,180,309	1,194,885	1,157,087
Accrued income	64,098	73,809	29,121
	<u>35,839,024</u>	<u>38,998,289</u>	<u>36,138,486</u>

Sensitivity analysis

As at 30 June 2020, had GBP strengthened against the CAD by 5%, with all other variables held constant, the decrease in net assets attributable to shareholders would amount to approximately £3,312,527 (30 June 2019: £4,097,162, 31 December 2019: £4,420,847). Had GBP weakened against the CAD by 5%, this would amount to an increase in net assets attributable to shareholders of approximately £3,312,527 (30 June 2019: £4,097,162, 31 December 2019: £4,420,847).

As at 30 June 2020, had GBP strengthened against the USD by 5%, with all other variables held constant, the decrease in net assets attributable to shareholders would amount to approximately £1,791,951 (30 June 2019: £1,949,914, 31 December 2019: £1,806,924). Had GBP weakened against the USD by 5%, this would amount to an increase in net assets attributable to shareholders of approximately £1,791,951 (30 June 2019: £1,949,914, 31 December 2019: £1,806,924).

18. Cash Flow statement reconciliation of financing activities

The following table discloses the effects of the amendments to IAS 7 Statement of Cash Flows that require additional disclosures about changes in an entity's financing liabilities arising from both cash flow and noncash flow items.

	1 January 2020	Cash flows		Noncash changes		30 June 2020
	GBP	GBP	Acquisition	Foreign exchange movements	Fair value changes	GBP
	GBP	GBP	GBP	GBP	GBP	GBP
Financial liabilities held at amortised cost	26,026,802	(11,609,035)	-	394,689	-	14,812,456
Total	<u>26,026,802</u>	<u>(11,609,035)</u>	<u>-</u>	<u>394,689</u>	<u>-</u>	<u>14,812,456</u>

MIDDLEFIELD CANADIAN INCOME PCC (the “Company”)
Including MIDDLEFIELD CANADIAN INCOME – GBP PC (the “Fund”), a cell of the Company

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS OF THE FUND (Unaudited) (Continued)

For the period 1 January 2020 to 30 June 2020

with unaudited comparatives for the period 1 January 2019 to 30 June 2019

and audited comparatives for the year ended 31 December 2019

19. Schedule of Investments – Securities (at fair value through profit or loss)
As at 30 June 2020

Description	Shares or Par Value	Book Cost GBP	Bid-Market Value GBP	% of Net Assets	% of Portfolio
Equities:					
Bermuda - Quoted Investments					
Power and Utilities					
Brookfield Infrastructure Partners L.P.	75,000	2,518,535	2,492,917	2.45%	2.28%
Canada - Quoted Investments					
Energy					
Brookfield Renewable Partners L.P.	120,000	4,690,327	4,621,341	4.53%	4.23%
Financials					
Canadian Imperial Bank of Commerce	90,000	5,154,528	4,851,660	4.76%	4.44%
The Bank of Nova Scotia	40,000	1,932,949	1,329,857	1.30%	1.22%
The National Bank of Canada	80,000	2,981,438	2,923,546	2.87%	2.68%
Sun Life Financial Inc.	150,000	3,989,325	4,438,798	4.35%	4.06%
The Toronto-Dominion Bank	30,000	1,253,911	1,078,860	1.06%	0.99%
Industrials					
Morneau Shepell Inc.	185,000	2,213,655	3,448,506	3.38%	3.16%
Parkland Fuel Corporation	100,000	1,339,086	1,987,060	1.95%	1.82%
Westshore Terminals Investment Corporation	150,000	1,869,712	1,482,273	1.45%	1.36%
Pipelines					
Enbridge Income Fund Holdings Inc.	185,000	4,368,137	4,535,715	4.45%	4.15%
Pembina Pipeline Corporation	120,000	2,696,575	2,413,708	2.37%	2.21%
TC Energy Corporation	90,000	2,922,571	3,100,741	3.04%	2.84%
Power and Utilities					
Algonquin Power & Utilities Corp.	320,000	3,780,570	3,335,219	3.27%	3.05%
Capital Power Corporation	100,000	1,471,222	1,653,705	1.62%	1.51%
Emera Inc.	60,000	1,861,388	1,894,957	1.86%	1.73%
Northland Power Inc.	270,000	2,908,265	5,450,095	5.35%	4.99%
Transalta Corp.	500,000	2,019,615	2,376,866	2.33%	2.18%
Real Estate					
Allied Properties Real Estate Investment Trust	75,000	2,473,229	1,807,607	1.77%	1.65%
Canadian Apartment Properties Real Estate Investment Trust	70,000	2,193,663	2,014,454	1.98%	1.84%
Choice Properties Real Estate Investment Trust	400,000	2,914,393	3,018,620	2.96%	2.76%
Dream Industrial Real Estate Investment Trust	150,000	917,632	949,261	0.93%	0.87%
Granite Real Estate Investment Trust	85,000	2,596,690	3,525,487	3.46%	3.23%
Northwest Healthcare Properties Real Estate Investment Trust	550,000	3,643,797	3,496,965	3.43%	3.20%
Sienna Senior Living Inc.	150,000	1,558,560	823,584	0.81%	0.75%
Telecommunications Services					
BCE Inc.	125,000	4,098,368	4,204,082	4.12%	3.85%
Telus Corporation	250,000	3,423,544	3,382,578	3.32%	3.10%
United States - Quoted Investments					
Consumer Discretionary					
McDonald's Corporation	25,000	3,719,619	3,728,146	3.66%	3.41%

MIDDLEFIELD CANADIAN INCOME PCC (the “Company”)
Including MIDDLEFIELD CANADIAN INCOME – GBP PC (the “Fund”), a cell of the Company

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS OF THE FUND (Unaudited) (Continued)

For the period 1 January 2020 to 30 June 2020

with unaudited comparatives for the period 1 January 2019 to 30 June 2019

and audited comparatives for the year ended 31 December 2019

19. Schedule of Investments – Securities (at fair value through profit or loss) (continued)
As at 30 June 2020

Description	Shares or Par Value	Book Cost GBP	Bid-Market Value GBP	% of Net Assets	% of Portfolio
Financials					
JP Morgan Chase & Co.	25,000	1,052,761	1,901,504	1.87%	1.74%
Healthcare					
Abbott Laboratories	25,000	1,928,535	1,849,505	1.81%	1.69%
Gilead Sciences Inc.	20,000	1,119,147	1,245,386	1.22%	1.14%
Johnson & Johnson	25,000	3,040,950	2,839,712	2.79%	2.60%
Pfizer Inc.	65,000	2,019,918	1,719,690	1.69%	1.57%
Information Technology					
Intel Corporation	40,000	1,905,082	1,936,224	1.90%	1.77%
International Business Machines	30,000	3,377,568	2,929,587	2.87%	2.68%
Microsoft Corporation	27,000	3,511,007	4,445,951	4.36%	4.07%
Real Estate					
Crown Castle International Corp.	15,000	1,883,252	2,030,510	1.99%	1.86%
WPT Industrial Real Estate Investment Trust	350,000	3,616,049	3,600,274	3.53%	3.30%
Telecommunications Services					
AT&T Inc.	130,000	3,020,327	3,176,351	3.12%	2.91%
Total equities:		103,985,900	108,041,302	105.98%	98.89%
Debt:					
United States - Quoted Investments					
Tricon Capital Group 5.75% due 31 March 2022	1,500,000	1,221,200	1,180,309	1.16%	1.11%
Total debt:		1,221,200	1,180,309	1.16%	1.11%
Total investments		105,207,100	109,221,611	107.14%	100.00%

MIDDLEFIELD CANADIAN INCOME PCC (the “Company”)
Including MIDDLEFIELD CANADIAN INCOME – GBP PC (the “Fund”), a cell of the Company

STATEMENT OF FINANCIAL POSITION OF THE COMPANY (Unaudited)

As at 30 June 2020

with unaudited comparatives as at 30 June 2019

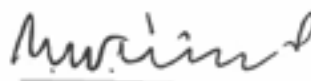
and audited comparatives as at 31 December 2019

	Notes	30.06.2020 GBP	30.06.2019 GBP	31.12.2019 GBP
Current assets				
Other receivables		2	2	2
Net assets		<u>2</u>	<u>2</u>	<u>2</u>
Equity attributable to equity holders				
Stated capital	2	2	2	2
Total Shareholders' equity		<u>2</u>	<u>2</u>	<u>2</u>

The interim financial statements and notes on pages 30 to 31 were approved by the directors on 17 September 2020 and signed on behalf of the Board by:



Thomas Grose
Director



Nicholas Villiers
Director

MIDDLEFIELD CANADIAN INCOME PCC (the “Company”)
Including MIDDLEFIELD CANADIAN INCOME – GBP PC (the “Fund”), a cell of the Company

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS OF THE COMPANY (Unaudited)

For the period 1 January 2020 to 30 June 2020

with unaudited comparatives for the period 1 January 2019 to 30 June 2019

and audited comparatives for the year ended 31 December 2019

1. Basis of accounting

The separate interim financial statements of the Company have been prepared showing results of the Company only. They have been prepared in accordance with International Financial Reporting Standards (“IFRS”) as adopted by the European Union in accordance with the accounting policies set out in note 1 to the interim financial statements of the Fund.

A separate Statement of Comprehensive Income, Statement of Changes in Equity and Cash Flow Statement have not been prepared as there have been no results or cash flows for the Company for this period or the preceding period.

There are no standards and interpretations in issue but not effective that the Directors believe would or might have a material impact on the interim financial statements of the Company.

Judgments and estimates used by the Directors

The preparation of interim financial statements in compliance with IFRS requires the Directors to make judgments, estimates and assumptions that affect the application of policies and reported amount of assets and liabilities, income and expenses. The estimates and associated liabilities are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent. For the purposes of these interim financial statements, there were no specific areas in which judgment was exercised and no estimation was required by the directors.

2. The Company’s stated capital

The authorised share capital of the Company is split into two management shares of no par value.

	No. of shares	GBP
Management shares issued		
At 30 June 2020, 31 December 2019 and 30 June 2019	2	2

3. Taxation

The Company adopted UK tax residency on 11 October, 2011. Since that date, the Company has been managed in such a way as to be able to meet the conditions for approval as an investment trust under Section 1158 of the Corporation Tax Act 2010. Accordingly, no UK tax has been provided for. On 7 December 2012, the Company received approval from HM Revenue & Customs to be treated as an investment trust in accordance with Section 1158 of the Corporation Tax Act 2010 and will seek to remain so approved.

4. Ultimate holding company

The ultimate holding company is Middlefield Limited.

MIDDLEFIELD CANADIAN INCOME PCC (the “Company”)
Including MIDDLEFIELD CANADIAN INCOME – GBP PC (the “Fund”), a cell of the Company

DEFINITIONS

Benchmark	S&P/TSX Composite High Dividend Index
BOC	The Bank of Canada
CAD	Canadian Dollar
Credit Facility	The on-demand credit facility with the Company's Bankers
FCA	The Financial Conduct Authority
GBP	GB Pound or Pound Sterling
Half Yearly Report	The half yearly report and interim condensed financial statements (unaudited)
IAS	International Accounting Standards
IFRS	International Financial Reporting Standards
Investec	Investec Bank PLC
Investment Manager	Middlefield Limited
Company	Middlefield Canadian Income PCC
Net Asset Value	Net Asset Value of the Company in GBP
RBC	The Royal Bank of Canada
REIT	Real Estate Investment Trust
the Fund	Middlefield Canadian Income - GBP PC
TSX	S&P/TSX Composite Index

Investment Objective: To provide Shareholders with a high level of dividends as well as capital growth over the longer term. The Fund intends to pay dividends on a quarterly basis each year.

Investment Policy: The Fund will seek to achieve its investment objective by investing predominantly in the securities of companies and REITs domiciled in Canada and listed on a Canadian Stock Exchange, and which the Investment Manager believes will provide an attractive level of distributions together with the prospect for capital growth. It is expected that the Fund's portfolio will generally comprise between 40 and 70 investments. The Fund may also hold cash or cash equivalents. The Fund may utilise derivative instruments, including index-linked notes, contracts for differences, covered options and other equity-related derivative instruments, for the purposes of efficient portfolio management. The Fund will at all times invest and manage its assets in a manner which is consistent with the objective of spreading investment risk.

Directors

Nicholas Villiers (Chairman)
Philip Bisson
Thomas Grose
Dean Orrico
Richard Hughes
Michael Phair
Joanna Dentskevich (resigned 30 June 2020)
Ray Apsey (appointed 3 September 2020)

Administrator and Secretary

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Assistant Secretary

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