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THE INVESTMENT COMPANY PLC

REGISTERED No. 4205
ENGLAND AND WALES

REPORT AND ACCOUNTS

for the year ended 30 June 2022

CONTENTS

DIRECTORS AND ADVISERS

DIRECTORS

I.R. Dighé (Chairman)
T.W.J. Cleverly
T.M. Metcalfe
M.H.W. Perrin
M.J. Weeks

ADVISERS

Secretary, Administrator and Registered Office
ISCA Administration Services Limited
Suite 8, Bridge House, Courtenay Street
Newton Abbot
Devon TQ12 2QS
Telephone: 01392 487056
tic@iscaadmin.co.uk

Custodian
Fiske plc
Salisbury House
London Wall
London EC2M 5QS

Broker
Shore Capital Stockbrokers Limited
Cassini House
57 St James's Street
London SW1A 1LD

Independent Auditor
PKF Littlejohn LLP
Statutory Auditor
15 Westferry Circus
Canary Wharf
London E14 4HD

Solicitor
Stephenson Harwood LLP
1 Finsbury Circus
London EC2M 7SH

Registrar
Equiniti Limited
Aspect House
Spencer Road
Lancing
West Sussex BN99 6DA
Telephone: 0371 384 2030
Website: shareview.co.uk

Identification Codes
ISIN: GB0004658257
SEDOL: 0465825
Bloomberg: INV LN
LEI: 2138004PBWN5WM2XST62

Website: https://theinvestmentcompanyplc.co.uk

For general shareholder queries please contact: info@theinvestmentcompanyplc.co.uk

STRATEGIC REPORT

SUMMARY OF RESULTS

	At 30 June 2022	At 30 June 2021	Change %
Equity Shareholders' funds (£)	**16,048,191**	16,281,804	(1.43)
Number of ordinary shares in issue	**4,772,049**	4,772,049	–
Net asset value ("NAV") per ordinary share	**336.30p**	341.19p	(1.43)
Ordinary share price (mid)	**294.00p**	309.00p	(4.85)
Discount to NAV	**12.58%**	9.43%	(3.15)

	At 30 June 2022	At 30 June 2021
Total return per ordinary share*	**(5.21)p**	29.08p
Dividends paid per ordinary share	**–**	3.00p

* The total return per ordinary share is based on total income after taxation as detailed in the Consolidated Income Statement and in Note 6.

INVESTMENT OBJECTIVE

At the Annual General Meeting held on 4 November 2020, Shareholders voted to amend the Company's Investment Objective and Policy to that shown below.

The Company's investment objective is to protect the purchasing power of its capital in real terms, and to participate in enduring economic activities which lend themselves to genuine capital accumulation and wealth creation.

INVESTMENT POLICY

The Company will seek to acquire and hold, with no predetermined investment time horizon, a collection of assets which, in the Directors' judgement, are well-suited to the avoidance of a permanent loss of capital. These assets will be comprised of minority participations in the equity, debt or convertible securities of quoted businesses which the Directors believe are led by responsible and like-minded managers and suitable for the long-term compounding of earnings. In addition, to protect its capital as well as to maintain liquidity for future investments, the Company will keep reserves in (a) liquid debt instruments such as cash in banks or securities issued by governments and/or (b) liquid, non-debt, tangible assets such as gold bullion, whether held indirectly or in physical form.

The Company has no predetermined maximum or minimum levels of exposure to asset classes, currencies or geographies, and has the ability to invest globally. These exposures will be monitored by the Board in order to ensure an adequate spreading of risks. No holding in an individual company or debt instrument will represent more than 15 per cent. by value of the Company's total assets at the time of acquisition (such restriction does not, however, apply to gold bullion or cash balances). The Company's holdings of gold bullion may be as high as 35 per cent. of total assets at the time of investment.

Given the Company's investment objective, asset mix and time horizon, the portfolio will not seek to track any benchmark or index. The Company will not invest more than 10 per cent. of its total assets in other listed closed-ended investment funds. The Company will not use derivative instruments for speculative purposes, nor will it use currency hedges to manage returns in any currency.

The Company's gearing will not exceed 20 per cent. of net assets at the time of drawdown.

No material change will be made to the investment policy without the approval of Shareholders by ordinary resolution.

In addition to the Investment Objective and Policy disclosed above, Shareholders are reminded of the Guiding Principles adopted by the Board as set out in the Circular published on 7 October 2020 and reproduced below:

GUIDING PRINCIPLES

The success of the Company demands a shared understanding of the Company's goals and an appreciation of the values that will guide the Board's decision-making. While the investment work will speak for itself, we (your Board) believe it necessary to set out a statement of principles that will guide our investment decisions.

Our purpose is to protect the savings of our Shareholders. It is not to try to make Shareholders rich or to impress anyone. We do not promise returns of any kind, either relative or absolute. Instead, we promise two things: to be faithful to the principles outlined here, and to participate alongside those we serve as fellow Shareholders. The Company's financial results will be lumpy and, if considered over only a few years, will sometimes be disappointing. We are not concerned with tomorrow, but with preserving savings for the next generation.

We believe savings are scarce. It takes time, effort and sacrifice to acquire them, and holding on to them is difficult. We have the utmost respect for their irreplaceability. For this reason, our understanding of "risk" is fundamentally different from much of the financial industry. We are unconcerned with the "risk" (singular) of the volatility of returns as compared to an index. We are, however, profoundly concerned with understanding and managing the myriad of "risks" (plural) that may result in a permanent loss of capital. In doing so, we believe that hubris, unaccountability, and financialisation are every bit as threatening as weak financial accounts and poor competitive standing.

We have no predetermined investment horizon or exit strategies and are keen to participate in the long-term compounding of earnings. We see ourselves as owners rather than investors, and we seek to deploy our capital alongside other owners whose life's work is committed to the long-term survival of their company. The attributes we prize most – scarcity, permanence and independence – are rare. When we do come across them, we are not looking to sell.

We pay no attention to the views of others in the financial industry, what they expect or what they consider valuable. We are neither bearish nor bullish, but keen to distinguish what is real and true from what is not. We believe that our success will not come from a strict set of rules regarding asset allocation, position sizes, the blind pursuit of diversification, or the mimicking of any index. We do not rely on diversification to compensate us for risks we don't understand.

We do nothing complicated or formulaic. We invest in businesses and people we understand and avoid those we do not, no matter how compelling they may appear to be. We avoid the idea of growth for its own sake, short-term thinking, and financial engineering. We like natural monopolies and economic niches having scale, barriers to entry and pricing power. We prefer what is firm, durable, earned, and designed for continuity, rather than what is fragile, fleeting, and unsure. We think that endurance is valuable and that it is the result of focusing on the customer rather than financial rewards that ensue. Our emphasis on the qualitative may not be fashionable, but we believe it to be correct.

We believe our ability to hold adequate and suitable reserves is important to achieving our purpose, and that the quality of our reserves matters just as much as the quality of our investments. We want reserves that are timeless – true assets that are neither someone else's liability nor the plaything of central banks and political parties. For this reason gold bullion is well suited to be an important component of our reserves.

We value responsibility and accountability in corporate governance, as well as the avoidance of conflicts of interest consistent with the duty of loyalty and the duty of care. We will strive to keep our costs low, but will not sacrifice our intellectual or operational freedom for the sake of lower costs.

CHAIRMAN'S STATEMENT

During the twelve months the net asset value ("NAV") decreased by 1.4% to 336.3p and the share price decreased by 4.9% to 294.0p. There were three important components to the change in net asset value for the year: First, the price of gold rose 16.3% against sterling and this increase added about 3.9% to the NAV. Second, the share price contribution from the equities portfolio was nil, as the modest decline in share prices overseas was completely offset by the weaker British pound. Third, the Company held 3.3% of net assets in depository receipts for Lukoil which were written down to zero fair value during the year on account of the impact of punitive international sanctions regimes which pose great uncertainty as to the likelihood of receiving any future cash-flows from this holding.

The substantial weakness of the British pound was an important contributor to the results during the last twelve months. Though this weakness was unexpected, the protection that comes from our broadly international collection of businesses is deliberate. Most of our investments are listed in different currencies and are active outside the UK. Excluding the gold holdings – a currency in its own right – approximately 61.0% of the portfolio is invested in businesses whose primary listing and trading currency is something other than the British pound. This temporarily flatters the results when the pound is weak and will temporarily flatten them when the pound is strong again.

Income and expenses

Expenses were down substantially from the prior year. This was largely attributable to both the one-time reorganisation expenses incurred in the prior year, and this being the first full year where the cost benefits of being self-managed (i.e. there being no external investment management fees) translated into a lower operating expense base. Income also declined as we shifted away from an income-oriented portfolio to one focused on capital preservation. Despite the Company's small size, dividend income offset most of the annual expenses.

The Board is not proposing a dividend: the results do not justify it and to do so would represent returning capital to Shareholders in the form of taxable income.

Investments

Presently 67.4% of net assets is invested in 19 different businesses representing 14 different industries with operations all over Europe, the Americas and beyond. A further 28.5% is invested in gold bullion held through three ETFs, and we hold 4.1% in cash and other legacy assets.

The changes to the portfolio were modest compared to the transformation of the prior year. We added four new businesses representing interests in the production of natural flavours and fragrances, premium dairy production, specialty plastics and cigarettes – all of which were on our radar screen from day one. We also sold off four businesses, sold almost all our remaining legacy assets, and made a small sale of gold bullion. These sales collectively realised gains of £514,000 representing a 17.9% gain on cost. Excluding the sales of legacy assets and the compulsory redemption of Fromageries Bel, the portfolio turnover for the year was approximately 15%. We think this was an especially active year and anticipate lower turnover in the years to come.

We remain satisfied that gold bullion – as opposed to cash, short-dated bonds, inflation-linked securities or other securities – remains the appropriate reserve asset for a prudent saver looking to protect capital in a thoroughly disingenuous world. In any case the events of the last twelve months have revealed the weaknesses of these and other financial assets that we think is endemic. With the added benefit of hindsight, the timing of the November 2020 repurposing of the Company's investment objective was opportune. Exceptionally high inflation, paired with purposefully depressed interest rates and rapidly falling foreign exchange rates is a trifecta which few financial assets can withstand. Gold is no panacea – but its value comes from the fact that it is inert and completely unaffected by the world around it. It is independent of any price index, foreign exchange level, interest rate, or the credit risk of any financial institution. It requires nothing and it produces nothing. It is the exemplar of financial independence – there is no other asset like it – and it's precisely this financial honesty which makes it valuable.

The illusory world of quantitative easing and zero interest rates is over, and we are already faced with significant inflation and the spectre of recession. Government is already resorting to numerous fiscal measures to support households such as energy subsidies. History teaches us such interventions labeled as temporary rarely are and here in the UK, The Bank of England pleas for wage restraint seem to be going unheeded. Daily profit warnings from seemingly stable businesses are routine. Valuations fall steeply when held against weakening balance sheets and falling profitability. The share prices of soundly and conservatively run companies suffer just the same from higher costs of capital and the anticipation of more challenging times. Against this backdrop we continue to invest the capital alongside a small collection of entrepreneurs and business owners. These are the people who make something real and valuable to their customers and who favour economic resilience, operational independence, and the businesses survival above all else. There is no formula, financial or moral, that will identify these owners for us, but these are the traits we look for in the businesses we own.

Board Overview

Tom Cleverly has notified the Board that he does not wish to seek re-election as a Director at the AGM in order to be able to focus on his other business commitments. The Board wishes to record their deep appreciation of his significant contribution to the Company since his appointment in November 2020 and wishes him well in his future endeavours.

Outlook

The outlook for small, listed investment trusts remains challenging as Shareholders and their advisors grapple with increasing compliance restrictions as to liquidity and overall market capitalisation. Your Board is satisfied as to the underlying strength of its portfolio of undertakings but is fully cognisant of the immense challenges in growing the capital base of the Company. The Board continues to evaluate genuine opportunities to grow the capital base of the Company against the strict criteria of capital preservation and growth over the longer term.

I. R. Dighé
Chairman

22 September 2022

PORTFOLIO SUMMARY

Net Asset Exposure by Trading Currency
At 30 June 2022

Currency	Equities (%)	Fixed income & preference shares (%)	Gold (%)	Cash & other net assets (%)	Total (%)
GBP	6.8	0.4	–	2.4	9.6
CAD	9.4	–	–	–	9.4
CHF	5.6	–	–	–	5.6
EUR	37.6	–	–	1.3	38.9
NOK	3.9	–	–	–	3.9
USD	4.1	–	28.5	–	32.6
Total	**67.4**	**0.4**	**28.5**	**3.7**	**100.0**

Equity Participations – Regional Economic Exposure*
At 30 June 2022

Region	% of equity participations
Europe	48.9
North America	31.2
Asia, Africa, Other	12.7
South America	7.2
Total	**100.0**

Equity Participations – By Sector
At 30 June 2022

Sector	% of equity participations
Industrials	40.7
Consumer Goods	39.3
Basic Materials	12.8
Oil & Gas	7.2
Total	**100.0**

* Directors' estimates. Regional Economic Exposure represents where in the world the underlying business activity of the equity participations takes place.

PORTFOLIO AND ASSETS

At 30 June 2022

Security	Country	Holding	Fair Value £	% of total portfolio
Hal Trust	Netherlands	12,769	1,349,659	8.4
British American Tobacco	UK	27,000	950,266	5.9
Tonnellerie François Frères Group	France	32,000	870,374	5.4
Imperial Oil	Canada	20,000	774,917	4.8
Karelia Tobacco	Greece	3,450	760,199	4.7
Barrick Gold	Canada	45,000	655,562	4.1
Lucas Bols	Netherlands	75,000	652,005	4.1
Bakkafrost	Faroe Islands	12,000	630,026	3.9
Robertet	France	800	581,857	3.6
Crete Plastics	Greece	44,452	562,443	3.5
Emmi	Switzerland	700	559,855	3.5
Cembre	Italy	26,000	559,477	3.5
Nedap	Netherlands	9,000	463,247	2.9
Franco-Nevada	Canada	3,600	389,217	2.4
Alamos Gold	Canada	60,000	345,956	2.2
Bucher Industries	Switzerland	1,200	342,622	2.2
Kri-Kri Milk Industry	Greece	50,000	232,399	1.5
Strix Group	UK	80,000	133,600	0.8
Total equity participations			**10,813,681**	**67.4**
Other legacy holdings	Various		61,776	0.4
Total legacy holdings			**61,776**	**0.4**
Invesco Physical Gold ETC	UK	15,000	2,158,775	13.5
WisdomTree Physical Swiss Gold ETC	Switzerland	9,000	1,288,520	8.0
WisdomTree Physical Gold ETC	UK	8,000	1,122,491	7.0
Total gold			**4,569,786**	**28.5**
Cash			678,592	4.2
Other liabilities net of other assets			(75,644)	(0.5)
Total cash less other net current liabilities			**602,948**	**3.7**
Total net assets			**16,048,191**	**100.0**

PRINCIPAL RISKS AND RISK MANAGEMENT

Principal Risks and Uncertainties

The management of the business and the execution of the Company's strategy are subject to a number of risks. An assessment of the principal risks to the Company has been carried out, including those that would threaten its business model, future performance, solvency and liquidity.

The Covid-19 pandemic and the conflict in Ukraine continue to have an effect on both global and domestic economies. Political initiatives to mitigate the impact thereof have included a continued expansion of quantitative easing. These events are all being closely monitored by the Board as is their potential impact on the Company. The Board is also monitoring how BREXIT continues to unfold.

The Group's principal risks are set out below. An explanation of how these have been mitigated or managed is also provided, where appropriate.

The key business risks affecting the Group are:

	Risk	Mitigation
Business risk	The profitability, market positioning and outlook for companies in which the Company is invested may decline or fail to make expected progress. This may be because of internal factors at the investee company or external factors such as competitive pressures, economic downturns or political events.	The Company looks to invest in businesses that can demonstrate resilient characteristics and a shared philosophy around long term creation of value.
Concentration risk	28.5% of the Company's portfolio is invested in gold ETCs and a further 8.7% is invested in gold royalty and mining businesses.	At the time of acquisition, investments in any one company shall not exceed 15% and investments in gold bullion shall not exceed 35% of the Company's total assets.
Monetary risk	The widespread implications of quantitive easing and other monetary policies, which include mounting inflationary pressure, pose a risk to the real value of the Company's assets.	The Company looks to own a portfolio of assets that possess an enduring real value whether from the value of the underlying assets in an investment, or in the investee's ability to create an enduring profit stream.
Operational risk	The Company is reliant on service providers including, ISCA Administration Services Limited as Administrator and Company Secretary, and Fiske plc as Custodian. Failure of the internal control systems of these parties could result in losses to the Company.	The Board formally reviews the Company's service providers on an annual basis.

There are other risks that are becoming more prominent but are not yet considered key risks.

Global conflict
The war between Russia and Ukraine has had a significant impact, inter alia, on inflation and, in conjunction with affairs in China, an impact on supply chains and globalisation. Investee companies will vary as to the impact on them and their ability to adapt.

Inflationary pressure
Inflation has escalated sharply in the last 12 months. Not all companies are well-placed to pass on cost pressures to their customers. In addition, for The Investment Company, it is expected that operating costs will rise more than dividend income.

In addition, there are other risks that may materially impact the Company, however, the likelihood thereof is considered small.

Foreign currency risk
Under the revised investment policy the Company has increasingly invested in stocks in overseas markets dominated in foreign currencies thus increasing the foreign currency risk. As shown on page 6 approximately 90.4% is invested in foreign currency stocks and other assets.

Regulatory risk
The Company operates in an evolving regulatory environment and faces a number of regulatory risks. A breach of sections 1158/1159 of the Corporation Tax Act 2010 would result in the Company being subject to capital gains tax on portfolio investments. Breaches of other regulations, including the Companies Act 2006, the UKLA Listing Rules, the UKLA Disclosure Guidance and Transparency Rules, or the Alternative Investment Fund Managers' Directive, could lead to a detrimental outcome. Breaches of controls by service providers to the Company could also lead to reputational damage or loss. The Board monitors compliance with regulations, with reports from the Administrator.

Discount volatility
The Company's shares may trade at a price which represents a discount to its underlying NAV.

Market price risk
The Board monitors the prices of financial instruments held by the Company on a regular basis. In addition, it is the Board's policy to hold an appropriate spread of investments in the portfolio in order to reduce risks arising from investment decisions and investment valuations. The Board actively monitors market prices throughout the year and meets regularly in order to review investment strategy. Most of the equity investments held by the Company are listed on a recognised Stock Exchange.

Liquidity risk
The Group's assets mainly comprise readily realisable quoted securities that can be sold to meet funding commitments if necessary. Short-term flexibility is achieved through the use of overdraft facilities.

Credit risk
The failure of a counterparty to a transaction to discharge its obligations under that transaction that could result in the Company suffering a loss. Normal delivery versus payment practice and a review of counterparties and custodians by the Board mean that this is not a significant risk.

Interest rate risk
Given the changes in the portfolio resulting from the change of Investment Objective and Policy in November 2020 this is not considered a significant risk.

Section 172(i) Statement

Section 172(i) of the Companies Act 2006, requires Directors to take into consideration the interests of stakeholders in their decision making. The Directors continue to have regard to the interests of, and the impact of the firm's activities on, the various stakeholders in the firm and to consider what is most likely to promote the success of the Company for its members in the long term.

Whilst the importance of giving due consideration to our stakeholders is not new, S172 requires that the Board elaborates how it discharges its duties in this respect. We have categorised our key stakeholders into two groups. Where appropriate, each group is considered to include both current and potential stakeholders:

- Shareholders
- Administrator and other service providers

Shareholders

Our Shareholders are of course the owners of the Company and we need to act fairly as between members of the Company.

In the prior year, the Company underwent considerable change. One of these – the change of dividend policy – led to some changes to the Shareholder base. These changes were undertaken with the active support of Shareholders as being in the best interests of the Company as a whole.

We have a regular dialogue with our key Shareholders – but all are welcome to be in communication. All Shareholders are encouraged to attend our Annual General Meeting.

Administrator and other service providers

The Board seeks to maintain constructive liaison with its service providers so as to optimise the way in which the Company's needs are met.

Following their appointment in January 2021, ISCA Administration Services acted as Company Secretary and Administrator during the year and worked with the Directors to ensure the Company continued to operate normally throughout the restrictions imposed by Covid.

In January 2022, the Company negotiated a new contract with Equiniti to continue to provide Registrar services to the Company.

The Strategic Report has been approved by the Board of Directors.

On behalf of the Board

I. R. Dighé
Chairman

22 September 2022

DIRECTORS' REPORT

The Directors present their report and audited financial statements for the year ended 30 June 2022.

The Company

The Company is an investment company within the meaning of Section 833 of the Companies Act 2006 and has been granted approval from HM Revenue & Customs ("HMRC") as an investment trust under sections 1158 and 1159 of the Corporation Tax Act 2010 and will continue to be treated as an investment trust company, subject to continuing to meet the conditions for approval. The Company has a premium listing on the London Stock Exchange and its principal activity is portfolio investment.

The Directors are of the opinion that the Company has conducted its affairs for the year ended 30 June 2022 so as to be able to continue to qualify as an investment trust.

The Company's status as an investment trust allows it to obtain an exemption from paying taxes on the profits made from the sale of its investments and all other net capital gains.

As an investment company, managed and marketed in the UK, the Company is an Alternative Investment Fund ("AIF") under the provisions of the Alternative Investment Fund Manager's Directive ("AIFMD"). The Company was registered by the FCA as a Small Registered UK Alternative Investment Fund Manager ("AIFM") with effect from 29 March 2018.

The Company owns Abport Limited, an investment dealing company, and New Centurion Trust Limited, an inactive investment company (the "Subsidiaries"). The Company and its wholly owned Subsidiaries together comprise a group (the "Group").

Investment Policy

The Company's Investment Policy is set out on page 2.

Performance

Details of the Company's performance during the financial year are provided in the Chairman's Statement on pages 4 and 5 and the financial statements on pages 35 to 56.

Key Performance Indicators ("KPIs")

The Board reviews performance by reference to a number of KPIs and considers that the most relevant KPIs are those that communicate the financial performance and strength of the Group as a whole. The Board monitors the following KPIs:

> ***NAV performance:*** The NAV per ordinary share at 30 June 2022 was 336.30p per share (2021: 341.19p). The total return of the NAV was (1.43)%.
>
> ***(Discount)/premium of share price in relation to NAV:*** Over the year to 30 June 2022, the Company's share price moved from trading at a discount of 9.43% to a discount of 12.58%.
>
> ***Ongoing Charges Ratio:*** The Ongoing Charges Ratio for the year to 30 June 2022 amounted to 2.17% (2021: 2.24%).

Going Concern

In accordance with the Financial Reporting Council's guidance on going concern, including its Covid-19 guidance, the Directors have undertaken a review of the Company's ability to continue as a going concern.

The Directors believe that the Company is well placed to manage its business risks and that the assets of the Group consist mainly of securities which are readily realisable. The Directors are of the opinion that the Group has adequate resources to continue in operational existence for the foreseeable future and that it is therefore appropriate to adopt the going concern basis in preparing the financial statements. In arriving at this conclusion, the Directors have considered the liquidity of the portfolio and reviewed cash flow forecasts showing the ability of the Company to meet obligations as they fall due for a period of at least 12 months from the date that these financial statements were approved.

In addition, the Directors have regard to ongoing investor interest in the sustainability of the Company's business model and in the continuation of the Company, specifically being interested in feedback from meetings and conversations with Shareholders.

In addition to considering the principal risks on pages 8 and 9 and the financial position of the Company as described above, the Board has also considered the following further factors:

- the Board continues to adopt a long-term view when making investments;
- regulation will not increase to a level that makes the running of the Company uneconomical; and
- the performance of the Company will be satisfactory and should performance be less than the Board deem acceptable it has the powers to take appropriate action.

Viability Statement

Over the Company's life it has experienced a number of significant social and economic events impacting world history. The recent Covid pandemic and the conflict in Ukraine are the latest events impacting not just this Company but all commercial entities. The change in Investment Policy and the decision as supported by Shareholders during the previous year to become self-managed by the Board demonstrates the viability of the Company as a vehicle for delivering investment performance to Shareholders. The Board's analysis is based on the performance and progress of the Company and its investment portfolio, an assessment of current and future risks, the appropriateness of the investment strategy and review of the financial position of the Company, and operating expenses over the next two years. In addition, consultation with key Shareholders as to their perspectives is a key consideration.

The Directors also consider viability in the context of the Company being a going concern and it being appropriate that the accounts are prepared on such a basis. This is elaborated in Note 1 to the financial statements.

Future Prospects

The future of the Company is dependent upon the success of the investment strategy. The outlook for the Company is discussed in the Chairman's Statement on pages 4 and 5.

Board Diversity

When recruiting a new Director, the Board's policy is to appoint individuals on merit matched against the skill requirements identified by the Board. The Board believes diversity is important in bringing an appropriate range of skills, knowledge and experience to the Board and gives that consideration when recruiting new Directors and has also noted the Parker Report on increasing the diversity on boards of public companies. As at 30 June 2022, there were five male Directors on the Board. As discussed in the Chairman's Statement on page 5, Tom Cleverly does not wish to seek re-election at the forthcoming AGM. There are no current plans to appoint a replacement. When making appointments in the future the Board will continue to operate an open-minded approach to recruitment without restrictions against any perceived group or individual.

The Company does not have any employees other than Directors and, as a result, the Board does not consider it necessary to establish means for employee engagement with the Board as required by the latest version of the UK Corporate Governance Code.

Environmental, Human Rights, Employee, Social and Community Issues

The Board consists entirely of Non-Executive Directors and during the year the Company had no employees. The Company has no direct impact on the community or the environment, and as such has no environmental, human rights, social or community policies. In carrying out its investment activities and in relationships with suppliers, the Company aims to conduct itself responsibly, ethically and fairly.

Environmental, Social and Governance factors are considered as part of the commercial evaluation of investee companies.

Modern Slavery Act

As an investment vehicle that does not provide goods or services in the normal course of business, nor does it have, apart from the Directors, any employees, the Directors consider that the Company is not required to make a slavery or human trafficking statement under the Modern Slavery Act 2015.

Criminal Finances Act 2017 and Bribery Act 2010

The Company has zero tolerance towards the criminal facilitation of tax evasion and a policy of zero tolerance in relation to bribery and corruption both in its own actions and those of its third party advisors and service providers.

Greenhouse Gas Emissions

As an investment company with its activities outsourced to third parties or self managed by the Non-Executive Directors, the Company's own direct environmental impact is minimal. The Company has no greenhouse gas emissions to report from its operations, nor does it have responsibility for any other emissions producing sources under the Companies Act 2006 (Strategic Report and Directors' Reports) Regulations 2013. Furthermore, the Company and Group considers itself to be a low energy user under the Streamlined Energy & Carbon Reporting regulations and therefore is not required to disclose energy and carbon information.

Directors

Ian Dighé (Chairman) was appointed to the Board on 6 July 2018. He has significant listed company experience, particularly in the investment banking, corporate broking, asset management and closed end funds sectors. He was a co-founder of Bridgewell Group plc and was Chairman of Miton Group plc from February 2011, overseeing the successful refinancing and subsequent growth of the group. He retired from the Miton board in December 2017. He is an Independent Director of Edelweiss Holdings plc, and a director of a number of private companies, and charities.

Tom Cleverly was appointed to the Board on 4 November 2020. He spent the 10 years to 2011 in the audit profession. He is CFO, treasurer and a member of the executive committee of Edelweiss Holdings plc, where he also served on the board between November 2011 and September 2015 and again since November 2020. Mr Cleverly is a Fellow Member of the Institute of Chartered Accountants in England and Wales.

Tim Metcalfe was appointed to the Board on 6 July 2018. He is an experienced corporate financier, having spent over 20 years working at Robert Fleming & Co., N M Rothschild, Westhouse Securities, and Northland Capital Partners and was Joint CEO of Zeus Capital, prior to being the co-founder, in 2015, of IFC Advisory, an investor relations and financial PR adviser to small and mid-cap companies.

Martin Perrin (Audit Committee Chairman) was appointed to the Board in June 2013. He is a non-executive director of Fiske plc. He is a Chartered Accountant and Chartered Fellow of the Securities Institute and has wide international experience of operations and finance in both regulated financial services firms and in technology companies in industry.

Michael Weeks was appointed to the Board on 4 November 2020. He is a member of the executive committee of Edelweiss Holdings plc, where he has been part of the investment team since 2011. He is a CFA charterholder and holds degrees in chemical engineering and philosophy.

Details of the interests of the Directors in the share capital of the Company are set out in the Directors' Remuneration Report on page 26.

DIRECTORS' REPORT *continued*

In accordance with the policy adopted by the Board, all Directors, with the exception of Tom Cleverly, will stand for re-election at the forthcoming AGM. Further details of the independence of the Board and Board tenure is provided in the Corporate Governance Statement.

The Board has considered the position of the Directors as part of the evaluation process and believes that it would be in the Company's best interests for each of them to be proposed for re-election at the forthcoming AGM, given their material level of contribution and commitment to the role.

As a non-executive Director of Fiske plc, Mr. Perrin is deemed to be interested in the Company's past management agreement and current custody agreement. There were no other contracts subsisting during the year under review or up to the date of this report in which a Director of the Company is or was materially interested and which is or was significant in relation to the Company's business.

Directors' and Officers' Liability Insurance

Directors' and Officers' liability insurance cover was in place throughout the financial year and as at the date of this report. The Company's Articles of Association provide, subject to the provisions of UK legislation, that the Directors may be indemnified out of the assets of the Company in respect of liabilities they may sustain or incur in connection with their appointment.

Conflicts of Interest

The Companies Act 2006 provides that a director must avoid a situation where they could have, a direct or indirect interest that conflicts, or could perceivably conflict with the Company's interests. The Company's Articles of Association permit the Board to consider and, if appropriate, to authorise situations where a Director has an interest that conflicts, or might possibly conflict, with the Company. The Board has a formal system in place at each board meeting for the Directors to declare situations for authorisation by those Directors not involved in the situation. Any situations considered and any authorisations subsequently given are appropriately recorded. Any Director who is considered conflicted might be asked to leave the meeting or remain but not participate in the discussion and abstain from voting or influencing a decision or course of action. All Directors acknowledge that any decision they take as a Directors of the Company must be taken to promote the success of the Company.

The Board believes that the system it has in place for reporting, considering and recording situations where a Director has an interest that conflicts such as Mr. Perrin's appointment as discussed on page 18, or might possibly conflict, with the Company operated effectively during the year under review.

Capital Structure

As at 30 June 2022, and the date of this Annual Report, the Company's share capital consists of 4,772,049 ordinary shares of 50p each.

In addition, there are 1,717,565 fixed rate preference shares of 50p in issue, all of which are held by New Centurion Trust Limited a wholly owned subsidiary of the Company. The fixed rate preference shares are non-voting, are entitled to receive a cumulative dividend of 0.01p per share per annum, and are entitled to receive their nominal value, 50p, on a distribution of assets or winding up. Preference shares are disclosed as equity in accordance with IAS 32.

At any general meeting of the Company, holders of ordinary shares are entitled to one vote on a show of hands and on a poll, to one vote for every share held. During the year under review the Company did not repurchase any ordinary shares in the market, issue any ordinary shares or sell ordinary shares from treasury. The Company holds no shares in treasury as at 30 June 2022. The current authorities to buy back shares and to issue new ordinary shares or sell ordinary shares from treasury for cash will expire at the conclusion of the 2022 AGM. The Directors are proposing that these authorities be renewed at the AGM.

DIRECTORS' REPORT *continued*

Substantial Shareholdings

As at 30 June 2022, the Company had been notified of the following notifiable interests in its voting rights:

	Number of ordinary shares	% of voting rights
Edelweiss Holdings Plc	1,246,909	26.13
Philip J. Milton & Company plc	395,274	8.28
Mr C.P. Kirkley	291,443	6.11
Mr C.A. Kirkley	291,443	6.11
Aboyne-Clyde Rubber Estates of Ceylon Ltd	203,800	4.27
Investec Wealth & Investment Limited	201,322	4.22

Subsequent to the year end, on 3 August 2022, the Company was informed that Philip J. Milton & Company plc had a notifiable interest in 432,086 shares (9.05%).

Controlling Party

The Director's consider that there is no controlling party.

Change of Control

The Directors are not aware of any agreements between Shareholders that may result in restrictions on the transfer of securities or voting rights. The Directors are not aware of any other restrictions on the transfer of shares in the Company other than certain restrictions that may from time to time be imposed by laws and regulations. There are no agreements to which the Company is party that might affect its control following a successful takeover bid.

Requirements of the FCA Listing Rules

FCA Listing Rule 9.8.4 requires the Company to include certain information in a single identifiable section of the Annual Report or a cross-reference table indicating where the information is set out. The Directors confirm that the only disclosure required in relation to FCA Listing Rule 9.8.4, is that as a Non-Executive Director of Fiske, Mr Perrin is deemed to have an interest in the Company's Custody Agreement. There were no other contracts subsisting during the year to which the Company was a party and in which a Director of the Company is or was materially interested; or between the Company and a controlling shareholder.

Articles of Association

Under section 21 of the Companies Act 2006 the Company's Articles of Association can only be amended by special resolution at a general meeting of the Shareholders.

Annual General Meeting

The Company's AGM will be held at the City of London Club, 19 Old Broad Street, London EC2N 1DS on 28 October 2022 at 11.00 am. The Notice of Meeting is set out on pages 58 to 62.

Shareholders are encouraged to submit their proxy votes ahead of the meeting to ensure that their votes count towards deciding each resolution. Appointing the Chair of the meeting rather than a named person will ensure that the vote will count.

The business of this year's AGM consists of 12 resolutions. Resolutions 1 to 8 are the normal resolutions concerning the approval of the Report and Accounts and the re-election of Directors and are self-explanatory.

Authority to allot shares

Resolutions 9 and 10: Authority to issue shares and disapplication of pre-emption rights

The Board wishes to have the authority to issue ordinary shares and may only allot shares for cash if authorised to do so by Shareholders in general meeting.

Accordingly, an ordinary resolution to authorise the Directors to allot ordinary shares up to an aggregate nominal amount of £477,204 equal to 20% of the Company's issued ordinary share capital at the date of this Notice, will be proposed as Resolution 9.

In addition, Resolution 10 is being proposed as a special resolution to authorise the Directors to disapply the pre-emption rights of existing Shareholders in relation to the issue of ordinary shares under Resolution 9 and to sell ordinary shares from treasury up to a maximum nominal amount of £477,204 equal to 20% of the Company's issued share capital as at the date of the Notice of AGM.

The Directors intend to issue ordinary shares, subject to any applicable regulatory requirements, when it is in the best interests of Shareholders to do so.

These authorities, if approved, will expire at the Annual General Meeting of the Company to be held in 2023.

Purchase of Own Shares

Resolution 11: Authority to purchase shares

Resolution 11, a special resolution, will renew the Company's authority to make market purchases of up to 14.99% of its ordinary shares, either for cancellation or placing into treasury at the determination of the Directors. Purchases of ordinary shares will be made within guidelines established from time to time by the Board. Any purchase of ordinary shares would be made only out of the available cash resources of the Company.

The Directors would use this authority to address any significant imbalance between the supply and demand for the Company's ordinary shares and to manage the discount to NAV at which the ordinary shares trade. Ordinary shares will be repurchased only at prices below the NAV per ordinary share, which should have the effect of increasing the NAV per ordinary share for remaining Shareholders. This authority will expire at the AGM to be held in 2023 when a resolution to renew the authority will be proposed.

Notice Period for General Meetings

Resolution 12: Authority for a 14 day notice period

Resolution 12, a special resolution, will give the Directors the ability to convene general meetings, other than annual general meetings, on a minimum of 14 clear days' notice. The minimum notice period for annual general meetings will remain at 21 clear days. The approval will be effective until the Company's AGM to be held in 2023, at which it is intended renewal will be sought. The Directors will only call a general meeting on 14 days' notice where they consider it to be in the interests of Shareholders to do so and the relevant matter is required to be dealt with expediently.

Continuation

The Company's Articles provide that an ordinary resolution be put to Shareholders at the Annual General Meeting, proposing that the Company continues in existence as a closed-ended investment company, every 5 years, the next occasion to be in 2025.

Recommendation

The Directors consider that all the resolutions to be proposed at the AGM are likely to promote the success of the Company and are in the best interests of the Company and its Shareholders as a whole. The Directors unanimously recommend that Shareholders vote in favour of each resolution, as they intend to do in respect of their own beneficial holdings.

Post balance sheet events

There were no post balance sheet events requiring disclosure.

Reappointment of Auditors

PKF Littlejohn LLP, the independent external Auditor of the Company, were appointed in 2018. Resolutions to reappoint PKF Littlejohn LLP as the Company's Auditor, and to authorise the Audit Committee to determine their remuneration will be proposed at the forthcoming AGM.

Auditor Information

In accordance with the requirement and definitions under section 418 of the Companies Act 2006, each of the Directors at the date of approval of this report confirms that:

- so far as they are each aware, there is no relevant audit information of which the Company's Auditor is unaware; and
- each Director has taken all the steps that he ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Company's Auditor is aware of that information.

The Directors' Report was approved by the Board on 22 September 2022.

On behalf of the Board

I. R. Dighé
Chairman

22 September 2022

The Corporate Governance Statement forms part of the Directors' Report.

Statement of Compliance

The Directors have adopted the AIC Code published in February 2019 for the financial year ended 30 June 2022. The AIC Code addresses the principles and provisions set out in the UK Corporate Governance Code ("the UK Code") as well as setting out additional principles and recommendations on issues that are of specific relevance to the Company.

The Board considers that reporting against the principles and recommendations of the AIC Code, and by reference to the AIC Guide as outlined above, will provide the most appropriate information to Shareholders.

The AIC Code was endorsed in February 2019 by the Financial Reporting Council ("FRC") which has confirmed that in complying with the AIC Code, the Company will meet its obligations in relation to the UK Code. The AIC Code is available online at: www.theaic.co.uk. A copy of the UK Code can be found at: www.frc.org.uk.

This statement has been compiled in accordance with the FCA's Disclosure and Transparency Rule ("DTR") 7.2 on Corporate Governance Statements.

The Board considers that the Company has complied fully with the AIC Code and the relevant provisions of the UK Code, except as set out below.

Although self-managed, the Company does not employ a chief executive, nor any executive Directors. The systems and procedures of the Administrator and other service providers, and the annual statutory audit as well as the size of the Company's operations, gives the Board confidence that an internal audit function is not appropriate. The Company is therefore not reporting further in respect of these areas.

The Board has further considered the principles of the UK Code and believes that the Company has complied with the provisions thereof for the year under review, except as outlined above.

The Board of Directors

The Board consists of five non-executive Directors all of whom, with the exception of Mr Perrin, who is a non-executive Director of Fiske plc, are considered to be independent by the Board. Fiske plc were until 4 November 2020 the investment manager and remain as the Company's custodian.

Messrs Dighé, Cleverly and Weeks hold directorships or positions of senior management within Edelweiss Holdings plc ("Edelweiss"), who became a significant shareholder in the Company in the previous year. Notwithstanding these cross-directorships and links with Edelweiss, the Board considers Messrs Dighé, Cleverly and Weeks to be independent Directors as they do not represent Edelweiss through their chairmanship and directorships of the Company. Furthermore, their appointments to the Board occurred prior to Edelweiss becoming a significant Shareholder.

The Board is responsible for all matters of direction and control of the Group, including its investment policy, strategy and delivery. The Directors review at regular meetings the Group's investments and all other important issues to ensure that control is maintained over the Group's affairs.

The Chairman, Mr I. R. Dighé, is considered to be independent and has no conflicting relationships. He considers himself to have sufficient time to commit to the Company's affairs.

The AIC Code recommends that the Board should appoint one of its independent non- executive directors to be the Senior Independent Director. Mr Metcalfe is the Company's Senior Independent Director.

The Board has formalised the arrangements under which Directors, in the furtherance of their duties, may take independent professional advice.

The Directors each have a service contract, copies of which are available on request from the Secretary. Mr. Perrin is approaching his eleventh year as Chairman of the Audit Committee, his independence is reviewed on an annual basis and the Board is committed to reviewing his continuing appointment at an appropriate time.

The appointment of a new Director would be on the basis of a candidate's merits and the skills/experience identified by the Board as being desirable to complement those of the existing Directors. The Company's diversity policy, is set out on page 12, but diversity is one of the factors that would be taken into account when making a new appointment.

Board Operation

The Directors meet at regular Board meetings usually once a quarter, with additional meetings arranged as necessary. During the year ended 30 June 2022, the number of formal Board and Committee meetings attended by each Director who served during the year was as follows:

	Board Meetings		Audit Committee Meetings		Investment Committee Meetings	
	Number entitled to attend	Number attended	Number entitled to attend	Number attended	Number entitled to attend	Number attended
Ian Dighé	5	5	2	2	3	3
Tom Cleverly	5	5	2	2	3	3
Tim Metcalfe	5	5	2	2	–	–
Martin Perrin	5	5	2	2	–	–
Michael Weeks	5	5	2	2	3	3

Performance Evaluation

An annual evaluation for the year ended 30 June 2022 has been carried out. This took the form of a formal questionnaire by the Directors as to the effectiveness of the Board, the chairmanship and its Committees and how the Company can better serve Shareholders.

There were no significant actions arising from the evaluation process and it was agreed that the current composition of the Board and its Committees was appropriate and that the Board and its Committees were functioning effectively.

Tenure

In terms of overall length of tenure, the AIC Code does not make specific restrictions on tenure for Directors. Some market commentators have expressed opinions that considerable length of service (which has generally been defined as a limit of 9 years) may lead to the compromise of a Director's independence. The Board does not believe that a Director should be appointed for a finite period. The AIC Code does recommend that it should have a policy on tenure of its Chairman. The Board has noted that there is no requirement under the AIC Code for its Chairman to stand down after nine years however, it has adopted a nine-year maximum tenure policy for its Chairman.

Re-election of Directors

With the exception of Tom Cleverly, who has advised the Board that he does not wish to seek re-election, all Directors shall seek annual re-election by the Shareholders at the Company's Annual General Meeting ("AGM").

The Board undertook an evaluation of the Company's operations in 2020 and proposed that the Company change from being managed by an investment manager to being self-managed. These proposals were approved by Shareholders at the General Meeting in November 2020. Following a full evaluation of the structure of the Board as part of the change, and as proposed in the Circular, Tom Cleverly and Michael Weeks were subsequently appointed to the Board.

The Chairman and the Senior independent Director have subsequently undertaken a review and assessment of the effectiveness of the revised structure in delivering the new Investment Policy and meeting the Board's obligations to Shareholders. This review undertaken through meetings and discussion with each individual Director has concluded that each Director, and the Board and its Committees, are working well and no weaknesses have been identified requiring a revision to the Board. The Board has considered the re-election of each individual Director and recommends their re-election on the basis of their skills, knowledge and continued contribution.

Board Responsibilities

The Board is responsible for the determination and implementation of the Company's investment policy and strategy and has overall responsibility for the Company's activities. The Board's main roles are to create value for Shareholders, to provide leadership to the Company and to approve the Company's strategic objectives. The Board has adopted a schedule of matters reserved for its decision and specific responsibilities that includes: reviewing the Company's investments, asset allocation, gearing policy, cash management, investment outlook and revenue forecasts.

The Company's day-to-day administrative functions have been subcontracted to a number of service providers, each engaged under separate legal agreements.

At each Board meeting the Directors follow a formal agenda, which is circulated in advance by the Company Secretary. The Company Secretary and Administrator regularly provide financial information, together with briefing notes and papers in relation to changes in the Company's economic and financial environment, statutory and regulatory changes and corporate governance best practice.

Committees of the Board

The Company has appointed an Audit Committee to monitor specific operations, further details are provided in the Audit Committee Report on pages 22 and 23. Given the size of the Board, it is not felt appropriate to have a separate Management Engagement, Nomination or Remuneration Committee. The functions that would be normally carried out by these Committees are dealt with by the full Board.

The Audit Committee is comprised of all of the Directors of the Company and is chaired by Mr Perrin. Given the size of the Board, it is deemed proportionate and practical for all Directors to sit on the Audit Committee. Mr Perrin FCA, is a chartered accountant with a wide experience of operations and finance in industry. The Board is satisfied that Mr Perrin has recent and relevant financial experience in the sector the Company operates to guide the Committee in its deliberations.

Investment Committee

The Company set up an Investment Committee following Shareholder approval in November 2020 that investment decisions would be made by the Board rather than employing an Investment Manager. Membership of the Investment Committee currently comprises the Chairman, Tom Cleverly (until the AGM on 28 October 2022) and Michael Weeks.

Internal Control Review

The Directors are responsible for the Group's risk management and systems of internal control, for the reliability of the financial reporting process and for reviewing their effectiveness.

Throughout the year under review and up to the date of this Annual Report, there has been an ongoing process for identifying, evaluating and managing the principal risks faced by the Group, which accords with guidance supplied by the FRC on risk management, internal control and related financial and business reporting. This is reviewed on a regular basis by the Board. The internal control systems are designed to ensure that proper accounting records are maintained, that the financial information on which business decisions are made and which are issued for publication is reliable and that the assets of the Group are safeguarded. The risk management process and Group systems of internal control are designed to manage rather than eliminate the risk of failure to achieve the Group's objectives. It should be recognised that such systems can only provide reasonable, not absolute, assurance against material misstatement or loss.

The Directors have carried out a review of the effectiveness of the systems of internal control as they have operated during the year and up to the date of approval of the Annual Report and Financial Statements. The internal control systems in place are considered to be effective as there were no matters arising from this review that required further investigation and no significant failings or weaknesses were identified.

Risk assessment and a review of internal controls is undertaken regularly in the context of the Company's overall investment objective. The Board, through the Audit Committee, has identified risk management controls in four key areas: corporate strategy; published information and compliance with laws and regulations; relationships with service providers; and investment and business activities. In arriving at its judgement, the Board has considered the Company's operations in light of the following factors:

- the nature and extent of risks which it regards as acceptable for the Company to bear within its overall business objective;
- the threat of such risks becoming reality;
- the Company's ability to reduce the incidence and impact of risk on its performance; and
- the cost to the Company and benefits related to the Company and third parties operating the relevant controls.

Most functions for the day-to-day management of the Company are sub-contracted to third party service providers, and the Directors therefore obtain regular assurances and information from these suppliers regarding their internal systems and controls.

Internal Audit
As the Company's investment management is carried out by the Board and the administration and custodial activities are carried out by third party service providers the Board does not consider it necessary to have an internal audit function. The Board reviews financial information produced by the Administrator on a regular basis.

Relations with Shareholders
Communication with Shareholders is given a high priority by the Board. All Shareholders are encouraged to vote at the AGM. Shareholders that wish to communicate directly with the Board or to lodge a question in advance of the AGM should contact the Company Secretary at the address on page 1 or contact the Board via email to info@theinvestmentcompanyplc.co.uk.

The Annual and Half-Yearly Reports of the Company are prepared by the Board to present a full, fair, balanced and understandable review of the Company's performance, business model and strategy. Copies of these are released to the London Stock Exchange. The Annual Report is dispatched to Shareholders by mail and is also available from the Secretary or at https://theinvestmentcompanyplc.co.uk.

The Board maintains regular dialogue with representatives of the Company's largest Shareholders throughout the year. The Board is mindful of feedback received from Shareholders.

Disclosure Guidance and Transparency Rules ("DGTR")
Other information required to be disclosed pursuant to the DGTR has been placed in the Directors' Report because it is information which refers to events that have taken place during the course of the year.

On behalf of the Board

I. R. Dighé
Chairman

22 September 2022

AUDIT COMMITTEE REPORT

Role of the Audit Committee

The primary responsibilities of the Audit Committee (the "Committee") are:

- to monitor the integrity of the financial statements of the Group, and review the financial reporting process and the accounting policies of the Group;
- to present a fair balance and understandable assessment of the Group's Annual Report and Financial Statements;
- to keep under review the effectiveness of the Group's internal control environment and risk management systems;
- to review annually the need for the Group to have its own internal audit function;
- to make recommendations to the Board in relation to the re-appointment or removal of the external Auditor and to approve its remuneration and terms of engagement;
- to review the effectiveness of the audit process;
- to develop and implement a policy on the supply of non-audit services by the Auditor; and
- to review and monitor the Auditor's independence and objectivity.

Matters considered in the year

The Committee met twice during the financial year to consider the financial statements and to review the internal control systems.

The Audit Committee has:

- reviewed the need for the Group to have its own internal audit function;
- reviewed the internal controls and risk management systems of the Company and those of its third party service providers;
- reviewed and, where appropriate, updated the Company's risk register;
- agreed the audit plan with the Auditor, including the principal areas of focus;
- received and discussed with the Auditor its report on the results of the audit; and
- reviewed the Group's financial statements.

The principal issues identified by the Committee were the valuation and ownership of the investment portfolio, in particular the unquoted holdings and revenue recognition. The Board relies on the Administrator to use correct listed prices and seeks comfort in the testing of this process through the internal control statements. This was discussed with the Administrator and Auditor at the conclusion of the audit of the financial statements.

The Committee assesses annually whether it is appropriate to prepare the Company's financial statements on a going concern basis. The Board's conclusions are set out in Note 1 of the financial statements.

The Committee considers the internal control system of the Company and its third party service providers. There were no significant matters of concern identified in the Committee's review of the internal controls of the Company and its third party service providers.

Following consideration of the above, and its detailed review, the Committee was of the opinion that the Annual Report and Financial Statements, taken as a whole, are fair, balanced and understandable and provide the information necessary to assess the Group's position and performance, business model and strategy and advised the Board accordingly.

AUDIT COMMITTEE REPORT *continued*

Auditor

The Audit Committee will, in accordance with the terms of reference of the Committee, continue to consider the need to put the audit out to tender, the Auditor's performance, its fees and independence, along with matters raised during each audit.

Audit Fees

An audit fee of £38,900 has been agreed in respect of the audit for the year ended 30 June 2022. Of this amount, £32,300 relates to the Audit of the Company and £3,300 to each of the subsidiary companies.

Audit services

The Committee reviews the need for non-audit services and authorises such on a case by case basis, having consideration to the cost-effectiveness of the services and the independence and objectivity of the Auditor. No non-audit services were provided to the Group in the year under review.

Appointment of the Auditor

The Committee conducted a review of PKF Littlejohn LLP's independence and audit process effectiveness as part of its review of the financial reporting for the year ended 30 June 2022. In considering the effectiveness, the Committee reviewed the audit plan in July 2022, discussing the materiality level and identification of key financial reporting risks. The Committee also considered the execution of the audit against the plan, as well as the auditor's reporting to the Committee in respect of the financial statements. Based on this, the Committee were satisfied that the quality of the external audit process had been good with appropriate focus and challenge on the key audit risks.

The Committee advises the Board on the appointment of the external auditor and determines the Auditors' remuneration. It keeps under review the cost effectiveness and also the independence and objectivity of the external auditor. The Committee was satisfied that the objectivity and independence of the auditor was not impaired during the year.

This is the fourth year in which PKF Littlejohn LLP has conducted the audit. As a Public Interest Entity listed on the London Stock Exchange the Company is subject to mandatory auditor rotation requirements. The Company will be required to put the external audit out to tender at least every ten years and change the Auditor at least every twenty years. Under the legislation the Company will be required to put the audit out to tender, at the latest, following the 2028 year end. The auditor is required to rotate partners every five years.

The current audit partner for the Company, Ian Cowan, is in his fourth year in this role.

M. H. W. Perrin (FCA)
Chairman, Audit Committee

22 September 2022

DIRECTORS' REMUNERATION REPORT

The Board has prepared this report in accordance with the requirements of the Large and Medium Sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2013. An ordinary resolution for the approval of the Remuneration Report will be put to Shareholders at the forthcoming AGM. The law requires the Company's Auditor to audit certain disclosures provided. Where disclosures have been audited, they are indicated as such. The Auditor's opinion is included in the Independent Auditor's Report on pages 28 to 34.

Annual Statement from the Chairman

I am pleased to present the Directors' Remuneration Report for the year ended 30 June 2022.

Given the size of the Board, it is not considered appropriate for the Company to have a separate Remuneration Committee and the functions of this Committee are carried out by the Board as a whole. Each Director of the Company takes no part in discussions concerning their own remuneration.

Remuneration Policy

The Board's policy is that the remuneration of non-executive Directors should reflect the experience of the Board as a whole, and is determined with reference to comparable financial organisations and appointments.

The Directors' fees are determined within the limits set out in the Company's Articles of Association, not to exceed a maximum aggregate amount of £250,000 per annum. In addition, Directors may be paid extra remuneration for the performance of service which in the opinion of the Director is beyond the ordinary and usual duties of a Director. Under the Company's Articles of Association, if any Director performs or agrees to perform services (including services as a member of any committee(s)) which in the opinion of the Directors are beyond the ordinary and usual duties of a Director, the Director may (unless otherwise expressly resolved by the Company in general meeting) be paid such extra remuneration by way of salary or otherwise, as the Directors may determine, which shall be charged as part of the Company's ordinary working expenses. However, as the Directors do not receive performance related pay, any additional remuneration would not be based on a percentage of profits.

Directors have not been paid bonuses, pension benefits, share options, long-term incentive schemes or other performance-related benefits or compensation for loss of office. Director's fees will be reviewed in the future, within the context of growing the assets of the Company, and will be subject to Shareholder approval.

Fees for any new Director appointed will be on the above basis. Any views expressed by Shareholders on the fees being paid to Directors would be taken into consideration by the Board.

The terms of appointment provide that Directors shall retire and be subject to annual re-election at each Annual General Meeting of the Company in accordance with the Articles of Association of the Company. Compensation will not be paid upon early termination of appointment.

Shareholder views of remuneration policy

The formal views of unconnected Shareholders have not been sought in the preparation of this policy.

Employees

The Company does not have any employees and, therefore no Chief Executive Officer. Accordingly, the disclosures required under paragraphs 18(2), 19, 38 and 39 of Schedule 8 of the Large and Medium sized Companies and Groups (Accounts and Reports) Regulations 2008 are not required.

Directors' Emoluments for the Year

The Directors who served in the year received the following total emoluments:

	Year ended 30 June 2022		Year ended 30 June 2021	
	Fees £	**Total £**	Fees £	Total £
Ian Dighé	**20,000**	**20,000**	20,000	20,000
Tom Cleverly*	**20,000**	**20,000**	13,146	13,146
Tim Metcalfe	**20,000**	**20,000**	20,000	20,000
Martin Perrin	**20,000**	**20,000**	20,000	20,000
Michael Weeks*	**20,000**	**20,000**	13,146	13,146
	100,000	**100,000**	86,292	86,292

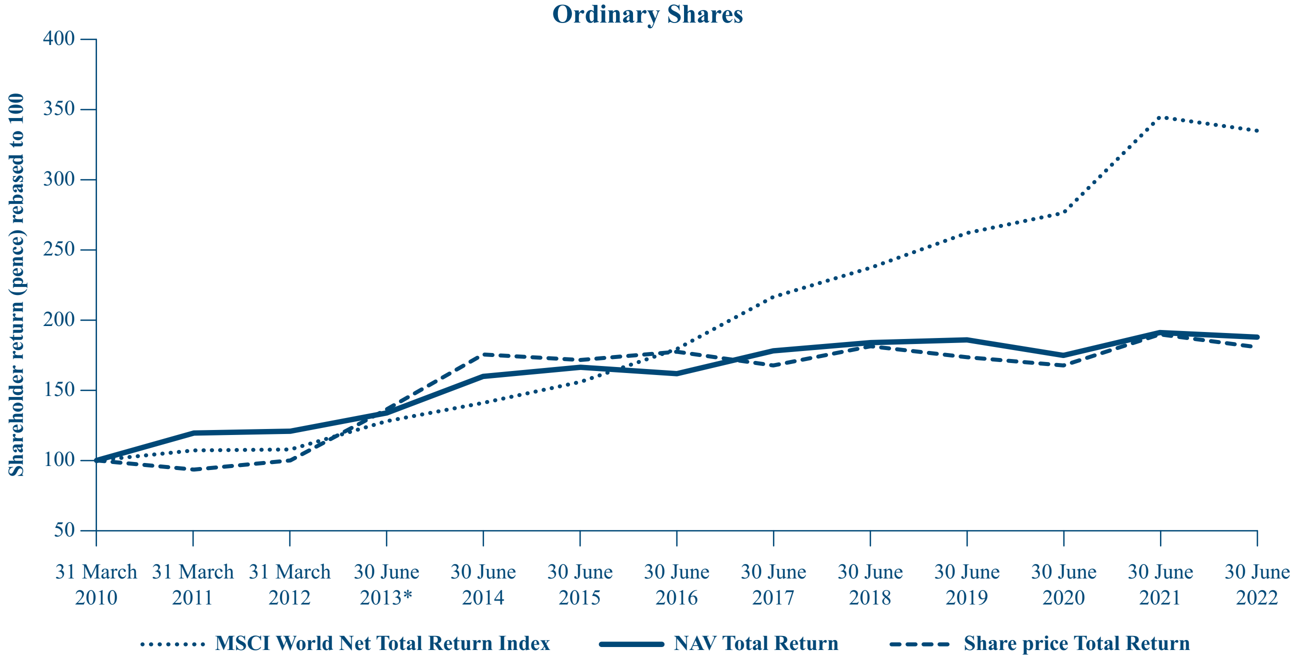
* appointed 4 November 2020.

Company Performance

The Company does not have a specific benchmark against which performance is measured. The graph below compares the total return (assuming all dividends are reinvested) to holders of ordinary shares compared to the total shareholder return of the MSCI World Index.

The Company has had several different investment objectives and policies which makes any long-term comparison to an index difficult, however, the MSCI World Index is the closest broad index against which to measure the Company's recent performance.

Ordinary Shares



*15 months to 30 June 2013.

Relative Importance of Spend on Pay

The table below shows the proportion of the Company's income spent on pay.

	2022 £	2021 £	2021/2022 Change	2020 £	2020/2021 Change
Dividends paid to Ordinary Shareholders in the year	–	143,161	(100.0)%	584,576	(75.5)%
Directors' fees	**100,000**	86,292	15.9%	51,250	68.4%

Directors' Beneficial and Family Interests

The Board has not adopted a policy that Directors are required to own shares in the Company. The interests of the current Directors and their families in the voting rights of the Company are set out below:

	As at 30 June 2022 No. of ordinary shares	As at 30 June 2021 No. of ordinary shares
Ian Dighé	**30,820**	30,820
Tom Cleverly	**7,061**	7,061
Tim Metcalfe	**47,505**	45,052
Martin Perrin	**21,695**	20,644
Michael Weeks	**32,000**	32,000

There have been no changes to the Directors' share interests between 30 June 2022 and the date of this Report.

Voting at Annual General Meeting

In accordance with the requirement of the Companies Act 2006 Shareholder approval for the Remuneration Report will be sought at the 2022 AGM.

An ordinary resolution adopting the Remuneration Report was approved at the AGM held on 27 October 2021. The votes cast by proxy were as follows:

Directors' Remuneration Report	**Number of votes**	**% of votes cast**
For and discretionary	1,697,560	83.32
Against	339,744	16.68
Total votes cast	2,037,304	100.00
Number of votes withheld	1,266,909	

Voting on the Remuneration Policy at the AGM held on 27 October 2021 was as follows:

Directors' Remuneration Policy	**Number of votes**	**% of votes cast**
For and discretionary	1,697,560	83.32
Against	339,744	16.68
Total votes cast	2,037,304	100.00
Number of votes withheld	1,266,909	

Approval

The Directors' Remuneration Report was approved by the Board on 22 September 2022.

On behalf of the Board

I. R. Dighé
Chairman

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing this Annual Report and the financial statements in accordance with applicable law and regulations. Company law requires the Directors to prepare financial statements for each financial year. Under that law, the Directors have prepared the Group and Company financial statements in accordance with UK adopted international accounting standards in conformity with the requirements of the Companies Act 2006. Additionally, the Financial Conduct Authority's Disclosure Guidance and Transparency Rules require the Directors to prepare the Group financial statements in accordance with UK adopted international accounting standards. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of the profit or loss of the Group and Company for that period.

In preparing those financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK adopted international accounting standards, in conformity with the requirements of the Companies Act 2006 and, for the Group, UK adopted international accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

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

Under applicable law and regulations, the Directors are also responsible for preparing a Strategic Report, Directors' Report, Directors' Remuneration Report and Corporate Governance Statement that comply with that law and those regulations, and for ensuring that the Annual Report includes information required by the Listing Rules of the Financial Conduct Authority.

The financial statements are available on the Company's website at https://theinvestmentcompanyplc.co.uk. The Directors are also responsible for the maintenance and integrity of the Company's website. Visitors to the website need to be aware that legislation in the United Kingdom covering the preparation and dissemination of the financial statements may differ from legislation in their jurisdiction.

We confirm that to the best of our knowledge:

- the Group and Company financial statements, which have been prepared in accordance with UK adopted international accounting standards in conformity with the requirements of the Companies Act 2006 and, for the Group, UK adopted international accounting standards, give a true and fair view of the assets, liabilities, financial position and loss of the Group and Company;
- the Annual Report includes a fair review of the development and performance of the business and the position of the Group and Company together with a description of the principal risks and uncertainties faced by the Group and Company; and
- the Annual Report and financial statements, taken as a whole, are fair, balanced and understandable and provide the information necessary for Shareholders to assess the position and performance, business model and strategy of the Group and Company.

On behalf of the Board

I. R. Dighé
Chairman

22 September 2022

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

Opinion
We have audited the financial statements of The Investment Company Plc (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 30 June 2022 which comprise the Consolidated Income Statement, the Consolidated Statement of Changes in Equity, the Company Statement of Changes in Equity, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated and Company Cash Flow Statements and Notes to the Financial Statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK-adopted international accounting standards and as regards the Parent Company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 30 June 2022 and of the Group's loss for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- the Parent Company financial statements have been properly prepared in accordance with UK-adopted international accounting standards and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group and Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern
In auditing the financial statements, we have concluded that the Director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Directors' assessment of the Group's and Parent Company's ability to continue to adopt the going concern basis of accounting included:

- an assessment of management's assumptions in modelling future financial performance and cashflow requirements, including consideration of the key changes arising from adopting the new investment objective and ensuring any investment commitments are reflected therein;
- assessing liquidity and the ability of management to trade in the investment portfolio in order to cover operational expenditure as required;
- checking the mathematical accuracy of the spreadsheet used to model future financial performance and cashflow requirements;
- assessing the mitigating factors available to management including their ability to generate cash from the investment portfolio, should that be required, and the liquidity of the portfolio; and
- assessing the appropriateness of the going concern disclosures included within the financial statements.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or Parent Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In relation to the entities reporting on how they have applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the Directors' statement in the financial statements about whether the Director's considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

Our application of materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate, on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as follows:

	Group	Company
Overall materiality	£323,000 (2021: £331,000)	£322,000 (2021: £330,000)
Performance materiality	£226,100 (2021: £231,700)	£225,400 (2021: £231,000)
Triviality	£16,150 (2021: £16,550)	£16,100 (2021: £16,500)
Basis for determining materiality	2% of gross assets	
Rationale for the benchmark applied	We have set our overall materiality at 2% of gross assets as the carrying value of the investments is a key driver of shareholder value and a key performance indicator used by management and forms more than 90% of gross assets. The basis of materiality has been consistently applied in the current and previous year. Performance materiality represents amounts set by the auditor at less than the overall materiality to reduce the probability that the aggregate of uncorrected and undetected misstatements exceeds the overall materiality. In setting this we consider the overall control environment and our experience from previous audits which has indicated a low number of corrected and uncorrected misstatements. Based on these factors we have set performance materiality at 70% of our overall materiality.	

In addition to the above, we determined a specific materiality in our audit of the Income Statement, as follows:

	Group	Company
Overall materiality	£18,000 (2021: £33,000)	£16,000 (2021: £30,000)
Performance materiality	£12,600 (2021: £23,100)	£11,200 (2021: £21,000)
Triviality	£900 (2021: £1,650)	£800 (2021: £1,500)
Basis for determining materiality	5% of expenses	
Rationale for the benchmark applied	We consider expenses to be a stable metric for income statement materiality and have applied this method consistently in the current and previous year. Cost control is a key focus of the Group, and hence this is deemed to be a suitable performance indicator to use for determining materiality. For the reasons noted above performance materiality has been set at 70% of the overall materiality.	

We set materiality for each component of the Group at a lower level of materiality, dependent on the size and our assessment of the risk of material misstatement of that component. This was consistent between the balance sheet and income statement for both subsidiaries. For Abport Limited, overall materiality was set at £9,000 (2021: £1,800), and for New Centurion Trust Limited at £16,000 (2021: £17,000). We further applied performance materiality levels of 70% of the component materiality.

We have agreed with the audit committee that we would report to the committee individual audit differences in excess of the trivial thresholds outlined above, as well as differences below these thresholds that, in our view, warranted reporting on qualitative grounds.

We also report to the audit committee on disclosure matters that we identified when assessing the overall presentation of the financial statements.

Our approach to the audit

In designing our audit, we determined materiality and assessed the risk of material misstatement in the financial statements. In particular, we looked at areas involving significant accounting estimates and judgement by the Directors and considered future events that are inherently uncertain such as the valuation of unquoted investments. We also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

The Group's only significant and material component was the Parent Company and this was subject to a full scope audit by a team with relevant sector experience undertaken from our office based in London. The components identified as not significant and not material were subject to review procedures undertaken by the same audit team.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our scope addressed this matter
Valuation and ownership of investments (note 1 and 8) The Group holds investments with a carrying value of £15.4m as at 30 June 2022. The Group's investments include both listed and unlisted holdings and are valued using the appropriate level of the fair value hierarchy as per IFRS 13 Fair Value Measurement. For those holdings which are unlisted and have limited market information, the Directors apply their knowledge and experience together with the assistance of a management expert to arrive at a valuation. Director valuations involve critical accounting estimation and judgement and therefore there is a risk that the year-end investment valuation may be materially misstated. Furthermore, there is a risk that the Group does not hold the legal title to the investments. As above, investments are a highly significant component of the balance sheet and therefore if the investments were to not be rightfully owned, this would have a material impact on the financial statements. Therefore, this is determined to be a key audit matter.	Our work included: • testing a sample of listed investment valuations to closing bid prices published by an independent pricing source; • reviewing and assessing management's valuation of a sample of the unlisted investments by checking supporting evidence where available; • assessing the independence and competence of management's expert, whose work is used by the Group and Parent Company to assist them in preparing the financial statements; • challenging the assumptions and inputs used by the management expert to derive the valuations of unquoted investments; • agreeing 100% of the listed investments held at the year-end to the custody report received directly from the custodian Fiske plc; • performing a reconciliation of the investment holdings, checking that the correct classification has been applied to each holding and that the fair value hierarchy disclosure is presented in accordance with IFRS 13 Fair Value Measurement; and • testing a sample of investment additions and disposals and corroborating to supporting documentation including recalculating any realised gains/losses on disposal to ensure they have been accurately calculated. Based on the work performed, we are satisfied that the Group and Parent Company's valuation of the investments held is appropriate, and that the Group and Parent Company holds legal title to the investments.

Other information

The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report thereon. The Directors are responsible for the other information contained within the Annual Report. Our opinion on the Group and Parent Company financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

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

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

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Corporate governance statement

We have reviewed the Directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the Group's and Parent Company's compliance with the provisions of the UK Corporate Governance Code specified for our review by the Listing Rules.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements or our knowledge obtained during the audit:

- Directors' statement with regards the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on pages 11 and 12;

- Directors' explanation as to their assessment of the Group's prospects, the period this assessment covers and why the period is appropriate set out on page 12;
- Directors' statement on whether they have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities set out on page 12;
- Directors' statement that they consider the annual report and the financial statements, taken as a whole, to be fair, balanced and understandable set out on page 27;
- Board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on page 20;
- the section of the annual report that describes the review of effectiveness of risk management and internal control systems set out on pages 20 and 21; and
- the section describing the work of the audit committee set out on pages 22 and 23.

Responsibilities of directors

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

In preparing the Group and Parent Company financial statements, the Directors are responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

- We obtained an understanding of the Group and Parent Company and the sector in which they operate to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through discussions with management, industry research, and the application of our cumulative audit knowledge and experience of the sector.
- We determined the principal laws and regulations relevant to the Group and Parent Company in this regard to be those arising from the FCA Rules, Listing Rules, Disclosure and Transparency Rules, the principles of the UK Corporate Governance Code applied by the AIC Code of Corporate Governance (the AIC Code), the AIC Statement of Recommended Practice Financial Statements of Investment Trust Companies and Venture Capital Trusts issued in April 2021 ("AIC SORP) to the extent that is consistent with IFRS, Companies Act 2006, UKLA Listing Rules, UKLA Disclosure Guidance and Transparency Rules, Alternative Investment Fund Managers' Directive and UK tax legislation including qualification as an investment trust under section 1158 of the Corporation tax Act 2010.

- We designed our audit procedures to ensure the audit team considered whether there were any indications of non-compliance by the Group and Parent Company with those laws and regulations. These procedures included, but were not limited to enquiries of management, review of minutes, review of legal/regulatory correspondence and reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- We also identified the risks of material misstatement of the financial statements due to fraud. We considered, in addition to the non-rebuttable presumption of a risk of fraud arising from management override of controls, the risk of fraud related to revenue recognition, the posting of unusual journals and the manipulation of the Group's alternative performance profit measures and other key performance indicators to meet externally communicated targets. The potential for management bias was identified in relation to the unlisted investments and we addressed this by challenging the assumptions and judgements made by management when auditing the accounting estimate.
- As in all of our audits, we addressed the risk of fraud arising from management override of controls by performing audit procedures which included, but were not limited to: the testing of journals; reviewing accounting estimates for evidence of bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Other matters which we are required to address

We were appointed by the Audit Committee on 29 November 2018 to audit the financial statements for the period ending 30 June 2019 and subsequent financial periods. Our total uninterrupted period of engagement is four years, covering the periods ending 30 June 2019 to 30 June 2022.

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the Group or the Parent Company and we remain independent of the Group and the Parent Company in conducting our audit.

Our audit opinion is consistent with the additional report to the audit committee.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone, other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Ian Cowan (Senior Statutory Auditor)
For and on behalf of PKF Littlejohn LLP
Statutory Auditor
15 Westferry Circus
Canary Wharf
London E14 4HD

22 September 2022

CONSOLIDATED INCOME STATEMENT

For the year ended 30 June 2022

	Notes	**Year ended 30 June 2022** Revenue £	Capital £	Total £	Year ended 30 June 2021 Revenue £	Capital £	Total £
(Losses)/gains on investments at fair value through profit or loss	8	–	**(227,992)**	**(227,992)**	–	1,315,694	1,315,694
Exchange gains/(losses) on capital items		–	**2,583**	**2,583**	–	(88)	(88)
Investment income	2	**371,956**	–	**371,956**	724,585	–	724,585
Investment management fee	3	–	–	–	(96,825)	–	(96,825)
Other expenses	4	**(355,618)**	–	**(355,618)**	(535,120)	–	(535,120)
Return/(loss) before taxation		**16,338**	**(225,409)**	**(209,071)**	92,640	1,315,606	1,408,246
Taxation	5	**(39,554)**	–	**(39,554)**	(20,338)	–	(20,338)
Total (loss)/income after taxation		**(23,216)**	**(225,409)**	**(248,625)**	72,302	1,315,606	1,387,908

	Notes	**Revenue pence**	**Capital pence**	**Total pence**	Revenue pence	Capital pence	Total pence
(Loss)/return on total income after taxation per 50p ordinary share – basic & diluted	6	**(0.49)**	**(4.72)**	**(5.21)**	1.51	27.57	29.08

The total column of this statement is the Income Statement of the Group prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006. The supplementary revenue and capital columns are prepared in accordance with the Statement of Recommended Practice ("AIC SORP") issued in April 2021 by the Association of Investment Companies.

The Group did not have any income or expense that was not included in total income for the year. Accordingly, total income is also total comprehensive income for the year, as defined by IAS 1 (revised) and no separate Statement of Comprehensive Income has been presented.

All revenue and capital items in the above statement derive from continuing operations. No operations were acquired or discontinued during the year.

The notes on pages 41 to 56 form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2022

	Ordinary share capital £	Share premium £	Capital redemption reserve £	Capital reserve £	Revenue reserve £	Total £
Balance at 1 July 2021	**2,386,025**	**4,453,903**	**2,408,820**	**8,410,600**	**(1,377,544)**	**16,281,804**
Total comprehensive income						
Net loss for the year	**–**	**–**	**–**	**(225,409)**	**(23,216)**	**(248,625)**
Transactions with Shareholders recorded directly to equity						
Ordinary dividends (note 7)	**–**	**–**	**–**	**–**	**15,012**	**15,012**
Balance at 30 June 2022	**2,386,025**	**4,453,903**	**2,408,820**	**8,185,191**	**(1,385,748)**	**16,048,191**
Balance at 1 July 2020	2,386,025	4,453,903	2,408,820	7,094,994	(1,306,685)	15,037,057
Total comprehensive income						
Net return for the year	–	–	–	1,315,606	72,302	1,387,908
Transactions with Shareholders recorded directly to equity						
Ordinary dividends (note 7)	–	–	–	–	(143,161)	(143,161)
Balance at 30 June 2021	2,386,025	4,453,903	2,408,820	8,410,600	(1,377,544)	16,281,804

The notes on pages 41 to 56 form part of these financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2022

	Ordinary share capital £	Preference share capital £	Share premium £	Capital redemption reserve £	Capital reserve £	Revenue reserve £	Total £
Balance at 1 July 2021	**2,386,025**	**858,783**	**4,453,903**	**2,408,820**	**5,852,000**	**1,122,327**	**17,081,858**
Total comprehensive income							
Net loss for the year	–	–	–	–	**(225,503)**	**(8,715)**	**(234,218)**
Transactions with Shareholders recorded directly to equity							
Ordinary dividends (note 7)	–	–	–	–	–	**15,012**	**15,012**
Preference share dividends paid	–	–	–	–	–	**(172)**	**(172)**
Balance at 30 June 2022	**2,386,025**	**858,783**	**4,453,903**	**2,408,820**	**5,626,497**	**1,128,452**	**16,862,480**
Balance at 1 July 2020	2,386,025	858,783	4,453,903	2,408,820	4,549,368	1,185,316	15,842,215
Total comprehensive income							
Net return for the year	–	–	–	–	1,302,632	80,344	1,382,976
Transactions with Shareholders recorded directly to equity							
Ordinary dividends (note 7)	–	–	–	–	–	(143,161)	(143,161)
Preference share dividends paid	–	–	–	–	–	(172)	(172)
Balance at 30 June 2021	2,386,025	858,783	4,453,903	2,408,820	5,852,000	1,122,327	17,081,858

The notes on pages 41 to 56 form part of these financial statements.

CONSOLIDATED BALANCE SHEET

At 30 June 2022

	Notes	**30 June 2022 £**	30 June 2021 £
Non-current assets			
Investments held at fair value through profit or loss	8	**15,445,243**	15,618,864
Current assets			
Trade and other receivables	11	**30,358**	389,029
Cash and cash equivalents		**678,592**	540,800
		708,950	929,829
Current liabilities			
Trade and other payables	12	**(106,002)**	(266,889)
		(106,002)	(266,889)
Net current assets		**602,948**	662,940
Net assets		**16,048,191**	16,281,804
Capital and reserves			
Ordinary share capital	13	**2,386,025**	2,386,025
Share premium		**4,453,903**	4,453,903
Capital redemption reserve		**2,408,820**	2,408,820
Capital reserve		**8,185,191**	8,410,600
Revenue reserve		**(1,385,748)**	(1,377,544)
Shareholders' funds		**16,048,191**	16,281,804
NAV per 50p ordinary share	15	**336.30p**	341.19p

These financial statements were approved by the Board on 22 September 2022 and were signed on its behalf by:

I. R. Dighé
Chairman

Company Number: 0004205

The notes on pages 41 to 56 form part of these financial statements.

COMPANY BALANCE SHEET

At 30 June 2022

	Notes	30 June 2022 £	30 June 2021 £
Non-current assets			
Investments held at fair value through profit or loss	8	**15,444,619**	15,618,334
Investment in subsidiaries	9	**862,656**	862,656
		16,307,275	16,480,990
Current assets			
Trade and other receivables	11	**89,097**	435,180
Cash and cash equivalents		**663,863**	526,071
		752,960	961,251
Current liabilities			
Trade and other payables	12	**(197,755)**	(360,383)
		(197,755)	(360,383)
Net current assets		**555,205**	600,868
Net assets		**16,862,480**	17,081,858
Capital and reserves			
Ordinary share capital	13	**2,386,025**	2,386,025
Preference share capital	14	**858,783**	858,783
Share premium		**4,453,903**	4,453,903
Capital redemption reserve		**2,408,820**	2,408,820
Capital reserve		**5,626,497**	5,852,000
Revenue reserve		**1,128,452**	1,122,327
Shareholders' funds		**16,862,480**	17,081,858

As permitted by section 408 of the Companies Act 2006, the Company has not presented its own Income Statement. The amount of the Company's return for the financial year dealt with in the financial statements of the Group is a loss after tax of £234,218 (2021: profit of £1,382,976).

These financial statements were approved by the Board on 22 September 2022 and were signed on its behalf by:

I. R. Dighé
Chairman

Company Number: 0004205

The notes on pages 41 to 56 form part of these financial statements.

CONSOLIDATED AND COMPANY CASH FLOW STATEMENTS

For the year ended 30 June 2022

	Notes	Group 30 June 2022 £	Group 30 June 2021 £	Company 30 June 2022 £	Company 30 June 2021 £
Cash flows (used in)/generated from operating activities					
Income received from investments		**342,923**	777,299	**342,923**	777,299
Interest received		**38**	9,792	**38**	9,792
Overseas taxation paid		**(29,350)**	(19,195)	**(29,350)**	(19,195)
Investment management fees paid		**(1,678)**	(104,544)	**(1,678)**	(104,544)
Other cash payments		**(347,995)**	(564,381)	**(335,407)**	(555,145)
Net cash (used in)/generated from operating activities		**(36,062)**	98,971	**(23,474)**	108,207
Cash flows used in financing activities					
Dividends paid on ordinary shares	7	–	(143,161)	–	(143,161)
Net cash used in financing activities		–	(143,161)	–	(143,161)
Cash flows generated from investing activities					
Purchase of investments	8	**(3,580,745)**	(13,442,242)	**(3,580,745)**	(13,442,242)
Sale of investments	8	**3,748,933**	13,762,164	**3,748,933**	13,748,539
Loans to subsidiaries		–	–	**(12,588)**	(9,236)
Net cash generated from investing activities		**168,188**	319,922	**155,600**	297,061
Net increase in cash and cash equivalents		**132,126**	275,732	**132,126**	262,107
Reconciliation of net cash flow to movement in net cash					
Increase in cash		**132,126**	275,732	**132,126**	262,107
Exchange rate movements		**5,666**	16	**5,666**	16
Increase in net cash		**137,792**	275,748	**137,792**	262,123
Net cash at start of period		**540,800**	265,052	**526,071**	263,948
Net cash at end of period		**678,592**	540,800	**663,863**	526,071
Analysis of net cash					
Cash and cash equivalents		**678,592**	540,800	**663,863**	526,071
		678,592	540,800	**663,863**	526,071

The notes on pages 41 to 56 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2022

1. ACCOUNTING POLICIES

Basis of Preparation

The Company is a public limited company limited by shares and incorporated and registered in England and Wales. The Company has been approved as an investment trust within the meaning of sections 1158/1159 of the Corporation Tax Act 2010. The Company's registered office is Suite 8, Bridge House, Courtenay Street, Newton Abbot TQ12 2QS.

The Group's consolidated financial statements for the year ended 30 June 2022, which comprise the audited results of the Company and its wholly owned subsidiaries, Abport Limited and New Centurion Trust Limited (together referred to as the "Group"), have been prepared in accordance with UK adopted international accounting standards and in accordance with the requirements of the Companies Act 2006. The annual financial statements have also been prepared in accordance with the AIC Statement of Recommended Practice issued in April 2021 ("AIC SORP"), except to any extent where it is not consistent with the requirements of UK IFRS.

In order to better reflect the activities of an investment trust company and in accordance with guidance issued by the AIC, supplementary information which analyses the Income Statement between items of a revenue and capital nature have been prepared alongside the Income Statement.

The financial statements are presented in Sterling, which is the Group's functional currency as the UK is the primary environment in which it operates.

Going Concern

The Directors have made an assessment of the Group's ability to continue as a going concern. This has included consideration of portfolio liquidity, the Group's financial position in respect of its cash flows and investment commitments (of which there are none of significance), the working arrangements of key service providers, continued eligibility to be approved as an investment trust company and the impact of the conflict in Ukraine and the Covid-19 pandemic. In addition, the Directors are not aware of any material uncertainties that may cast significant doubt upon the Group's ability to continue as a going concern.

The Directors are satisfied that the Group has sufficient resources to continue in business for the foreseeable future being a period of at least 12 months from the date that these financial statements were approved. Therefore, the financial statements have been prepared on the going concern basis.

Basis of Consolidation

IFRS10 stipulates that subsidiaries of Investment Entities are not consolidated. The Investment Company meets all three characteristics of an Investment Entity as described, however, it is envisaged that one of the subsidiaries will be a dealing subsidiary and, therefore consolidated financial statements are presented for the Group. The financial statements of the subsidiaries are prepared for the same reporting year as the parent Company, using consistent accounting policies. All inter-company balances and transactions, including unrealised profits arising from them are eliminated.

Segmental Reporting

The Directors are of the opinion that the Group is engaged in a single segment of business, being investment business. The Group primarily invests in companies listed in the UK, Continental Europe and North America.

1. ACCOUNTING POLICIES *(continued)*

Accounting Developments

The following accounting standards and their amendments were in issue at the year end but will not be in effect until after this financial year.

International Accounting Standards		*Effective date**
IAS 1	(Amendments) Presentation of Financial Statements regarding classification of liabilities	1 January 2023
IAS 1	(Amendments) Presentation of Financial Statements regarding the amendments of disclosure of accounting policies	1 January 2023
IAS 8	(Amendments) Accounting Policies, Changes in Accounting Estimates and Error to distinguish between accounting policies and accounting estimates	1 January 2023

* Years beginning on or after

The Directors do not expect that the adoption of the standards listed above will have a material impact on the financial statements of the Group or Company in future periods.

Critical Accounting Judgements and Key Sources of Estimation Uncertainty

The preparation of financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and the reported amounts in the Balance Sheet, the Consolidated Income Statement and the disclosure of contingent assets and liabilities at the date of the financial statements. The estimates and associated assumptions 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 judgements about carrying values of assets and liabilities that are not readily apparent from other sources.

The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. These are reviewed on an ongoing basis. Actual results may differ from these estimates. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future period if the revision affects both current and future periods.

The major part of the investment portfolio is valued by reference to quoted prices. However, the Board assesses the portfolio for any investments which it considers the value has fallen permanently below cost. Any such loss is treated as a permanent impairment and as a realised loss, even though the investment is still held.

In addition, £61,152 of the portfolio comprises fixed interest stocks which are thinly traded; such stocks are primarily valued by reference to current market price lists provided by an independent broker, itself a recognised leader in such preference shares and similar fixed interest stocks. The Directors may overlay such prices with situation specific adjustments including (a) taking a second independent opinion on a specific stock, or (b) reducing the value to a net present value, to reflect the likely time to be taken to realise a stock which the Group is actively looking to sell. The outturn is reflected in the valuations set out in note 8 to the financial statements.

There were no other significant accounting estimates or significant judgements in the current or previous year.

1. ACCOUNTING POLICIES *(continued)*

Investments

As the Group's business is investing in financial assets with a view to profiting from their total return in the form of income and capital growth, Investments are classified at fair value through profit or loss on initial recognition in accordance with IFRS 9. The portfolio of financial assets is managed and its performance evaluated on a fair value basis, in accordance with a documented investment strategy, and information about the portfolio is provided internally on that basis to the Group's Board of Directors.

Investments are measured initially, and at subsequent reporting dates, at fair value, and derecognised at trade date where a purchase or sale is under a contract whose terms require delivery within the time-frame of the relevant market. For quoted investments this is deemed to be bid market prices or closing prices.

Changes in fair value of investments and realised gains and losses on disposal are recognised in the Consolidated Income Statement as capital items. The holdings of the investment in subsidiaries are stated at cost less diminution in value. All investments for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy in note 8.

Foreign Currency

Transactions denominated in foreign currencies are converted to Sterling at the actual exchange rate as at the date of the transaction. Items that are denominated in foreign currencies at the year-end are reported at the rate of exchange at the Balance Sheet date. Any gain or loss arising from a change in exchange rate subsequent to the date of the transaction is included as an exchange gain or loss in the capital reserve or the revenue account depending on whether the gain or loss is of a capital or revenue nature.

Cash and Cash Equivalents

Cash comprises cash at bank and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value.

For the purpose of the Cash Flow Statement, cash and cash equivalents consist of cash and cash equivalents as defined above.

Current Assets

Current assets are initially recognised at cost and subsequently measured at amortised cost and balances revalued for exchange rate movement. Current assets comprise debtors, prepayments and cash and are subject to review for impairment at least at each reporting date.

Current Liabilities

Current liabilities are initially recognised at cost and subsequently measured at amortised cost and balances revalued for exchange rate movement. Current liabilities comprise accruals and other creditors and are subject to review for impairment at least at each reporting date.

1. ACCOUNTING POLICIES *(continued)*

Income
Dividends receivable on quoted equity shares are taken to revenue on an ex-dividend basis. Dividends receivable on equity shares where no ex-dividend date is quoted are brought into account when the Company's right to receive payment is established. Fixed returns on non-equity shares are recognised on a time-apportioned basis.

Dividends from overseas companies are shown gross of any non-recoverable withholding taxes which are disclosed separately in the Consolidated Income Statement.

Dividend income will only be recognised when there is reasonable certainty that the issuer has the ability to make the return.

Expenses and Finance Costs
All expenses and finance costs are accounted for on an accruals basis.

Taxation
The tax expense represents the sum of the tax currently payable. The tax payable is based on the taxable profit for the year. Taxable profit differs from net profit as reported in the Consolidated Income Statement because it excludes items that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates applicable at the Balance Sheet date.

No taxation liability arises on gains from sales of fixed asset investments by the Group by virtue of its investment trust status. However, the net revenue (excluding UK dividend income) accruing to the Group is liable to corporation tax at the prevailing rates.

Dividends Payable to Shareholders
Dividends to Shareholders are recognised as a liability in the period in which they are paid or approved in general meetings and are taken to the Statement of Changes in Equity. Dividends declared and approved by the Company after the Balance Sheet date have not been recognised as a liability of the Company at the Balance Sheet date.

Share Capital
Issued share capital consists of Ordinary shares with voting rights and issued preference shares which are non-voting. The issued preference shares, owned in their entirety by New Centurion Trust Limited, a wholly-owned subsidiary of the Company, are entitled to receive a cumulative dividend of 0.01p per share per annum, and are entitled to receive their nominal value, 50p, on a distribution of assets or a winding up.

Share Premium
The share premium account represents the accumulated premium paid for shares issued in previous periods above their normal value less issue expenses. This is a reserve forming part of non-distributable reserves. The following items are taken to this reserve:

- costs associated with the issue of equity; and
- premium on the issue of shares.

1. ACCOUNTING POLICIES *(continued)*

Capital Redemption Reserve
The reserve represents the nominal value of the shares bought back and cancelled. This reserve is not distributable.

Capital Reserve
Capital expenses, gains or losses on realisation of investments held at fair value through profit or loss and changes in fair value of investments are transferred to the capital reserve.

The following are taken to this reserve:

- gains and losses on the disposal of investments;
- net movement arising from changes in the fair value of investments held and classified as at "fair value through profit or loss";
- exchange differences of a capital nature; and
- expenses together with the related taxation effect, allocated to this reserve in accordance with the above policies.

Realised gains on investments less expenses, provisions and unrealised gains may be considered by the Board for distribution. This reserve is not distributable.

Revenue Reserves
The net revenue for the year is transferred to the revenue reserve and dividends paid are deducted from the revenue reserve.

The revenue reserve represents the surplus accumulated profits and is distributable.

2. INCOME

	Year ended 30 June 2022 £	Year ended 30 June 2021 £
Income from investments:		
UK dividends	**122,508**	438,996
Unfranked dividend income (including scrip dividends)	**258,224**	132,143
UK fixed interest	**(8,814)**	143,654
	371,918	714,793
Other income		
Bank deposit and other interest	**38**	9,792
Total income	**371,956**	724,585

3. INVESTMENT MANAGEMENT FEE

	Year ended 30 June 2022 £	Year ended 30 June 2021 £
Investment management fee	–	96,825

Pursuant to the changes to the Company's Investment Objective and Policy, and the Company becoming self-managed on 4 November 2020, the Investment Management Agreement with Fiske plc came to an end on 5 May 2021. The management fee payable monthly in arrears by the Company to the Investment Manager was calculated at the rate of one-twelfth of 0.75% of the NAV as at the last business day of each calendar month.

At 30 June 2022, an amount of £nil (2021: £1,678) was outstanding and due to the Investment Manager.

4. OTHER EXPENSES

	Year ended 30 June 2022 £	Year ended 30 June 2021 £
Administration and secretarial services – recurring	**85,000**	81,236
– non-recurring	–	36,500
Auditors' remuneration for:		
– Audit of the Group's financial statements	**38,900**	37,250
Directors' remuneration (see note 18)	**100,000**	86,292
Transaction costs in relation to the change of investment policy	–	152,285
Other expenses	**131,718**	141,557
Total expenses	**355,618**	535,120

The audit of the Group's financial statements includes the cost of the audit of Abport Limited of £3,300 (2021: £3,150) and New Centurion Trust Limited £3,300 (2021: £3,150), which are charged to the subsidiaries.

The Directors were the Group and Company's only employees in the current and comparative period.

5. TAXATION

	Year ended 30 June 2022			Year ended 30 June 2021		
	Revenue £	**Capital £**	**Total £**	Revenue £	Capital £	Total £
Current Taxation	–	–	–	–	–	–
Overseas taxation suffered	**39,554**	–	**39,554**	20,338	–	20,338
	39,554	–	**39,554**	20,338	–	20,338

The current tax charge for the year is higher than (2021: lower than) the standard rate of corporation tax in the UK of 19%. The differences are explained below:

	Year ended 30 June 2022			Year ended 30 June 2021		
	Revenue £	**Capital £**	**Total £**	Revenue £	Capital £	Total £
Return on ordinary activities	**16,338**	**(225,409)**	**(209,071)**	92,640	1,315,606	1,408,246
Tax at UK Corporation tax rate of 19% (2021:19%)	**3,104**	**(42,828)**	**(39,724)**	17,602	249,965	267,567
Effects of:						
UK dividends that are not taxable	**(23,277)**	–	**(23,277)**	(83,409)	–	(83,409)
Overseas dividends that are not taxable	**(11,537)**	–	**(11,537)**	(8,386)	–	(8,386)
Non-taxable investment losses/(gains)	–	**42,828**	**42,828**	–	(249,965)	(249,965)
Overseas taxation suffered	**39,554**	–	**39,554**	20,338	–	20,338
Unrelieved expenses	**31,710**	–	**31,710**	74,193	–	74,193
Actual current tax charged to the revenue account	**39,554**	–	**39,554**	20,338	–	20,338

Factors that may affect future tax charges

The Company has excess management expenses of £2,323,531 (2021: £2,156,636). It is unlikely that the Company will generate sufficient taxable income in the future to use these expenses to reduce future tax charges and therefore no deferred tax asset has been recognised.

Deferred tax is not provided on capital gains and losses arising on the revaluation or disposal of investments because the Company meets (and intends to continue for the foreseeable future to meet) the conditions for approval as an investment trust company under HMRC rules.

On 3 March 2021, the UK government announced that it intended to increase the main rate of corporation tax to 25% for the financial years beginning 1 April 2023. This new rate was substantively enacted by Finance Act 2021 on 10 June 2021.

NOTES TO THE FINANCIAL STATEMENTS *continued*

For the year ended 30 June 2022

6. RETURN PER ORDINARY SHARE

Returns per share are based on the weighted average number of shares in issue during the year. Normal and diluted returns per share are the same as there are no dilutive elements on share capital.

	Year ended 30 June 2022			Year ended 30 June 2021		
	Revenue	**Capital**	**Total**	Revenue	Capital	Total
Return/(loss) after taxation attributable to ordinary Shareholders (£)	**(23,216)**	**(225,409)**	**(248,625)**	72,302	1,315,606	1,387,908
Weighted average number of ordinary shares in issue (excluding shares held in Treasury)			**4,772,049**			4,772,049
(Loss)/return per ordinary share basic and diluted (pence)	**(0.49)**	**(4.72)**	**(5.21)**	1.51	27.57	29.08

7. DIVIDENDS PER ORDINARY SHARE

Amounts recognised as distributions to equity holders in the year.

	Year ended 30 June 2022 £	Year ended 30 June 2021 £
Paid per Ordinary share in respect of the prior period:		
Fourth interim dividend of 0.00p (2021: 1.00p)	–	47,720
In respect of the year under review:		
First interim dividend of 0.00p (2021: 1.00p)	–	47,720
Second interim dividend of 0.00p (2021: 1.00p)	–	47,721
	–	143,161
Unclaimed dividends in respect of prior periods clawed back after 12 years	**(15,012)**	–
Total	**(15,012)**	143,161

No dividend will be declared in respect of the year under review.

8. INVESTMENTS

	Group		Company	
	2022	2021	**2022**	2021
	£	£	**£**	£
Investments held at fair value through profit or loss				
Opening book cost	**15,354,823**	16,538,418	**15,375,115**	16,571,760
Opening net investment holding gains/(losses)	**264,041**	(1,720,058)	**243,219**	(1,754,581)
Opening valuation	**15,618,864**	14,818,360	**15,618,334**	14,817,179
Movements in the year:				
Purchases at cost	**3,443,998**	13,607,771	**3,443,998**	13,607,771
Sales proceeds	**(3,389,627)**	(14,122,961)	**(3,389,627)**	(14,109,336)
Realised gains/(losses) on sales	**219,171**	(668,405)	**219,171**	(695,080)
Permanent diminution*	**(541,006)**	–	**(541,006)**	–
Unrealised gains in the year	**93,843**	1,984,099	**93,749**	1,997,800
Closing valuation	**15,445,243**	15,618,864	**15,444,619**	15,618,334
Being:				
Book cost	**15,087,359**	15,354,823	**15,107,651**	15,375,115
Net investment holding gains	**357,884**	264,041	**336,968**	243,219
	15,445,243	15,618,864	**15,444,619**	15,618,334

* The Company has provided for a permanent diminution in the value of its holding in Lukoil GDR.

	Group		Company	
	2022	2021	**2022**	2021
	£	£	**£**	£
Summary of capital gains/(losses)				
Realised gains/(losses) on sales	**219,171**	(668,405)	**219,171**	(695,080)
Permanent diminution	**(541,006)**	–	**(541,006)**	–
Unrealised gains in the year	**93,843**	1,984,099	**93,749**	1,997,800
	(227,992)	1,315,694	**(228,086)**	1,302,720

	Group		Company	
	2022	2021	**2022**	2021
	£	£	**£**	£
Transaction costs				
Costs on purchases	**7,339**	24,721	**7,339**	24,721
Costs on sales	**5,405**	20,698	**5,405**	20,698
	12,744	45,419	**12,744**	45,419

Reconciliation of cash movements in investment transactions

The difference between the purchases in note 8 of £3,443,998 and that shown in the Cash Flow Statement on page 40 is £136,747 which is represented by the payment of the trade outstanding at 30 June 2021 of £165,529, the scrip dividend in Hal Trust of £30,376 and an exchange loss of £1,594.

The difference between the sales proceeds in note 8 of £3,389,627 and that shown in the Cash Flow Statement on page 40 is £359,306 which is represented by the receipt of the trade outstanding at 30 June 2021 of £360,797 and an exchange loss of £1,491.

8. INVESTMENTS *(continued)*

Fair Value Hierarchy

Fair value is the amount at which an asset could be sold in an ordinary transaction between market participants at the measurement date, other than a forced or liquidation sale. The Group measures fair values using the following hierarchy that reflects the significance of the inputs used in making the measurements.

Categorisation within the hierarchy has been determined on the basis of the lowest level input that is significant to the fair value measurement of the relevant asset as follows:

Level 1 – valued using quoted prices, unadjusted in active markets for identical assets and liabilities.

Level 2 – valued by reference to valuation techniques using observable inputs for the asset or liability other than quoted prices included in Level 1.

Level 3 – valued by reference to valuation techniques using inputs that are not based on observable market data for the asset or liability.

The table below sets out fair value measurement of financial instruments as at 30 June 2022, by the level in the fair value hierarchy into which the fair value measurement is categorised.

Group At 30 June 2022	**Level 1 £**	**Level 2 £**	**Level 3 £**	**Total £**
Financial assets at fair value through profit or loss:				
Equities	**10,814,305**	**–**	**61,152**	**10,875,457**
Exchange traded commodities	**4,569,786**	**–**	**–**	**4,569,786**
	15,384,091	**–**	**61,152**	**15,445,243**

Group At 30 June 2021	Level 1 £	Level 2 £	Level 3 £	Total £
Financial assets at fair value through profit or loss:				
Equities	10,852,907	–	594,320	11,447,227
Exchange traded commodities	4,109,137	–	–	4,109,137
Fixed interest-bearing securities	62,500	–	-	62,500
	15,024,544	–	594,320	15,618,864

There were no transfers between levels during the current or prior year.

The valuation techniques used by the Group are set out in the Accounting Policies in Note 1.

8. INVESTMENTS *(continued)*

Valuation process for Level 2 investments
Investments classified within level 2 are valued by reference to quoted prices but not being actively traded have been treated as level 2.

Valuation process for Level 3 investments
Investments classified within Level 3 comprise those valued by reference to an indicative price list of an independent third party broker, but the said price list is not sufficiently definitive or observable/publicly available, so as to meet the criteria for a level 2 categorisation.

If the value of the level 3 investments were to increase or decrease by 10%, while all the other variables remained constant, the net assets and net profit available to Shareholders would have increased/decreased by £6,115 (2021: £59,432).

Reconciliation of Level 3 investments
The following table summarises Level 3 investments that were accounted for at fair value for the year ended 30 June 2022.

Group and Company	**Financial assets at fair value through profit or loss £**
Opening fair value	**594,320**
Purchases	**–**
Sales proceeds	**(573,939)**
Total gains/(losses) included in (losses)/gains on investments in the Consolidated Income Statement	
– on assets sold	**55,099**
– on assets held at the year end	**(14,328)**
Closing balance	**61,152**

9. INVESTMENT IN SUBSIDIARIES

	Company 30 June 2022 £	Company 30 June 2021 £
At cost	**5,410,552**	5,410,552
Provision for diminution in value	**(4,547,896)**	(4,547,896)
Net value	**862,656**	862,656

At 30 June 2022, the Company held interests in the following subsidiary companies:

	Country of Incorporation	% share of capital held	% share of voting rights	Nature of business
Abport Limited	England	100%	100%	Investment dealing company
New Centurion Trust Limited	England	100%	100%	Investment dealing company

The registered office of the Subsidiaries is the same as that of the Company.

10. SUBSTANTIAL SHARE INTERESTS

The Company has no notified interests in 3% or more of the voting rights of any companies at 30 June 2022 (30 June 2021: nil).

11. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2022	2021	**2022**	2021
	£	£	**£**	£
Amounts due from subsidiaries	**–**	–	**58,739**	46,151
Accrued income	**–**	8,814	**–**	8,814
Dividends receivable	**12,035**	4,602	**12,035**	4,602
Taxation recoverable	**641**	8,978	**641**	8,978
Amounts due from brokers	**–**	360,797	**–**	360,797
Other receivables	**17,682**	5,838	**17,682**	5,838
	30,358	389,029	**89,097**	435,180

The carrying amount of such receivables approximates to their fair value. Trade and other receivables are not past due at 30 June 2022.

12. TRADE AND OTHER PAYABLES

	Group		Company	
	2022	2021	**2022**	2021
	£	£	**£**	£
Preference dividends payable to the Company's wholly owned subsidiary	**–**	–	**1,549**	1,377
Amounts due to subsidiaries	**–**	–	**101,533**	101,533
Investment management fees	**–**	1,678	**–**	1,678
Amounts due to brokers	**–**	165,529	**–**	165,529
Trade payables and accruals	**106,002**	99,682	**94,673**	90,266
	106,002	266,889	**197,755**	360,383

13. ORDINARY SHARE CAPITAL

	Group and Company 2022		Group and Company 2021	
	Number	**£**	Number	£
Issued allotted and fully paid:				
Ordinary shares of 50p each	**4,772,049**	**2,386,025**	4,772,049	2,386,025

The ordinary shares entitle the holders to receive all ordinary dividends and all remaining assets on a winding up, after the fixed rate preference shares have been satisfied in full.

The Company does not hold any ordinary shares in Treasury (2021: None).

14. ISSUED PREFERENCE SHARE CAPITAL

	Group		Company	
	2022	2021	**2022**	2021
	£	£	**£**	£
Issued preference share of 50p each	**–**	–	**858,783**	858,783

The 1,717,565 fixed rate preference shares are non-voting, entitled to receive a cumulative dividend of 0.01p per share per annum, and are entitled to receive their nominal value of 50p, on a distribution of assets or a winding up. The whole of the issue is held by New Centurion Trust Limited, a wholly owned subsidiary of the Company.

The Directors do not consider the fair values of the issued preference share capital to be significantly different from the carrying values.

15. NET ASSET VALUE PER ORDINARY SHARE

The NAV per ordinary share is calculated as follows:

	2022 **£**	2021 £
Net Assets	**16,048,191**	16,281,804
Ordinary shares in issue	**4,772,049**	4,772,049
NAV per ordinary share	**336.30p**	341.19p

The underlying investments of the wholly owned subsidiary New Centurion Trust Limited comprise issued preference share capital, as discussed in Note 14, in the Company and, being effectively eliminated on consolidation, the valuation thereof does not impact the NAV attributable to ordinary Shareholders.

16. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS

Investment Objective and Policy

At the Annual General Meeting on 4 November 2020, Shareholders voted to amend the Company's Investment Objective and Policy to that shown below.

The Company's investment objective is to protect the purchasing power of its capital in real terms, and to participate in enduring economic activities which lend themselves to genuine capital accumulation and wealth creation.

Risks

The Group's financial risk management can be found in the Strategic Report on pages 8 and 9.

The Group's financial instruments comprise securities, cash balances, receivables and payables. They are classified in the following categories:

- those to be measured subsequently at fair value through profit or loss; and
- those to be measured at amortised cost.

The financial assets held at amortised cost include trade and other receivables, cash and cash equivalents.

The main risks identified arising from the Group's financial instruments are:

a) market price risk, including currency risk, interest rate risk and other price risk;

b) liquidity risk; and

c) credit risk.

The Board reviews and agrees policies for managing each of these risks, which are summarised below.

Market price risk

Market price risk arises mainly from uncertainty about future prices of financial instruments used in the Group's business. It represents the potential loss the Group might suffer through holding market positions by way of price movements, interest rate movements and exchange rate movements. The Board assesses the exposure to market price risk when making each investment decision and monitor these risks on the whole of the investment portfolio on an ongoing basis.

NOTES TO THE FINANCIAL STATEMENTS *continued*

For the year ended 30 June 2022

16. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS *(continued)*

Currency risk

The Group's total return and net assets can be materially affected by currency translation movements as a significant proportion of the Company's assets are denominated in currencies other than Sterling, which is the Group's functional currency. It is not the Group's policy to hedge this currency risk.

The revenue account is subject to currency fluctuation arising on overseas income. The Group does not hedge this currency risk.

Foreign currency exposure by currency of denomination at the Balance Sheet date:

	Group 30 June 2022			Group 30 June 2021		
	Overseas investments £	**Other net assets/ (liabilities) £**	**Total £**	Overseas investments £	Other net assets/ (liabilities) £	Total £
Australian Dollar	**624**	**–**	**624**	530	–	530
Canadian Dollar	**1,510,090**	**3,257**	**1,513,347**	1,190,448	(87,454)	1,102,994
Euro	**6,031,660**	**214,098**	**6,245,758**	4,417,968	1,770	4,419,738
Norwegian Krone	**630,026**	**–**	**630,026**	717,698	–	717,698
Swiss Franc	**902,477**	**–**	**902,477**	974,678	–	974,678
US Dollar	**5,225,348**	**1,638**	**5,226,986**	5,285,236	192,535	5,477,771
	14,300,225	**218,993**	**14,519,218**	12,586,558	106,851	12,693,409

Interest rate risk

The Group's financial assets and liabilities, include cash, equity shares, preference shares and fixed interest stocks. As the majority of the Group's financial assets and liabilities are non-interest bearing the direct exposure to interest rates is not material.

The impact of movements would not significantly affect the net assets attributable to ordinary Shareholders or the total profit.

Other price risk

Other price risk arises from changes in market prices other than those arising from currency risk or interest rate risk.

The Board manages the risks inherent in the investment portfolio by maintaining a spread of investments across different sectors and monitoring market prices throughout the year. The Board meets regularly in order to review investment performance and its investment strategy.

Liquidity risk

This is the risk that that the Group will encounter difficulty in meeting its obligations associated with financial liabilities. All liabilities are due within one year.

The Group invests in a spread of investments, including physical gold, which are traded on recognised stock markets and which can be readily realised for cash.

Credit risk

The Group does not have any significant exposure to credit risk arising from one individual party. Credit risk is spread across a number of counterparties, each having an immaterial effect on the Group's cash flows should a default happen. The Group assesses its debtors from time to time to ensure they are neither past due or impaired.

16. FINANCIAL INSTRUMENTS AND ASSOCIATED RISKS *(continued)*

The maximum exposure of financial assets to credit risk at the Balance Sheet date was as follows:

	Group		Company	
	2022	2021	**2022**	2021
	£	£	**£**	£
Financial assets neither past due or impaired				
Fixed interest securities	**–**	62,500	**–**	62,500
Preference shares	**61,152**	594,320	**61,152**	594,320
Trade and other receivables	**30,358**	389,029	**89,097**	435,180
Cash and cash equivalents	**678,592**	540,800	**663,863**	526,071
	770,102	1,586,649	**814,112**	1,618,071

Sensitivity Analysis

The Board believes that the Group's assets are mainly exposed to market price risk and currency risk.

The table below shows the impact on profit and net assets if overall shares prices rose or fell by 5% at the Balance Sheet date with all other variables held constant:

	Group			
	2022 Profit and net assets		2021 Profit and net assets	
	increase	**(decrease)**	increase	(decrease)
If overall prices rose/fell by 5%:				
– on share prices (£)	**543,773**	**(543,773)**	575,486	(575,486)
– on exchange traded commodities	**228,489**	**(228,489)**	205,457	(205,457)
– on earnings and net assets (£)	**772,262**	**(772,262)**	780,943	(780,943)
– in earnings net asset value per Ordinary share (pence)	**16.18**	**(16.18)**	16.36	(16.36)

The table below shows the impact on profit and net assets if Sterling had moved by 5% against all currencies at the Balance Sheet date with all other variables held constant:

	Group			
	2022 Profit and net assets		2021 Profit and net assets	
	weakening	**(strengthening)**	weakening	(strengthening)
	£	**£**	£	£
If Sterling had moved by 5%:				
Euro	**328,724**	**(297,418)**	232,618	(210,464)
Swiss Franc	**47,499**	**(42,975)**	51,299	(46,413)
Norwegian Krone	**33,159**	**(30,001)**	37,774	(34,176)
Australian Dollar	**33**	**(30)**	28	(25)
Canadian Dollar	**79,650**	**(72,065)**	58,052	(52,524)
US Dollar	**275,104**	**(248,904)**	288,304	(260,846)
– on earnings and net assets	**764,169**	**(691,393)**	668,075	(604,448)
– on earnings and net asset value per Ordinary share (pence)	**16.01**	**(14.49)**	14.00	(12.67)
Assets excluding ETCs	**523,654**	**(473,783)**	451,804	(408,775)
ETCs	**240,515**	**(217,610)**	216,271	(195,673)

17. CAPITAL MANAGEMENT POLICIES

Capital is managed so as to maximise the return to Shareholders while maintaining a capital base to allow the Group to operate effectively. Capital is managed on a consolidated basis and to ensure that the Group will be able to continue as a going concern.

In order to maintain or adjust the capital structure, the Group may pay dividends to Shareholders, return capital to Shareholders, issue new shares or sell securities to reduce debt.

The Group had no debt during the years to 30 June 2022 or 30 June 2021.

18. RELATED PARTY TRANSACTIONS

Fiske plc, was paid a fee in respect of the Investment Management services provided to the Company until the termination of the contract on 5 May 2021.

The amounts previously paid to the Investment Manager, together with the Investment Management Agreement, are disclosed in note 3. Investment Management fees for the year amounted to £nil (2021: £96,825). In addition, £8,247 (2021: £5,459) was paid to Fiske plc pursuant to a custody agreement.

As at the year end, £2,005 (2021: £3,745) was payable to Fiske plc under the custody agreement.

Key Management Personnel

The Board currently consists of five non-executive Directors all of whom, with the exception of Mr Perrin, who is a non-executive Director of Fiske plc, the Company's custodian and until 4 November 2020 the investment manager, are considered to be independent by the Board. Messrs Dighé, Cleverly and Weeks hold directorships or positions of senior management within Edelweiss Holdings plc ("Edelweiss"), who became a significant Shareholder in the Company during the previous year. For the year ended 30 June 2022, all Directors, including the Chairman, received an annual fee of £20,000. Further information can be found within the Directors' Remuneration Report on page 25.

The Directors did not receive any other form of remuneration and at the year end, there were no outstanding fees payable to Directors (2021: £nil).

There were no other related party transactions during the current or previous year.

19. POST BALANCE SHEET EVENTS

There are no post balance sheet events requiring disclosure.

20. ULTIMATE CONTROLLING PARTY

The Directors consider there is no overall controlling party.

SHAREHOLDER INFORMATION

FRAUD WARNING

Fraudsters use persuasive and high-pressure tactics to lure investors into scams and we are aware of entities from time to time purporting to be The Investment Company plc. They may offer to sell shares that turn out to be worthless or non-existent, or to buy shares at an inflated price in return for an upfront payment. While high profits are promised, if you buy or sell shares in this way you will probably lose your money. Detailed advice on how to avoid and report potential investment scams is available on the FCA website: www.fca.org.uk/scamsmart.

The Company has also been made aware of attempts to issue documentation in the Company's name which is not legitimate. Anyone wishing to verify the authenticity of any documentation should contact the Company Secretary on 01392 487056 or tic@iscaadmin.co.uk.

The Company has also been made aware of a website purporting to be the Company's website which is not legitimate. Anyone wishing to verify the authenticity of the website should contact the Company Secretary on 01392 487056 or tic@iscaadmin.co.uk.

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 156th Annual General Meeting of the Company will be held at the City of London Club, 19 Old Broad Street, London EC2N 1DS on 28 October 2022 at 11.00am to consider and, if thought fit, pass the following resolutions, of which numbers 1 to 9 will be proposed as ordinary resolutions and numbers 10 to 12 as special resolutions.

Please note that if Government advice concerning public meetings and gatherings were to change the arrangements for the AGM may be altered or changed, details of any changes will be posted to the Company's website.

Ordinary Business

Resolution 1 – Ordinary Resolution

To receive and adopt the Strategic Report, Reports of the Directors and Auditor and the audited financial statements for the year ended 30 June 2022.

Resolution 2 – Ordinary Resolution

To receive and approve the Directors' Remuneration Report.

Resolution 3 – Ordinary Resolution

To re-elect I.R. Dighé as a Director of the Company.

Resolution 4 – Ordinary Resolution

To re-elect T.M. Metcalfe as a Director of the Company.

Resolution 5 – Ordinary Resolution

To re-elect M. H. W. Perrin as a Director of the Company.

Resolution 6 – Ordinary Resolution

To re-elect M.J. Weeks as a Director of the Company.

Resolution 7 – Ordinary Resolution

To re-appoint PKF Littlejohn LLP as Auditor of the Company to hold office from the conclusion of this meeting until the conclusion of the next meeting at which financial statements are laid before the Company.

Resolution 8 – Ordinary Resolution

To authorise the Directors to determine the remuneration of the Auditor.

Resolution 9 – Ordinary Resolution

THAT, in substitution for any existing authorities, the Directors be and are hereby generally and unconditionally authorised in accordance with Section 551 of the Companies Act 2006 ("the Act") to exercise all the powers of the Company to allot ordinary shares of 50 pence each in the capital of the Company ("ordinary shares") up to an aggregate nominal amount of £477,204 (being 20% of the issued ordinary share capital of the Company at the date of this Notice, during the period commencing on the date of the passing of this Resolution and expiring at the conclusion of the Annual General Meeting of the Company to be held in 2023 (unless previously renewed, varied or revoked by the Company in general meeting) (the "Section 551 period"), but so that the Company may, at any time prior to the expiry of the Section 551 period, make offers or agreements which would or might require ordinary shares to be allotted after the expiry of the Section 551 period and the Directors may allot ordinary shares in pursuance of such offers or agreements as if the authority had not expired.

Resolution 10 – Special Resolution
THAT, in substitution for any existing authorities, subject to the passing of Resolution 9, the Directors be and they are hereby empowered, in accordance with Sections 570 and 573 of the Act, to allot ordinary shares for cash pursuant to the authority conferred on the Directors by Resolution 9 above, and to sell ordinary shares from Treasury for cash as if Section 561(1) of the Act did not apply to any such allotment or sale, up to an aggregate nominal amount of £477,204 (being 20% of the issued ordinary share capital of the Company at the date of this Notice, such power to expire at the conclusion of the Annual General Meeting of the Company to be held in 2023 (unless previously renewed, varied or revoked by the Company in general meeting) save that the Company may, at any time prior to the expiry of such power, make an offer or enter into an agreement which would or might require ordinary shares to be allotted or sold after the expiry of such power and the Directors may allot or sell ordinary shares in pursuance of such an offer or agreement as if such power had not expired.

Resolution 11 – Special Resolution
THAT, the Company is hereby generally and unconditionally authorised in accordance with Section 701 of the Act to make market purchases (within the meaning of Section 693(4) of the Act) of ordinary shares of 50p each in the capital of the Company ("ordinary shares") provided that:

a) the maximum number of ordinary shares hereby authorised to be purchased is 715,330 (representing 14.99% of the ordinary shares in issue, excluding shares held in Treasury at the date of the passing of this Resolution);

b) the minimum price which may be paid for each ordinary share is 50p;

c) the maximum price which may be paid for each Ordinary Share shall not be more than the higher of: (i) an amount equal to 105% of the average of the middle market quotations of ordinary shares taken from the Daily Official List of the London Stock Exchange for the five business days immediately preceding the day on which the contract of purchase is made; and (ii) the higher of the price of the last independent trade in the ordinary shares and the highest then current independent bid for the ordinary shares on the London Stock Exchange;

d) this authority will (unless previously renewed, varied or revoked by the Company in general meeting) expire at the conclusion of the Annual General Meeting of the Company to be held in 2023;

e) the Company may make a contract of purchase for ordinary shares under this authority before this authority expires which will or may be executed wholly or partly after its expiration; and

f) any ordinary shares bought back under the authority hereby granted may, at the discretion of the Directors, be cancelled or held in Treasury and if held in Treasury may be resold from Treasury or cancelled at the discretion of the Directors.

Special Business
Resolution 12 – Special Resolution
THAT, a General Meeting other than an Annual General Meeting may be called on not less than 14 clear days' notice.

By order of the Board

ISCA Administration Services Limited
Suite 8, Bridge House, Courtenay Street, Newton Abbot, Devon TQ12 2QS

22 September 2022

NOTICE OF ANNUAL GENERAL MEETING *continued*

NOTES

Right to appoint a proxy

1. A member entitled to attend and vote at this meeting may appoint one or more persons as his/her proxy to attend, speak and vote on his/her behalf at the meeting. A proxy does not need to be a member of the Company. A member may appoint more than one proxy in relation to a meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that member.

2. A proxy form which may be used to make such appointment and give proxy directions accompanies this notice. If you do not receive a proxy form and believe that you should have one, or if you require additional proxy forms in order to appoint more than one proxy, please contact the Registrar on 0371 384 2030 or, if dialling internationally, on +44 (0) 121 415 7047. The helpline is open Monday to Friday 8.30am to 5.30pm, excluding public holidays in England and Wales.

Procedure for appointing a proxy

3. To be valid, the proxy form, together with any power of attorney or other authority under which it is signed or a notarially certified copy thereof, should be lodged at the office of the Company's Registrar, Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA and must be received by post or (during normal business hours only) by hand at Equiniti Limited, Aspect House, Spencer Road, Lancing West Sussex no later than 48 hours (excluding non-working days) before the time of the meeting or any adjournment thereof.

4. The return of a completed proxy form will not preclude a member from attending the Annual General Meeting and voting in person if he or she wishes to do so. The termination of the authority of a person to act as proxy must be notified to the Company in writing.

Nominated persons

5. Any person to whom this notice is sent who is a person nominated under Section 146 of the Companies Act 2006 to enjoy information rights (a "Nominated Person") may, under an agreement between him/her and the member by whom he or she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the Annual General Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the member as to the exercise of voting rights.

6. The statement of the rights of members in relation to the appointment of proxies in notes 1 and 3 above does not apply to Nominated Persons. The rights described in those notes can only be exercised by members of the Company.

Record date and entitlement to vote

7. To be entitled to attend and vote at the Annual General Meeting (and for the purpose of the determination by the Company of the votes they may cast), members must be entered on the Company's register of members at 18:30 on 26 October 2022 (or, in the event of any adjournment, 48 hours before the time of the adjourned meeting). Changes to the register of members after the relevant deadline will be disregarded in determining the right of any person to attend and vote at the meeting. Only holders of ordinary shares are entitled to attend and vote at the Annual General Meeting.

8. As at 21 September 2022, (the business day prior to the publication of this notice), the Company's issued share capital amounted to 4,772,049 ordinary shares carrying one vote each. The total voting rights in the Company as at 21 September 2022 were 4,772,049 votes.

Members' rights

9. In accordance with Section 319A of the Companies Act 2006, the Company must cause any question relating to the business being dealt with at the meeting put by a member attending the meeting to be answered. No such answer need be given if:
   a) to do so would:
      (i) interfere unduly with the preparation for the meeting, or
      (ii) involve the disclosure of confidential information;
   b) the answer has already been given on a website in the form of an answer to a question; or
   c) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

10. A corporation which is a member can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a member provided that no more than one corporate representative exercises powers over the same share.

11. Members should note that it is possible that, pursuant to requests made by members of the Company under Section 527 of the Companies Act 2006, the Company may be required to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the Annual General Meeting; or (ii) any circumstances connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with Section 437 of the Companies Act 2006.The Company may not require the members requesting any such website publication to pay its expenses in complying with Sections 527 or 528 of the Companies Act 2006.Where the Company is required to place a statement on a website under Section 527 of the Companies Act 2006, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the Annual General Meeting includes any statement that the Company has been required under Section 527 of the Companies Act 2006 to publish on a website.

12. Members satisfying the thresholds in Section 338 of the Companies Act 2006 may require the Company to give, to members of the Company entitled to receive notice of the Annual General Meeting, notice of a resolution which those members intend to move (and which may properly be moved) at the Annual General Meeting. A resolution may properly be moved at the Annual General Meeting unless: (i) it would, if passed, be ineffective (whether by reason of any inconsistency with any enactment or the Company's constitution or otherwise); (ii) it is defamatory of any person; or (iii) it is frivolous or vexatious. A request made pursuant to this right may be in hard copy or electronic form, must identify the resolution of which notice is to be given, must be authenticated by the person(s) making it and must be received by the Company not later than six weeks before the date of the Annual General Meeting.

13. Members satisfying the thresholds in Section 338A of the Companies Act 2006 may request the Company to include in the business to be dealt with at the Annual General Meeting any matter (other than a proposed resolution) which may properly be included in the business at the Annual General Meeting. A matter may properly be included in the business at the Annual General Meeting unless (i) it is defamatory of any person or (ii) it is frivolous or vexatious. A request made pursuant to this right may be in hard copy or electronic form, must identify grounds for the request, must be authenticated by the person(s) making it and must be received by the Company not later than six weeks before the date of the Annual General Meeting.

Electronic Proxy Appointment through CREST

14. CREST members who wish to appoint a proxy or proxies, or amend an instruction to a previously appointed proxy, through the CREST electronic proxy appointment service may do so for the Annual General Meeting to be held at 11.00am on 28 October 2022 and any adjournment(s) thereof, by using the procedures described in the CREST manual (available via www.euroclear.com). CREST personal members or other CREST sponsored members, and those CREST members who have appointed (a) voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

    In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a CREST Proxy Instruction) must be properly authenticated in accordance with Euroclear UK & Ireland Limited (Euroclear)'s specifications and must contain the information required for such instructions, as described in the CREST manual. The message, regardless of whether it relates to the appointment of a proxy or to an instruction to a previously appointed proxy, must be transmitted so as to be received by the issuer's agent (ID: RA19) by no later than 11.00am on 26 October 2022.

    For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.

    CREST members and, where applicable, their CREST sponsors or voting service provider(s) should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST proxy instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed (a) voting service provider(s), to procure that his/her CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service provider(s) is/are referred, in particular, to those sections of the CREST manual concerning practical limitations of the CREST system and timings.

    The Company may treat as invalid a CREST proxy instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

Documents

15. The Annual Report incorporating this Notice of Annual General Meeting and, if applicable, any members' statements, members' resolutions or members' matters of business received by the Company after the dates of this Notice will be available on the Company's website, https://theinvestmentcompanyplc.co.uk.

16. A copy of the Directors' service contracts will be available for inspection at the registered office of the Company during usual business hours on any weekday (except weekends and public holidays) until the date of the meeting and at the place of the meeting for a period of fifteen minutes prior to and during the meeting.

Registered in England and Wales No. 0004205

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