FOUNDED
1868

THE INVESTMENT COMPANY PLC

REGISTERED No. 4205
ENGLAND AND WALES

REPORT AND ACCOUNTS

for the year ended 30 June 2020

CONTENTS

DIRECTORS AND ADVISERS

The Investment Company Plc (the "Company") is an investment trust quoted on the London Stock Exchange ("LSE").

DIRECTORS (all non-executive)

I. R. 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.

T. M. 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.

M. H. W. 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.

ADVISERS

Secretary, Administrator and Registered Office
Maitland Administration Services Limited
Hamilton Centre
Rodney Way
Chelmsford CM1 3BY
Telephone: 01245 398950

Investment Manager
Fiske plc
Salisbury House
London Wall
London EC2M 5QS
Telephone: 020 7448 4700
Website: fiskeplc.com

Broker
Shore Capital Group Limited
57 St James's Street
London SW1A 1LD

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

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

Ordinary Shares: 4,772,049
ISIN: GB0004658257
SEDOL: 0465825

STRATEGIC REPORT

SUMMARY OF RESULTS

	At 30 June 2020	At 30 June 2019	Change %
Equity shareholders' funds	**15,037,057**	16,620,311	(9.53)
Number of ordinary shares in issue	**4,772,049**	4,772,049	–
Net asset value ("NAV") per ordinary share	**315.11p**	348.28p	(9.53)
Ordinary share price (mid)	**276.00p**	298.00p	(7.38)
Discount to NAV	**12.41%**	14.44%	2.03

	At 30 June 2020	At 30 June 2019
Total return per ordinary share*	**(20.92)p**	3.24p
Dividends paid	**12.25p**	18.20p

* The total return per ordinary share is based on total income after taxation as detailed in the Consolidated Income Statement and in note 6 and is shown to enable comparison with other investment trust companies.

CHAIRMAN'S STATEMENT

This statement covers the year to 30 June 2020.

Over the 12 months to 30 June 2020 the FTSE All-Share Index decreased by 15.9%. The Company's NAV reduced by 33.1p a decrease of 9.5% which can be analysed as follows:

	Year to June 2020		Year to June 2019	
	Pence per share	**%**	Pence per share	%
Opening net assets	**348.28**	**100.00**	363.24	100.00
Portfolio outturn	**(32.15)**	**(9.23)**	(12.53)	(3.45)
Investment income	**20.14**	**5.78**	24.19	6.66
Expenses paid	**(8.91)**	**(2.56)**	(8.63)	(2.37)
Dividends paid	**(12.25)**	**(3.52)**	(17.99)	(4.95)
Closing net assets	**315.11**	**(9.53)**	348.28	(4.12)

The Company's NAV, was particularly impacted by the sharp fall in the markets in February and March 2020 as a result of the COVID-19 pandemic as the economic implication of a near global shutdown were added to the already grave social consequence of the virus. The Company's NAV per Share fell from 371.48p on 31 January 2020 to 271.48p on 20 March 2020, before recovering to 315.11p at the period end.

Background

Having seen a 7.6% increase in NAV per Share in the first half of the year, in January 2020 the Board's confidence in the market began to ebb as earnings expectations began to come under pressure. The first concerns about the possible spread of COVID-19 beyond China became public in late January and once rapid transmission to Europe and North America became apparent this precipitated the most rapid collapse in markets since 1929. The UK equity market fell by over 30% from mid-February before rallying somewhat in late March to end the year some 16% lower than on 1 July 2019.

The shift from a localised epidemic to a global pandemic, requiring what amounts to a global shutdown with its consequential economic implication, has been rapid. The breathtaking stimulus packages announced by multiple governments and central banks around the world reflect the devastating impact of the lockdown on businesses of all sizes. As we emerge from the first phase of lockdown here in the UK, domestic and corporate life remain uncertain, but the effects on our economy, savings, and social wellbeing are going to be unprecedented. Many UK listed companies have chosen to suspend or cut their dividends, meaning that dividend income from the UK equity market in 2020 is forecast to be significantly lower than in 2019.

The Company's own income fell by 17% in the year, but in fact this is not because of the market. In the first year under Fiske's management, to June 2019, there was some £275,000 of exceptional income as old arrears were successfully collected: in particular from the legacy holding in Whitnash. In parallel, although other portfolio changes cost some £78,000 in income the overall income was still up some 20% in the year to June 2019.

In the year to June 2020, this exceptional income was not repeated, which in itself would have led to an apparent 24% decrease in income. Meanwhile, one of our non-yielding legacy holdings, Liberty, was sold for some £375,000 in December 2019 and this capital has been deployed into income producing assets.

Overall, portfolio changes have more than clawed back the impact of the prior year portfolio changes, and this is despite some £35,000 of dividends deferred or lost in the COVID-19 environment of the last quarter. After adjusting for the exceptional nature of the prior year Whitnash accrual, the company's total income has actually risen by 9% in the year to June 2020 despite the dividends deferred or lost due to COVID-19.

Although there has been a gradual move towards holdings of ordinary equities - with income growth prospects - some 53% of our income in the year still came from fixed income securities as we seek to mitigate those risks involved in seeking higher yielding equities.

Current income projections from the Company's portfolio and appropriate available investment opportunities anticipate that, after covering the cost of running the Company, it is unlikely that that we will be able to continue to cover the cost of the dividends at previous levels in the mid-term without putting at risk the preservation of capital. In light of this volatility and the material uncertainty that surrounds the ability of many listed companies to maintain their dividend policies your Board has reviewed closely the current investment mandate, and taking into account the assets under its control, the likelihood of being able to maintain the current investment policy for the future.

The Board has, accordingly, considered a range of alternatives for the future of the Company, including the possibility of merging the Company with other investment entities. and we have also sought out the views of our significant shareholders in this regard. Of the options considered, the Board believes that adopting an objective of wealth preservation and long term capital growth is likely to be most attractive to the majority of Shareholders and will also provide the best opportunities to increase the size of the Company, so reducing its pro rata costs and improving its long term viability. Therefore, and as separately being announced today, your Board is dispatching a circular setting out details of the proposed new investment objective and policy together with certain amendments to the Articles and convening the requisite general meeting to seek the approval of shareholders.

AGM

In light of the current COVID-19 travel, public gathering restrictions and social distancing requirements, the forthcoming AGM which is to be held on 4 November 2020 at 11.00am, will be run as a closed meeting and shareholders will not be able to attend in person.

Shareholders' views are important and the Board encourages shareholders to submit their votes via CREST ID rather than attending the meeting in person. Shareholders may also submit questions in advance of the AGM to the Board via email to info@theinvestmentcompanyplc.co.uk or by post to the Company Secretary at the address set out on page 1 of this report.

Finally, your Board is grateful for the continued support of our shareholder base as we seek a prosperous future for your Company.

Yours faithfully,

I. R. Dighé
Chairman

6 October 2020

INVESTMENT MANAGER'S REPORT

Performance

During the twelve-month period under review to 30 June 2020 the NAV fell by 9.9% whilst the share price decreased by 7.4%. Both were ahead of major UK indices with the FTSE All Share Index down by 15.9% over the corresponding period.

The first half of the year under review, from July to December 2019, was dominated by Boris Johnson being re-elected Prime Minister with a commanding majority which resulted in the UK formally leaving the EU on 31 January 2020. The UK equity market was broadly unchanged during this period although international stocks performed well during the first eight months of 2019 boosted by sterling weakness and investors wanting to own non-UK assets. However, as it became clear that Brexit would finally be delivered, sterling surged (at one point to 1.35 to the US Dollar) and attractively valued UK domestic orientated stocks such as housebuilders, retailers and utilities moved substantially higher.

As we moved into 2020, Covid-19 dominated everything as the world and economies were locked down by governments in order to prevent a widely predicted surge in infections which threatened to overwhelm national health services. Governments in the first instance had to protect life and general well-being at the expense of economic activity. History will judge whether this was the right course of action.

Equity markets had been in denial that COVID-19 was a disruptive influence and found it difficult to gauge the economic and market impact. In essence, no one knew for certain what would happen. However, the arrival of COVID-19 in Italy was the canary in the coal mine moment. Investors then realised that COVID-19 was a significant threat and life was going to be very different. The world was starting to look very unusual with comparisons being drawn to the Spanish Flu pandemic of 1918-1920.

When reality finally hit, equity markets and oil nose-dived as investors panicked, dumping risk assets and scrambling to safe haven assets such as government bonds and gold. Such was the panic that even safe haven assets momentarily came under significant selling pressure. In roughly six weeks, from 12 February to 23 March, the FTSE All Share crashed 35%. We believe this demonstrates how irrational market participants' behaviour can be. Following this fall, investors seemed to think that the market had fallen too far, and the market rose strongly with comprehensive assistance from the largesse of Central Banks and Governments as the monetary and fiscal taps were fully turned on. It is highly likely that extreme market volatility driven by ever increasing levels of algorithmic trading will be a feature of markets until the pandemic is brought under some form of control. For patient, long-term orientated investors – who have undertaken good company-by-company analysis – this will present good opportunities.

Portfolio

During the first six months the portfolio benefitted from corporate activity. A bid was received for Aggregated Micro Power Holdings which was a good outcome for the Company, especially as we were having difficulty selling the shares in the market and they were not paying a dividend. In addition, we received a cash bid for Greene King from CK Asset Holdings Limited in Hong Kong at a significant premium to our purchase price. As a result, we sold the position at an attractive profit and reinvested the proceeds into existing holdings such as Vistry, Polar Capital and Phoenix Group.

We also had a satisfactory resolution to the two preference share holdings in Liberty Ltd & Liberty Retail Ltd. These Liberty preference share issues have not been paying interest for a number of years and as a result they were a drag on the performance of the Company. More importantly, we have been able to deploy the capital received into existing fixed interest and equity holdings which has provided a significant boost towards covering the administration costs and paying the dividend.

We sold the holdings in Restaurant Group and BT, the former due to concerns over debt levels and increasing competition in the eating out market and the latter due to concerns over the sustainability of its dividend.

During the year we added new holdings in Real Estate Credit Investments (RECI), Rio Tinto and Diageo. RECI offered exposure to an attractive dividend stream delivered from debt securities secured on commercial and residential properties in the UK and Europe. Rio Tinto was trading on an undemanding rating and offered an attractive dividend yield for such a well-regarded global mining franchise. Both companies provided support in reaching the Company's income targets.

Whilst Diageo, the global beverage manufacturer and distributor, did not offer the same sort of scale in terms of dividend it does have strong and sustainable margins along with a high rate of cash conversion, combined with a fantastic portfolio of leading brands with strong brand recognition and customer loyalty. Diageo claim that a net extra 550 million customers will reach the legal drinking age by 2030. The current dividend yield is 2.5% which has compounded by 5.8% over the last five years.

In the fixed interest part of the portfolio, we added new holdings in General Accident 7.875% preference shares, Ecclesiastical Insurance Office 8.625% preference shares and Iceland Bondco 6.75% 2024, all at levels that offered attractive yields. This was especially the case when re-investing cash received from redemptions of non-income paying holdings as referred to above.

We also added to several of our existing holdings such as Bank of Scotland 7.281%, Punch Taverns Finance 7.75% 2025 and Lloyds Banking Group 7.625% where prices and available cash allowed.

As mentioned in the interim report we were able to sell the holding in EI Group 7.5% 2024 at an attractive level prior to its ultimate call date, whilst the holding in Newcastle Building Society 3.886% 2019 was redeemed in December as planned. We sold the holding in Bristol Water 4% at an attractive exit yield. The holdings in Morgan Advanced Materials 5% & 5.5% preference shares were sold following the suspension of the dividends as a result of the COVID-19 pandemic.

Outlook

Due to the Covid-19 pandemic we are in the midst of an unprecedented period of global economic uncertainty with a deep recession and a rise in unemployment likely to dominate the headlines. Covid-19 presents enormous challenges for companies as they adapt and take the required strategic initiatives to survive and ultimately thrive in this new environment.

Whilst the current dividend picture remains uncertain, we are reassured that the portfolio has delivered over 90% of the income target set by the Company's Board as being sought to meet the Company's current dividend expectations. There have been a small number of cancellations, deferments or reductions but relative to the market as a whole and our peer group in general we are pleased with the overall outcome. Of the companies impacted, we hope that the housebuilders will return to dividend payments first as more clarity emerges around the economy and trading conditions.

There is no doubt we are living in increasingly unpredictable and volatile times and the future is shrouded in uncertainty. We note that your Board, in parallel with our endeavours, has been working to explore how to deliver the long-term sustainable protection of shareholders' funds. We would certainly agree that this is a more stable objective than the Company's historic high-income focus, particularly in today's investment environment.

Whatever the future may hold, investment in well managed, financially sound, cash generative, sustainable businesses will provide the best protection and ultimately returns for patient shareholders.

M. Foster, J. Harrison & J. Dieppe
Fiske plc

6 October 2020

TWENTY LARGEST INVESTMENTS
At 30 June 2020

	Stock	Number	Book cost £	Market or Directors' valuation £	% of total portfolio
1.	**Lloyds Banking**				
	7.625% variable perpetual	600,000	532,175	611,250	4.12%
2.	**GlaxoSmithKline**				
	Ordinary 25p^	35,200	515,775	575,942	3.89%
3.	**Punch Taverns**				
	7.75% subordinated notes 30/12/25	550,000	549,698	528,946	3.57%
4.	**600 Group**				
	8% loan notes 14/02/22	500,000	500,000	524,030	3.54%
	20p Warrants	2,500,000	–	–	–
			500,000	524,030	3.54%
5.	**Unilever**				
	Ordinary 3.11p^	11,135	448,711	484,929	3.27%
6.	**Nationwide Building Society**				
	10.25% core capital deferred shares (variable)	3,100	490,536	483,017	3.26%
7.	**Phoenix Group**				
	Ordinary 10p^	74,625	521,764	480,585	3.24%
8.	**The Fishguard & Rosslare Railways and Harbours Company**				
	2.45% guaranteed preference stock	790,999	441,810	458,780	3.10%
9.	**Rio Tinto**				
	Ordinary 10p^	9,720	413,424	442,114	2.98%
10.	**Standard Life Aberdeen**				
	Ordinary 13.9683p^	164,650	472,153	440,603	2.97%

^ Issues with unrestricted voting rights.

STRATEGIC REPORT *continued*

TWENTY LARGEST INVESTMENTS

At 30 June 2020

	Stock	Number	Book cost £	Market or Directors' valuation £	% of total portfolio
11.	**Premier Oil**				
	6.5% 31/05/21	510,000	503,652	433,041	2.92%
12.	**Iceland Bondco**				
	6.75% 15/07/24	450,000	416,754	426,745	2.88%
13.	**Amalgamated Metal Corporation**				
	5.4% cum pref £1	256,065	144,049	220,216	1.49%
	6% cum pref £1	213,510	103,844	198,564	1.34%
			247,893	418,780	2.83%
14	**National Westminster**				
	9% non-cumulative irredeemable preference	300,000	217,752	417,300	2.82%
15	**Real Estate Credit Investment Limited^**				
	Ordinary NPV	328,000	551,745	408,360	2.76%
16	**National Grid**				
	Ordinary 11.395p^	40,900	328,643	404,174	2.73%
17	**Strix**				
	Ordinary £1^	208,636	248,629	400,164	2.70%
18	**Virgin Money UK**				
	8% variable perpetual	450,000	415,497	390,861	2.64%
19	**Persimmon**				
	Ordinary 10p^	16,935	449,861	387,134	2.61%
20.	**Polar Capital**				
	Ordinary 2.5p^	76,300	404,897	383,026	2.58%
			8,671,369	**9,099,781**	**61.41%**

^ Issues with unrestricted voting rights

The Group has a total of 55 portfolio investments holdings in 49 companies.

CORPORATE SUMMARY

The Company's purpose, values, strategy and culture
The Investment Company plc (the Company) is an investment trust company that has a premium listing on the London Stock Exchange its principal activity is portfolio investment. The Company's wholly owned subsidiaries are Abport Limited, an investment dealing company and New Centurion Trust Limited, an inactive investment company (together the Group).

The Company consists of the Board and its shareholders and has no employees or customers in the traditional sense. The culture of the Company is embodied in the Board of Directors whose values are trust and fairness.

Investment Objective
The Company's investment objective is to provide shareholders with an attractive level of dividends coupled with capital growth over the long term, through investment in a portfolio of equities, preference shares, loan stocks, debentures and convertibles.

In seeking to deliver the Company's investment objectives for shareholders they seek to challenge constructively and in a respectful way with the Manager and other stakeholders.

Investment Policy
The Company invests in equity and fixed income securities. The equity portion of the portfolio would principally invest in UK quoted companies, with a wide range of market capitalisations, which are anticipated to pay a growing stream of dividends. It is expected that the fixed income securities would include preference shares, loan stocks, convertibles and related instruments and be issued by UK quoted companies with a wide range of market capitalisations. The conversion rights or equity warrants would normally convert into the underlying equity of the quoted company.

Any use of derivatives for investment purposes will be made on the basis of the same principles of risk spreading and diversification that apply to the Company's direct investments, as described below. The Company will not enter into uncovered short positions.

Risk diversification
Portfolio risk is mitigated by investing in a diversified spread of investments. Investments in any one company shall not, at the time of acquisition, exceed 15% of the value of the Company's investment portfolio. In the long term, it is expected that the Company's investments will generally be a portfolio of around 75 or more different securities, most of which will represent individually no more than 5% of the value of the Company's total investment portfolio, as at the time of acquisition.

The Company will not invest more than 10% of its gross assets, at the time of acquisition, in other listed closed-ended investment funds, whether managed by the Investment Manager or not, except that this restriction shall not apply to investments in listed closed-ended investment funds which themselves have stated investment policies to invest no more than 15% of their gross assets in other listed closed-ended investment funds.

Unquoted investments
The Investment Manager may invest in unquoted fixed income securities from time to time subject to prior Board approval.

Investment strategy
The Company uses a bottom-up investment approach to selecting a diversified portfolio of equity and fixed income securities.

The investment approach can be described as active and universal, as the Company will not seek to replicate any benchmark and will adopt a multicap investment approach within an overall diversified portfolio. Potential investments are assessed against the key criteria, including, yield along with an assessment of the prospects of underlying corporate growth prospects, market positions, calibre of management and risk and financial resilience.

Performance

Details of the Company's performance during the financial year are provided in the Chairman's Statement on pages 3 and 4. The Investment Manager's Report on pages 5 and 6 includes a review of developments during the year as well as information on investment activity within the portfolio.

Dividend Policy

Your Board had sought to pay a total dividend of 15p for the year ending 30 June 2020. Following three quarterly payments of 3.75p, in August and November 2019 and in February 2020, the May 2020 payment was restricted to 1p.

Total Assets and Net Asset Value

The Group, had total net assets of £15,037,057 and a NAV of 315.11p per ordinary share at 30 June 2020 (2019: £16,620,311 and 348.28p).

Principal Risks and Uncertainties

The management of the business and the execution of the Group's strategy are subject to a number of risks. A robust 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 recent COVID-19 pandemic and related governmental responses to restrict the global spread of the virus have caused significant economic disruption. 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 and Investment Manager as are its potential impact on the Company. How BREXIT actually unfolds also continues to cause some uncertainty for markets.

These matters apart, the Company's principal risks remain unchanged since last year and are set out below. An explanation of how these have been mitigated or managed is also provided, where appropriate.

A summary of the risk management and internal control processes can be found in the Corporate Governance Statement on page 22.

The key business risks affecting the Group are:

(i) **Investment decisions:** the performance of the Group's portfolio is dependent on a number of factors including, but not limited to the quality of initial investment decisions and the strategy and timing of sales;

(ii) **Investment valuations:** the valuation of the Group's portfolio and opportunities for realisations depend to some extent on stock market conditions and interest rates; and

(iii) **Macroeconomic environment for preference shares and prior charge securities:** the macroeconomic environment impacts on liquidity and market prices.

Risk Management

Specific policies for managing risks are summarised below and have been applied throughout the year:

1. Market price risk

The Investment Manager monitors the prices of financial instruments held by the Group 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 Investment Manager actively monitors market prices throughout the year and reports to the Board, which meets regularly in order to review investment strategy. Most of the equity investments held by the Company are listed on the London Stock Exchange.

2. Interest rate risk
In addition to the impact of the general investment climate, interest rate movements may specifically affect the fair value of investments in fixed interest securities. The Investment Manager monitors the applicable interest rates and yields associated with the securities.

3. 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.

Additional risks and uncertainties include:

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 review of counterparties and custodians by the Investment Manager mean that this is not a significant risk.

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

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 Investment Manager and the Administrator.

Protection of assets: The Company's assets are protected by using a custodian, Fiske plc. In addition, the Company operates clear internal controls to safeguard all assets.

These and other risks facing the Company are reviewed regularly by the Audit Committee.

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 and Investment Manager monitor the following KPIs:

– *NAV performance relative to the FTSE All-Share Index (total return)*
  The NAV per ordinary share at 30 June 2020 was 315.11p per share (2019: 348.28p). The total return of the NAV after adding back dividends paid was -6.0%. This compares with a total return on the FTSE All-Share Index of -13.0%.

– *(Discount)/premium of share price in relation to NAV*
  Over the year to 30 June 2020, the Company's share price moved from trading at a discount of 14.44 % to a discount of 12.41%.

– *Ongoing Charges Ratio*
  The Ongoing Charges Ratio for the year to 30 June 2020 amounted to 2.56% (2019: 2.44%).

Viability Statement

The Directors have reviewed the viability of the company as a vehicle for delivering investment performance to shareholders. Their 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.

The Company is putting forward an ordinary resolution for the continuation of the Company at the forthcoming AGM, and your Directors recommend a vote in favour of continuing.

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 3 and 4 and the Investment Manager's report on pages 5 and 6. Further details are also provided in the above Viability Statement.

Board Diversity

When recruiting a new Director, the Board's policy is to appoint individuals on merit. 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. As at 30 June 2020 there were three male Directors on the Board.

Section 172 Statement

Section 172 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 three groups. Where appropriate, each group is considered to include both current and potential stakeholders:

- Shareholders
- Investment manager
- 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. The great majority of our shareholders have been so for a long period. 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 meetings. (It is acknowledged that this will be difficult for 2020.)

Investment Manager

The Board recognizes the critical role of the Investment Manager in the success of the Company. The Investment Manager attends quarterly Board meetings, to participate in transparent discussions where constructive challenge is encouraged. The Board and Investment Manager communicate regularly outside of these meetings with the aim of maintaining an open and transparent relationship.

STRATEGIC REPORT *continued*

Administrator and other service providers
The Board seeks to maintain constructive liaison with its service providers so as to optimize the way on why the Company's needs are met.

The Company does not have any employees 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. Day-to-day management of the portfolio is delegated to the Investment Manager. 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 commercial evaluation of investee companies.

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

On behalf of the Board

I. R. Dighé
Chairman
6 October 2020

DIRECTORS' REPORT

The Directors present their report and audited financial statements for the year ended 30 June 2020.

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 Directors are of the opinion that the Company has conducted its affairs for the year ended 30 June 2020 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. Investment trusts offer a number of advantages for investors, including access to investment opportunities that might not be open to private investors and to professional stock selection skills at lower cost.

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").

Directors

The Directors of the Company, in office at the date of this report and their biographies are set out on page 1. Details of the interests of the Directors in the share capital of the Company are set out in the Directors' Remuneration Report.

In accordance with the policy adopted by the Board, all Directors will stand for re-election at the forthcoming AGM. Accordingly, Ian Dighé, Tim Metcalfe and Martin Perrin will offer themselves for re-election for another year. 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 Ian Dighé, Tim Metcalfe and Martin Perrin 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 management agreement and 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. None of the Directors has a service contract with the Company.

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 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 for the Directors to declare situations for authorisation by those Directors not interested in the situation. Any situations considered and any authorisations subsequently given are appropriately recorded.

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 14, or might possibly conflict, with the Company operated effectively during the year under review.

Capital Structure

As at 30 June 2020 and the date of this Annual Report, the Company's share capital consists of 4,772,049 ordinary shares of 50p each.

At general meetings 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 2020. 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 2020 AGM. The Directors are proposing that these authorities be refreshed at the AGM.

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.

Substantial Shareholdings

As at 30 June 2020, the Company had been notified of the following notifiable interests in its voting rights:

	Number of ordinary shares	% of voting rights
Philip J. Milton & Company plc	675,371	14.15
Miss J. B. Webb	539,344	11.30
Mrs S. Williams	283,124	5.93
Investec Wealth & Investment Limited	201,322	4.22
Aboyne-Clyde Rubber Estates of Ceylon Ltd	199,050	4.17

Investment Management

On 1 April 2018 Fiske plc ("Fiske") took over responsibility as the Company's Investment Manager. Fiske is:

- an independent investment management company whose principal activities are the provision of private client investment management, asset management and private client and institutional stockbroking.
- distinctive from a number of investment managers in that many of its portfolios do not use traditional benchmarks as they can bring unintentional risks that can impede the day-to-day investment manager's ability to maximise absolute returns for clients.
- focused on delivering positive investment outcomes combined with a high level of service for its clients.
- authorised and regulated by the Financial Conduct Authority, is a member of the London Stock Exchange and is quoted on AIM.
- capitalised with equity capital, has no debt and does not use financial instruments except its intra-day Crest cap facility.

Details of the Investment Manager

Fiske has a team of investment managers researching a broad range of quoted UK stocks. The day-to-day management of the portfolio is carried out by Michael Foster, James Harrison and Julian Dieppe.

Michael Foster

Michael joined Fiske in June 2017 to work on the launch of a UCITS fund for Fiske. In May 2018 the Ocean UK Equity Fund was launched with Michael as Lead Portfolio Manager. He holds the Investment Management Certificate and has managed extensive private investments since 2011.

James Harrison

James joined Fiske in 1996 and has over 20 years of industry experience. He is a Chartered Fellow of the Securities Institute and is Chief Executive Officer of Fiske plc. He manages a number of multi-asset private client portfolios and is also a co-manager of the Ocean UK Equity Fund.

Julian Dieppe

Julian joined Fiske in 2010 and has some 10 years of industry experience. He is a Member of the Securities Institute and manages a significant number of multi-asset private client portfolios at Fiske. He is also a co-manager of the Ocean UK Equity Fund.

Investment Management Agreement

Under the terms of the Investment Management Agreement, the Investment Manager has discretion to buy, sell, retain, exchange or otherwise deal in investment assets for the account of the Company. The Investment Manager is entitled to receive from the Company, or any member of its subsidiaries in respect of its services provided under the Investment Management Agreement, a management fee payable monthly in arrears calculated at the rate of one-twelfth of 0.75% per calendar month of the NAV for its services under the Investment Management Agreement.

The Investment Management Agreement is terminable by either the Investment Manager or the Company giving to the other not less than six months' written notice. The Investment Management Agreement may be terminated earlier by the Company with immediate effect on the occurrence of certain events, including the liquidation of the Investment Manager or appointment of a receiver or administrative receiver over the whole or any substantial part of the assets or undertaking of the Investment Manager, or a material breach by the Investment Manager of the Investment Management Agreement which is not remedied. The Company may also terminate the Investment Management Agreement if a continuation vote is not passed.

Financial Instruments

The financial risk management and internal control processes and policies, and exposure to the risks associated with financial instruments can be found in Note 16 to the financial statements.

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 Investment Management 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.

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.

Going Concern
At the forthcoming Annual General Meeting, shareholders will be asked to vote on the continuation of the Company as a closed-ended investment company.

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 and specifically in the context of the COVID-19 pandemic.

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 the Company's ability 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 10 to 11 and the financial position of the Company as described above, the Board has also considered the following further factors:

- the Board will ensure that the Investment Manager 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.

Articles of Association
The Articles of Association of the Company 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 offices of IFC Advisory, Birchin Court, 20 Birchin Lane, London EC3V 9DU on 4 November 2020 at 11.00 am. The Notice of Meeting is set out on pages 59 and 60.

The business of this year's AGM consists of 14 resolutions. Resolutions 1 to 10 and 14 will be proposed as ordinary resolutions and resolutions 11 to 13 will be proposed as special resolutions. Resolutions 11 to 13 will be proposed as special business.

Please note that in light of the current COVID-19 pandemic and the associated restrictions on travel and public gatherings the AGM will be run as a closed meeting and shareholders will not be permitted to attend in person. Shareholders attempting to attend the AGM will be refused entry.

Resolutions 10 and 11: 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 authorized 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 10.

In addition, Resolution 11 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 10 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. Ordinary shares will only be issued on a non-pre-emptive basis at a price not less than the prevailing NAV per ordinary share at the time of issue.

These authorities, if approved, will expire at the Annual General Meeting of the Company to be held in 2021.

Purchase of Own Shares
Resolution 12, 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 2021 when a resolution to renew the authority will be proposed.

Notice Period for General Meetings
Resolution 13, 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 2021, 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 vote
Resolution 14, an ordinary resolution, will approve the continuation of the Company as a closed-end investment trust in accordance with the Articles of Association.

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.

Modern Slavery Act
As an investment vehicle that does not have any employees and does not provide goods or services in the normal course of business, the Directors consider that the Company is not required to make a slavery or human trafficking statement under the Modern Slavery Act 2015.

Greenhouse Gas Emissions

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' Report) Regulations 2013.

Streamlined Energy and Carbon Reporting

The Company is categorised as a lower energy user under the HMRC Environmental Reporting Guidelines March 2019 and is therefore not required to make the detailed disclosures of energy and carbon information set out within the guidelines. The Company's energy and carbon information is therefore not disclosed in this report.

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.

Auditor

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.

The Directors' Report was approved by the Board on 6 October 2020.

On behalf of the Board

I. R. Dighé
Chairman
6 October 2020

CORPORATE GOVERNANCE STATEMENT

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

Statement of Compliance

Following the publication in July 2018 of a new version of the UK Corporate Governance Code (the 'UK Code'), the AIC in February 2019, issued a new AIC Code of Corporate Governance that has been endorsed by the FRC. The Board of the Company has considered the principles and recommendations of the AIC Code of Corporate Governance for Investment Companies published in February 2019. The AIC Code, incorporates the principles set out in the UK Corporate Governance Code, as well as setting out additional principles and recommendations on issues that are of specific relevance to investment trusts. The Board considers that reporting against the principles and recommendations of the AIC Code provides better information to shareholders.

The Financial Reporting Council ("FRC"), the UK's independent regulator for corporate reporting and governance responsible for the UK Code, has endorsed the AIC Code. The terms of the FRC's endorsement mean that AIC members who report against the AIC Code meet fully their Listing Rule obligations in relation to the UK Code.

A copy of the AIC Code and the AIC Guide can be obtained via the AIC website: www.theaic.co.uk. A copy of the UK Code can be obtained at www.frc.org.uk.

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

– the role of the chief executive;
– executive directors' remuneration; and
– the need for an internal audit function.

The Board considers these provisions are not relevant to the position of the Company and has therefore not reported further in respect of these provisions.

A full portfolio listing is not provided as, in the opinion of the Directors, it is not in the best commercial interests of the Company.

The Board of Directors

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 independent and has no conflicting relationships. He considers himself to have sufficient time to commit to the Company's affairs.

The UK Corporate Governance Code (the "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.

None of the Directors has a service contract, but letters of appointment setting out the terms of their appointment are in place, copies of which are available on request from the Secretary. Mr. Perrin is approaching his ninth 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.

CORPORATE GOVERNANCE STATEMENT *continued*

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 held at least once a quarter, with additional meetings arranged as necessary. During the year ended 30 June 2020, the number of formal Board and Committee meetings attended by each Director who served during the year was as follows:

	Board		Audit Committee	
	Number entitled to attend	Number attended	Number entitled to attend	Number attended
Ian Dighé	8	8	2	2
Tim Metcalfe	8	8	2	2
Martin Perrin	8	8	2	2

Performance Evaluation

An annual evaluation for the year ended 30 June 2020 has been carried out. This took the form of open discussions 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.

Re-election of Directors

The Board does not have a specific policy on tenure but has agreed a policy whereby all Directors shall seek annual re-election by the shareholders at the Company's AGM.

All Directors will therefore stand for re-election at the forthcoming Annual General Meeting. The Board has considered the election and re-election of each individual Director and recommends their election or re-election on the basis of their skills, knowledge and continued contribution.

Board Responsibilities and Relationship with the Investment Manager

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, including the review of investment activity and performance, control and supervision of the Investment Manager. 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 Group's day-to-day functions have been subcontracted to a number of service providers, each engaged under separate legal agreements. The management of its assets has been delegated to Fiske, which has discretion to manage the assets in accordance with the Company's investment objective and policy. The Board has agreed that there is no need to set a formal policy regarding voting and has given the Investment Manager discretionary voting powers.

At each Board meeting the Directors follow a formal agenda, which is circulated in advance by the Company Secretary. The Company Secretary, Administrator and Investment Manager 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.

At each Board meeting a representative from the Investment Manager is in attendance to present verbal and written reporting covering the Company's activities, portfolio and investment performance over the preceding period. Ongoing communication with the Board is maintained between formal meetings.

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 24 and 25. 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 Non-Executive 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 to guide the Committee in its deliberations.

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 judgment, 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;
- the cost to the Company and benefits related to the Company and third parties operating the relevant controls; and
- COVID-19 as discussed in the viability statement and going concern assessment on pages 12 and 17 respectively.

CORPORATE GOVERNANCE STATEMENT *continued*

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, 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 Investment Manager and Administrator on a regular basis.

Relations with Shareholders
Communication with shareholders is given a high priority by both the Board and the Investment Manager. 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, dispatched to shareholders by mail and are also available from the Secretary or at www.maitlandgroup.com/TheInvestmentCompany

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
6 October 2020

AUDIT COMMITTEE REPORT (THE "COMMITTEE")

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 Statement
- 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 and Investment Manager 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, Investment Manager 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 1of the financial statements.

The Committee considers the internal control system of the Company and its third party service provider. 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 provider.

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 (THE “COMMITTEE”) *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 £35,000 has been agreed in respect of the audit for the year ended 30 June 2020. Of this amount, £29,000 relates to the Audit of the Company and £3,000 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 2020. In considering the effectiveness, the Committee reviewed the audit plan in July 2020, 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 second 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 the mandatory auditor rotation requirements of the European Union. 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 2029 year end. The auditor is required to rotate partners every five years. The current audit partner for the Company, Ian Cowan, is in his second year in this role.

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

6 October 2020

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 31 to 36.

Annual Statement from the Chairman
I am pleased to present the Directors' Remuneration Report for the year ended 30 June 2020.

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' fee for each non-executive Director are determined within the limits set out in the Company's Articles of Association adopted on 24 June 2013, not to exceed a maximum aggregate amount equivalent to £15,000 per Director 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, percentage of profits 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.

During the year, the Directors have engaged in strategic development activities which have called for considerably more investment of time than that envisaged as being the normal discharge of non-executive activities. Accordingly they resolved to avail themselves of permissions granted in the articles to draw an extra £2,083 in fees.

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.

	Expected fees for the year to 30 June 2021	Total fees for the year to 30 June 2020
Non-executive Director	**£20,000**	£17,083

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. It is the Board's policy that Directors do not have service contracts, but Directors are provided with letters of appointment as non-executive Directors.

Pursuant to regulation, Directors' Remuneration Policy is subject to a triennial vote. As a result shareholders are being asked this year to approve resolution 3 set out in the notice of meeting.

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.

DIRECTORS' REMUNERATION REPORT *continued*

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.

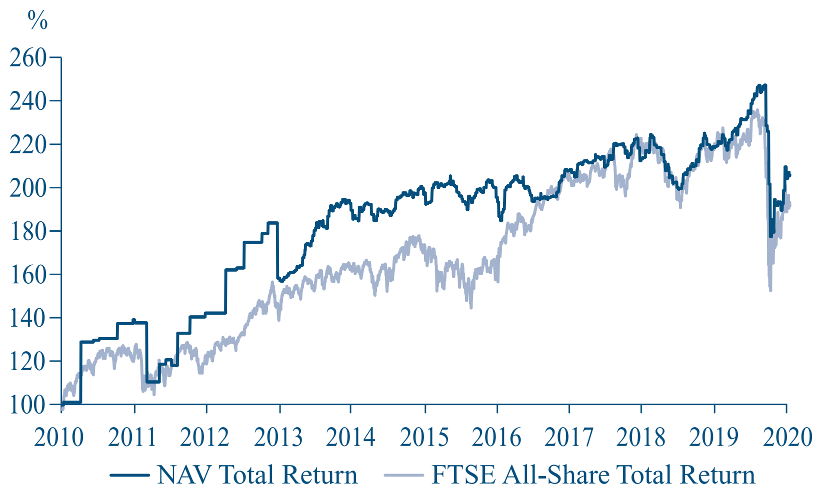
Directors' Emoluments for the Year (audited)

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

	Year ended 30 June 2020		Year ended 30 June 2019	
	Fees £	**Total £**	Fees £	Total £
Ian Dighé	**17,083**	**17,083**	14,727	14,727
Tim Metcalfe	**17,083**	**17,083**	14,727	14,727
Martin Perrin	**17,084**	**17,084**	15,000	15,000
	51,250	**51,250**	45,319	45,319

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 FTSE All-Share Total Return Index, which is the closest broad index against which to measure the Company's performance.



Source: Shore Capital

Relative Importance of Spend on Pay

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

	2020 £	2019 £	2019/20 Change	2018 £
Dividends paid to ordinary shareholders in the year	**584,576**	868,513	(33%)	987,813
Total remuneration paid to Directors	**51,250**	45,319	13%	60,000

Directors' Beneficial and Family Interests (audited)

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 2020 No of ordinary shares	As at 30 June 2019 No of ordinary shares
Ian Dighé	**14,320**	–
Tim Metcalfe	**15,493**	–
Martin Perrin	**7,144**	7,144

There have been no changes to the Directors' share interests between 30 June 2020 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 2020 AGM.

An ordinary resolution adopting the Remuneration Report was approved at the AGM held on 21 November 2019. The votes cast by proxy were as follows:

Directors' Remuneration Report

	Number of votes	% of votes cast
For and discretionary	1,556,314	99.34
Against	10,297	0.667
Total votes cast	1,566,611	32.89
Number of votes withheld	2,843	

Approval

The Directors' Remuneration Report was approved by the Board on 6 October 2020.

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 and those International Financial Reporting Standards ("IFRS") adopted by the European Union and Article 4 of the International Accounting Standards. Company law requires the Directors to prepare financial statements for each financial period which present fairly the financial position of the Group and the financial performance and cash flows of the Group 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;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- state whether applicable IFRS have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business; and
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and enable them to ensure that the Group financial statements comply with the Companies Act 2006 and Article 4 of the IAS Regulation. They are also responsible for safeguarding the assets of the Group 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 Administrator's website, www.maitlandgroup.com. The work carried out by the Auditor does not involve consideration of the maintenance and integrity of this website and, accordingly, the Auditor accepts no responsibility for any changes that have occurred to the financial statements since they were initially presented on the 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.

STATEMENT OF DIRECTORS' RESPONSIBILITIES *continued*

We confirm that to the best of our knowledge:

- the Group and Company financial statements, prepared in accordance with IFRS as adopted by the European Union, give a true and fair view of the assets, liabilities, financial position and profit of the Group;

- this Annual Report includes a fair review of the development and performance of the business and the position of the Group together with a description of the principal risks and uncertainties that it faces; 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 Group's position and performance, business model and strategy.

On behalf of the Board

I. R. Dighé
Chairman
6 October 2020

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 2020 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 a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union 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 2020 and of the group's and the parent company's loss for the year then ended;
- the group financial statements have been properly prepared in accordance with IFRSs as adopted by the European Union;
- the parent company financial statements have been properly prepared in accordance with IFRS as adopted by the European Union 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 and, as regards the group financial statements, Article 4 of the IAS Regulation.

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 principal risks, going concern and viability statement

We have nothing to report in respect of the following information in the annual report, in relation to which the ISAs (UK) require us to report to you whether we have anything material to add or draw attention to:

- the disclosures in the annual report set out on pages 10 and 11 that describe the principal risks and explain how they are being managed or mitigated;
- the directors' confirmation set out on page 10 in the annual report that they have carried out a robust assessment of the principal risks facing the group, including those that would threaten its business model, future performance, solvency or liquidity;
- the directors' statement set out on page 17 in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting in preparing the financial statements and the directors' identification of any material uncertainties to the group and the parent company's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements;
- whether the directors' statement relating to going concern required under the Listing Rules in accordance with Listing Rule 9.8.6R(3) is materially inconsistent with our knowledge obtained in the audit; or

- the directors' explanation set out on page 12 in the annual report as to how they have assessed the prospects of the group, over what period they have done so, and why they consider that period to be appropriate, and their statement as to whether they have a reasonable expectation that the group will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

Our application of materiality

The scope of our audit was influenced by our application of materiality. The quantitative and qualitative thresholds for materiality determine the scope of our audit and the nature, timing and extent of our audit procedures. The materiality applied to the group financial Statements was £292,000 (2019: £330,000), based on 2% of gross assets because the carrying value of the investments is considered to be a key performance indicator used by management. The performance materiality was £204,400 (2019: £231,000). The materiality applied to the Consolidated Statement of Comprehensive Income was £28,000 (2019: £37,500), based on 5% of the revenue column return before taxation. The performance materiality was £19,600 (2019: £26,250). For each component in the scope of our group audit, we allocated a materiality that was less than our overall group materiality.

We have agreed with the audit committee that we would report to the committee individual audit differences in excess of £14,600 (2019: £16,500) as well as differences below these thresholds that, in our view, warranted reporting on qualitative grounds.

An overview of the scope of our audit

As part of 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 the scope of our audit responded to the key audit matter
Valuation and ownership of investments (note 11)	
The group holds investments with a carrying value of £14,818,360 at 30 June 2020 (note 11). The group's investments include both listed and unlisted holdings and are valued using the appropriate level within the fair value hierarchy model. For those holdings which are unlisted and have limited market information, the Directors use 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.	Our work included: • Agreeing a sample of the listed investment valuations to external sources, checking the quoted price; • Reviewing and assessing Management's valuation of a sample of the unlisted investments, checking supporting evidence where available; • Assessing the independence and competence of management's expert as a primary source for management to place reliance upon their reports; • Challenging the assumptions and inputs used by the management expert to derive the valuations of unquoted investments; • Agreeing investments held at the year-end to the custody report maintained by the Investment Manager; • 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 standards; and • Checking 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. We concluded that there was no material error in the valuation of the investments or issues with regard to legal title.

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. 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. In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

In this context, we also have nothing to report in regard to our responsibility to specifically address the following items in the other information and to report as uncorrected material misstatements of the other information where we conclude that those items meet the following conditions:

- **Fair, balanced and understandable set out on page 30** – the statement by the directors that they consider the annual report and financial statements taken as a whole is fair, balanced and understandable and provides the information necessary for shareholders to assess the group's performance, business model and strategy, is materially inconsistent with our knowledge obtained in the audit; or

- **Audit committee reporting set out on pages 24 and 25** – the section describing the work of the audit committee does not appropriately address matters communicated by us to the audit committee; or

- **Directors' statement of compliance with the UK Corporate Governance Code set out on page 20** – the parts of the directors' statement required under the Listing Rules relating to the company's compliance with the UK Corporate Governance Code containing provisions specified for review by the auditor in accordance with Listing Rule 9.8.10R(2) do not properly disclose a departure from a relevant provision of the UK Corporate Governance Code.

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 those reports have been prepared in accordance with applicable legal requirements;

- the information about internal control and risk management systems in relation to financial reporting processes and about share capital structures, given in compliance with rules 7.2.5 and 7.2.6 in the Disclosure Rules and Transparency Rules sourcebook made by the Financial Conduct Authority (the FCA Rules), is consistent with the financial statements and has been prepared in accordance with applicable legal requirements; and

- information about the company's corporate governance code and practices and about its administrative, management and supervisory bodies and their committees complies with rules 7.2.2, 7.2.3 and 7.2.7 of the FCA Rules.

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 its environment obtained in the course of the audit, we have not identified material misstatements in:

- the strategic report or the directors' report; or

- the information about internal control and risk management systems in relation to financial reporting processes and about share capital structures, given in compliance with rules 7.2.5 and 7.2.6 of the FCA Rules.

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; or
- a corporate governance statement has not been prepared by the parent company.

Responsibilities of directors

As explained more fully in the statement of directors' responsibilities set out on page 29, 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.

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

Following the recommendation of the audit committee, we were appointed by the Audit Committee on 29 November 2018 to audit the financial statements for the year ending 30 June 2019 and subsequent financial periods. The period of total uninterrupted engagement is 2 years, covering the year ending 30 June 2020.

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.

We assessed the risks of material misstatement of the financial statements, whether due to fraud or error, and then designed and performed audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide the basis for our opinion. We planned and conducted our audit so as to obtain reasonable assurance of detecting any material misstatements in the financial statements resulting from irregularities or fraud. Our procedures included journal entry testing, inquiries of management and the administrator and focused testing, as referred to in the key audit matters section.

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our sector experience and through discussion with the directors. We have identified requirements of the Disclosure Guidance and Transparency Rules, the UK Corporate Governance Code and the Companies Act 2006 to be significant in the context of this entity. We considered the extent of compliance with those laws and regulations as part of our procedures on the related financial statements items.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS *continued*

We communicated laws and regulations throughout our audit team and remained alert to any indications of noncompliance throughout the audit.

As with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

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

6 October 2020

CONSOLIDATED INCOME STATEMENT

For the year ended 30 June 2020

	Notes	**Year to 30 June 2020** Revenue £	Capital £	Total £	Year ended 30 June 2019 Revenue £	Capital £	Total £
Losses on investments at fair value through profit or loss	11	**–**	**(1,533,978)**	**(1,533,978)**	–	(597,122)	(597,122)
Exchange gain/(losses) on capital items		**–**	**45**	**45**	–	(137)	(137)
Investment income	2	**960,982**	**–**	**960,982**	1,154,271	–	1,154,271
Investment management fee	3	**(121,165)**	**–**	**(121,165)**	(98,697)	–	(98,697)
Other expenses	4	**(303,859)**	**(703)**	**(304,562)**	(301,825)	(646)	(302,471)
Return before taxation		**535,958**	**(1,534,636)**	**(998,678)**	753,749	(597,905)	155,844
Taxation	5	**–**	**–**	**–**	(1,113)	–	(1,113)
Total income/(loss) after taxation		**535,958**	**(1,534,636)**	**(998,678)**	752,636	(597,905)	154,731

		Revenue p	**Capital** p	**Total** p	Revenue p	Capital p	Total p
Return on total income after taxation per 50p ordinary share - basic & diluted	6	**11.23**	**(32.15)**	**(20.92)**	15.77	(12.53)	3.24

The total column of this statement is the Consolidated Income Statement of the Group prepared in accordance with IFRS. The supplementary revenue and capital columns are prepared in accordance with the Statement of Recommended Practice issued by the Association of Investment Companies.

The Company did not have any income or expenses 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 period.

The notes on pages 43 to 58 form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2020

	Issued ordinary share capital £	Share premium £	Capital redemption reserve £	Revaluation reserve £	Capital reserve £	Revenue reserve £	Total £
Balance at 1 July 2019	**2,386,025**	**4,453,903**	**2,408,820**	**–**	**8,629,630**	**(1,258,067)**	**16,620,311**
Total income							
Net return for the year	**–**	**–**	**–**	**–**	**(1,534,636)**	**535,958**	**(998,678)**
Transactions with shareholders recorded directly to equity							
Ordinary dividends paid	**–**	**–**	**–**	**–**	**–**	**(584,576)**	**(584,576)**
Balance at 30 June 2020	**2,386,025**	**4,453,903**	**2,408,820**	**–**	**7,094,994**	**(1,306,685)**	**15,037,057**
Balance at 1 July 2018	2,386,025	4,453,903	2,408,820	1,917,418	7,310,117	(1,142,190)	17,334,093
Transition to IFRS 9	–	–	–	(1,917,418)	1,917,418	–	–
Total income							
Net return for the year	–	–	–	–	(597,905)	752,636	154,731
Transactions with shareholders recorded directly to equity							
Ordinary dividends paid	–	–	–	–	–	(868,513)	(868,513)
Balance at 30 June 2019	2,386,025	4,453,903	2,408,820	–	8,629,630	(1,258,067)	16,620,311

The notes on pages 43 to 58 form part of these financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY

For the year ended 30 June 2020

	Issued ordinary share capital £	Issued preference share capital £	Share premium £	Capital redemption reserve £	Revaluation reserve £	Capital reserve £	Revenue reserve £	Total £
Balance at 1 July 2019	**2,386,025**	**858,783**	**4,453,903**	**2,408,820**	**–**	**6,084,192**	**1,223,515**	**17,415,238**
Total income								
Net return for the year	**–**	**–**	**–**	**–**	**–**	**(1,534,824)**	**546,549**	**(988,275)**
Transactions with shareholders recorded directly to equity								
Ordinary dividends paid	**–**	**–**	**–**	**–**	**–**	**–**	**(584,576)**	**(584,576)**
Preference share dividends paid	**–**	**–**	**–**	**–**	**–**	**–**	**(172)**	**(172)**
Balance at 30 June 2020	**2,386,025**	**858,783**	**4,453,903**	**2,408,820**	**–**	**4,549,368**	**1,185,316**	**15,842,215**
Balance at 1 July 2018	2,386,025	858,783	4,453,903	2,408,820	1,923,762	4,758,355	1,327,945	18,117,593
Transition to IFRS 9	–	–	–	–	(1,923,762)	1,923,762	–	–
Total income								
Net return for the year	–	–	–	–	–	(597,925)	764,255	166,330
Transactions with shareholders recorded directly to equity								
Ordinary dividends paid	–	–	–	–	–	–	(868,513)	(868,513)
Preference share dividends paid	–	–	–	–	–	–	(172)	(172)
Balance at 30 June 2019	2,386,025	858,783	4,453,903	2,408,820	–	6,084,192	1,223,515	17,415,238

The notes on pages 43 to 58 form part of these financial statements.

CONSOLIDATED BALANCE SHEET

As at 30 June 2020

	Note	Group 2020 £	Group 2019 £
Non-current assets			
Investments held at fair value through profit or loss	11	**14,818,360**	15,777,113
Current assets			
Trade and other receivables	14	**87,716**	192,958
Cash and cash equivalents		**265,052**	785,703
		352,768	978,661
Current liabilities			
Trade and other payables	15	**(134,071)**	(135,463)
		(134,071)	(135,463)
Net current assets		**218,697**	843,198
Net assets		**15,037,057**	16,620,311
Capital and reserves			
Ordinary share capital	8	**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		**7,094,994**	8,629,630
Revenue reserve		**(1,306,685)**	(1,258,067)
Shareholders' funds	10	**15,037,057**	16,620,311
NAV per 50p ordinary share		**315.11p**	348.28p

These financial statements were approved by the Board on 6 October 2020 and were signed on its behalf by:

I. R. Dighé
Chairman

Company Number: 4205

The notes on pages 43 to 58 form part of these financial statements.

COMPANY BALANCE SHEET
As at 30 June 2020

	Note	**Company 2020 £**	Company 2019 £
Non-current assets			
Investments held at fair value through profit or loss	11	**14,817,179**	15,775,016
Investment in subsidiaries	12	**862,656**	862,656
		15,679,835	16,637,672
Current assets			
Trade and other receivables	14	**124,631**	218,353
Cash and cash equivalents		**263,948**	785,703
		388,579	1,004,056
Current liabilities			
Trade and other payables	15	**(226,199)**	(226,490)
		(226,199)	(226,490)
Net current assets		**162,380**	777,566
Net assets		**15,842,215**	17,415,238
Capital and reserves			
Ordinary share capital	8	**2,386,025**	2,386,025
Issued Preference share capital	9	**858,783**	858,783
Share premium		**4,453,903**	4,453,903
Capital redemption reserve		**2,408,820**	2,408,820
Capital reserve		**4,549,368**	6,084,192
Revenue reserve		**1,185,316**	1,223,515
Shareholders' funds		**15,842,215**	17,415,238

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 £988,275 (2019: profit of £166,330).

These financial statements were approved by the Board on 6 October 2020 and were signed on its behalf by:

I. R. Dighé
Chairman

Company Number: 4205

The notes on pages 43 to 58 form part of these financial statements.

CONSOLIDATED AND COMPANY CASH FLOW STATEMENTS

For the year ended 30 June 2020

	Note	Group Year to 30 June 2020 £	Group Year to 30 June 2019 £	Company Year to 30 June 2020 £	Company Year to 30 June 2019 £
Cash flows from operating activities					
Income received from investments		**1,067,425**	1,203,692	**1,067,425**	1,203,692
Interest received		**15**	–	**15**	–
Sundry income		**–**	–	**–**	–
Investment management fees paid		**(122,170)**	(95,795)	**(122,170)**	(95,795)
Cash paid to and on behalf of employees		**–**	(1,167)	**–**	(1,167)
Other cash payments		**(306,165)**	(263,981)	**(294,645)**	(259,075)
Net cash inflow from operating activities		**639,105**	842,749	**650,625**	847,655
Cash flows from financing activities					
Dividends paid on ordinary shares	7	**(584,576)**	(868,513)	**(584,576)**	(868,513)
Net cash outflow from financing activities		**(584,576)**	(868,513)	**(584,576)**	(868,513)
Cash flows from investing activities					
Purchase of investments	11	**(6,703,387)**	(6,497,746)	**(6,703,387)**	(6,497,746)
Sale of investments	11	**6,128,162**	6,465,917	**6,127,058**	6,465,917
Loans to subsidiaries		**–**	–	**(11,520)**	(4,906)
Net cash outflow from investing activities		**(575,225)**	(31,829)	**(587,849)**	(36,735)
Net decrease in cash and cash equivalents		**(520,696)**	(57,593)	**(521,800)**	(57,593)
Reconciliation of net cash flow to movement in net cash					
Decrease in cash		**(520,696)**	(57,593)	**(521,800)**	(57,593)
Exchange rate movements		**45**	(137)	**45**	(137)
Decrease in net cash		**(520,651)**	(57,730)	**(521,755)**	(57,730)
Net cash at start of period		**785,703**	843,433	**785,703**	843,433
Net cash at end of period		**265,052**	785,703	**263,948**	785,703
Analysis of net cash					
Cash and cash equivalents		**265,052**	785,703	**263,948**	785,703
		265,052	785,703	**263,948**	785,703

The notes on pages 43 to 58 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

At 30 June 2020

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 Hamilton Centre, Rodney Way, Chelmsford CM1 3BY.

The Group's consolidated financial statements for the year ended 30 June 2020, 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 conformity with IFRS as adopted by the European Union, which comprise standards and interpretations approved by the International Accounting Standards Board ("IASB"), and as applied in accordance with the provision of the Companies Act 2006. The annual financial statements have also been prepared in accordance with the AIC Statement of Recommended Practice issued in October 2019 ("AIC SORP"), except to any extent where it is not consistent with the requirements of IFRS.

The revised SORP issued in October 2019 is applicable for accounting periods beginning on or after 1 January 2019. As a result, the presentations of gains and losses arising from disposals of investments and gains and losses on revaluation of investments have now been combined, as shown in note 11. The result of this change has no impact on the net asset value or total return for both the current year and prior year. No other accounting policies or disclosures have changed as a result of the revised SORP.

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 the Manager and key service providers, continued eligibility to be approved as an investment trust company and the impact of the Covid19 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 the 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 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.

1. Accounting policies *(continued)*

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.

Accounting Developments

The following policies were adopted during the financial year.

International Accounting Standards		*Effective date*
IAS 28	Investments in Associates and Joint Ventures (long term interests in associates or joint venture)	1 January 2019
IFRIC Interpretations		
IFRIC 23	Uncertainty over Income Tax Treatments	1 January 2019
International Financial Reporting Standards		
Annual improvements to IFRS 2015-2017 Cycle		1 January 2019
IFRS 16	Leases	1 January 2019

The adoption of these policies has had no material impact on the Group or the Company.

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

International Financial Reporting Standards		*Effective date**
IFRS 3	Business Combinations (amendment)	1 January 2020**
Annual Improvements to IFRS Standards 2018-2020		1 January 2022**
IAS 1 and IAS 8 Amendments Definition of material		1 January 2020
IAS1 (Amendments) Classification of Liabilities as Current or Non-Current		1 January 2022**

*Years beginning on or after

**Not yet endorsed for use in the EU

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 Judgments 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.

NOTES TO THE FINANCIAL STATEMENTS *continued*

At 30 June 2020

1. Accounting policies *(continued)*

The major part of the investment portfolio is valued by reference to quoted prices. However £4,166,493 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 share 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 (ii) 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 11 to the accounts.

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

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, realised gains and losses on disposal are recognised in the 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 11.

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 Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above.

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.

1. Accounting policies *(continued)*

Dividends from overseas companies are shown gross of any non-recoverable withholding taxes which are disclosed separately in the 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;
- Premium on the issue of shares.

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 reserves.

1. Accounting policies *(continued)*

The following are taken to this reserve:

- Gains and losses on derivatives;
- 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 2020 £	Year ended 30 June 2019 £
Income from investments:		
UK dividends	**614,753**	848,003
Unfranked dividend income	**23,727**	46,335
UK fixed interest	**322,487**	259,933
	960,967	1,154,271
Other income:		
Bank deposit interest	**15**	–
Total income	**960,982**	1,154,271

3. Investment Management Fee

	Year ended 30 June 2020 £	Year ended 30 June 2019 £
Investment Management Fee	**121,165**	98,697

The management fee payable monthly in arrears by the Company to the Investment Manager, Fiske plc is calculated at the rate of one-twelfth of 0.75% per calendar month of the NAV of the Company. For these purposes, the NAV shall be calculated as at the last business day of each month.

At 30 June 2020 an amount of £9,397 (2019: £10,402) was outstanding and due to the Investment Manager.

4. Other Expenses

	Year ended 30 June 2020 £	Year ended 30 June 2019 £
Administration and secretarial services	**81,000**	81,000
Auditors' remuneration for:		
– audit of the Group's financial statements	**35,000**	35,000
Directors' remuneration (see note 18)	**51,250**	45,319
Staff costs	**–**	1,167
Pension costs	**–**	233
Other expenses	**136,609**	139,106
Revenue	**303,859**	301,825
Capital charges	**703**	646
Total	**304,562**	302,471

The audit of the Group's financial statements includes the cost of the audit of Abport Limited of £3,000 (2019: £2,000) and New Centurion Trust Limited £3,000 (2019: £2,000), which are charged to the subsidiaries.

In conjunction with the resignation of former directors in the prior year, a secretary also retired with the aggregate remuneration consisting of:

	Year ended 30 June 2020 £	Year ended 30 June 2019 £
Staff costs		
Wages and salaries	**–**	1,167
Social security costs	**–**	–
Total	**–**	1,167
Pension costs		
Pension payments	**–**	233
Total	**–**	233

There were no employees as at 30 June 2020 or 2019.

The Company does not have a provision (2019: same) in respect of future pension payments. There are no pension liabilities due to past employees.

5. Taxation

	Year ended 30 June 2020			Year ended 30 June 2019		
	Revenue £	**Capital £**	**Total £**	Revenue £	Capital £	Total £
Current Taxation						
Overseas taxation suffered	**–**	**–**	**–**	1,113	–	1,113
	–	**–**	**–**	1,113	–	1,113

The current tax charge for the year is lower than (2019: lower than) the standard rate of corporation tax in the UK of 19% to 30 June 2020 and 30 June 2019. The differences are explained below:

	Year ended 30 June 2020			Year ended 30 June 2019		
	Revenue £	**Capital £**	**Total £**	Revenue £	Capital £	Total £
Return on ordinary activities	**535,958**	**(1,534,636)**	**(998,678)**	753,749	(597,905)	155,844
Theoretical tax at UK Corporation tax rate of 19% (2019: 19%)	**101,832**	**(291,581)**	**(189,749)**	143,212	(113,602)	29,610
Effects of:						
UK dividends that are not taxable	**(116,803)**	**–**	**(116,803)**	(161,121)	–	(161,121)
Overseas dividends that are not taxable	**–**	**–**	**–**	(4,422)	–	(4,422)
Non taxable investment gains	**–**	**291,581**	**291,581**	–	113,602	113,602
Overseas taxation suffered	**–**	**–**	**–**	1,113	–	1,113
Unrelieved expenses	**14,971**	**–**	**14,971**	22,331	–	22,331
Actual current tax charged to the revenue account	**–**	**–**	**–**	1,113	–	1,113

Factors that may affect future tax charges

The Company has excess management expenses of £1,777,975 (2019: £1,699,180). 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.

6. Return per Ordinary Share

	Year ended 30 June 2020			Year ended 30 June 2019		
	Revenue	**Capital**	**Total**	Revenue	Capital	Total
Return after taxation						
Return attributable to ordinary shareholders (£)	**535,958**	**(1,534,636)**	**(998,678)**	752,636	(597,905)	154,731
Weighted average number of ordinary shares in issue (excluding shares held in Treasury)	**–**	**–**	**4,772,049**			4,772,049
Return per ordinary share (pence) basic and diluted	**11.23p**	**(32.15)p**	**(20.92)p**	15.77p	(12.53)p	3.24p

7. Dividends per Ordinary Share

	Year ended 30 June 2020 £	Year ended 30 June 2019 £
Declared and paid per Ordinary Share		
In respect of the prior period:		
Fourth interim dividend 3.75p (2019: 5.70p)	**178,952**	272,007
In respect of the year under review:		
First interim 3.75p (2019: 5.00p)	**178,952**	238,602
Second interim dividend 3.75p (2019: 3.75p)	**178,952**	178,952
Third interim dividend 1.00p (2019: 3.75p)	**47,720**	178,952
	584,576	868,513
Declared per Ordinary Share		
Dividend declared in respect of the year under review:		
Fourth interim dividend 1.00p (2019: 3.75p)	**47,720**	178,952

8. Ordinary Share Capital

	Group and Company 2020		Group and Company 2019	
Issued, allotted and fully paid:	**Number**	**£**	Number	£
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 (2019: none).

9. Issued Preference Share Capital

	Group		**Company**	
	2020 £	2019 £	**2020 £**	2019 £
Issued preference share capital	**–**	–	**858,783**	858,783

The 1,717,565 fixed rate preference shares of 50p each are non-voting, 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. 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.

10. Net Asset Value per Ordinary Share

The NAV per ordinary share is calculated as follows:

	2020 £	2019 £
Net assets	**15,037,057**	16,620,311
Ordinary shares in issue	**4,772,049**	4,772,049
NAV per ordinary share	**315.11p**	348.28p

The underlying investments of the wholly owned subsidiary New Centurion Trust Limited comprise issued preference share capital, as discussed in note 9, in the Company and, being effectively eliminated on consolidation, the valuation thereof does not impact the NAV attributable to ordinary shareholders.

11. Investments

Investments held at fair value through profit or loss

	Group		Company	
	2020 £	2019 £	**2020 £**	2019 £
Opening book cost	**15,211,950**	14,913,072	**15,203,979**	14,883,235
Opening net investment holding gains	**565,163**	1,429,334	**571,037**	1,457,094
Total investments designated as held at fair value	**15,777,113**	16,342,406	**15,775,016**	16,340,329
Movements in the year:				
Purchases at cost	**6,703,387**	6,497,746	**6,703,387**	6,497,746
Sales - proceeds	**(6,128,162)**	(6,465,917)	**(6,127,058)**	(6,465,917)
Losses on investments * ^	**(1,533,978)**	(597,122)	**(1,534,166)**	(597,142)
Closing valuation	**14,818,360**	15,777,113	**14,817,179**	15,775,016
Closing book cost	**16,538,418**	15,211,950	**16,571,760**	15,203,979
Closing net investment holding (losses)/gains	**(1,720,058)**	565,163	**(1,754,581)**	571,037
	14,818,360	15,777,113	**14,817,179**	15,775,016

*The Group received £6,128,162 (2019: £6,465,917) from investments sold in the year. The book cost of these investments when they were purchased was £5,376,919 (2019: £6,198,868). These investments have been revalued over time and until they were sold any unrealised gains/losses were included in the fair value of investments.

^The Company received £6,127,058 (2019: £6,465,917) from investments sold in the year. The book cost of these investments when they were purchased was £5,335,606 (2019: £6,177,002). These investments have been revalued over time and until they were sold any unrealised gains / losses were included in the fair value of investments.

	Group Year ended		Company Year ended	
	2020 £	2019 £	**2020 £**	2019 £
Transaction costs				
Costs on acquisitions	**30,858**	30,438	**30,858**	30,438
Costs on disposals	**7,018**	9,165	**7,016**	9,165
	37,876	39,603	**37,874**	39,603

11. Investments *(continued)*

	Group		Company	
	2020	2019	**2020**	2019
	£	£	**£**	£
Analysis of capital gains				
Gains on sale of investments	**751,243**	267,049	**791,452**	288,915
Movement in investment holding gains	**(2,285,221)**	(864,171)	**(2,325,618)**	(886,057)
	(1,533,978)	(597,122)	**(1,534,166)**	(597,142)

Fair Value Hierarchy

The Group is required to classify fair value measurements using a fair value hierarchy that reflects the subjectivity of the inputs used in measuring the fair value of each asset. The fair value as the amount at which the asset could be sold or the liability transferred in an orderly transaction between market participants, at the measurement date, other than a forced or liquidation sale.

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 or 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 or the asset or liability.

The table below sets out fair value measurements of financial instruments by the level in the fair value hierarchy into which the fair value measurement is categorised.

At 30 June 2020	**Level 1**	**Level 2**	**Level 3**	**Total**
	£	**£**	**£**	**£**
Financial assets at fair value through profit or loss				
Equities	**8,724,184**	**257,617**	**1,670,066**	**10,651,867**
Fixed Interest bearing securities	**3,806,493**	**–**	**360,000**	**4,166,493**
	12,530,677	**257,617**	**2,030,066**	**14,818,360**

At 30 June 2019	**Level 1**	**Level 2**	**Level 3**	**Total**
	£	**£**	**£**	**£**
Financial assets at fair value through profit or loss				
Equities	8,803,036	300,353	2,250,165	11,353,554
Fixed Interest bearing securities	3,721,476	–	702,083	4,423,559
	12,524,512	300,353	2,952,248	15,777,113

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.

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.

11. Investments *(continued)*

Valuation process for Level 3 investments

Investments classified within Level 3 comprise two groups:

a) 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, and in addition:

b) There is one genuinely unquoted stock which has been valued by the directors using recognised valuation methodologies drawing on reported results and commentary on current trading. The valuation of this is regularly reviewed by the Directors. Given this, having no independent source of pricing, it has been assessed by the Directors as having the following value attribution: Intercede Group 8% Secured Convertible Loan notes: discounted par value.

If the value of the level 2 and 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 £228,768 (2019: £325,260).

The table below presents the movement in Level 3 investments that were accounted for at fair value for the year ending 30 June 2020.

Year ended 30 June 2020 **Group and Company**	**Financial assets at fair value through profit or loss** **£**
Opening balance	**2,952,248**
Losses on investments ^^	**44,542**
Sales proceeds	**(966,724)**
Closing balance	**2,030,066**

^^The Group & Company received £966,724 from investments sold in the year. The book cost of these investments when they were purchased was £752,980. These investments have been revalued over time and until they were sold any unrealised gains / losses were included in the fair value of investments.

12. Investment in Subsidiaries

	Company	
	2020 **£**	2019 £
At cost	**5,410,552**	5,410,552
Provision for diminution in value	**(4,547,896)**	(4,547,896)
At cost	**862,656**	862,656

12. Investment in Subsidiaries *(continued)*

At 30 June 2020, 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 holding company

The registered office for both companies above is Hamilton Centre, Rodney Way, Chelmsford, Essex CM1 3BY

13. Substantial Share Interests

The Company has no notified interests in 3% or more of the voting rights of any companies at 30 June 2020.

14. Trade and Other Receivables

	Group		Company	
	2020	2019	**2020**	2019
	£	£	**£**	£
Amounts due from subsidiaries	**–**	–	**36,915**	25,395
Accrued income	**26,462**	35,577	**26,462**	35,577
Dividends receivable	**49,461**	146,804	**49,461**	146,804
Taxation recoverable	**9,084**	6,064	**9,084**	6,064
Other receivables	**2,709**	4,513	**2,709**	4,513
	87,716	192,958	**124,631**	218,353

The carrying amount of trade receivables approximates to their fair value. Trade and other receivables are not past due at 30 June 2020.

15. Trade and Other Payables

	Group		Company	
	2020	2019	**2020**	2019
	£	£	**£**	£
Preference dividends payable to the Company's wholly owned subsidiary	**–**	–	**1,205**	1,033
Amount due to subsidiaries	**–**	–	**101,533**	101,533
Investment management fees	**9,397**	10,402	**9,397**	10,402
Other trade payables and accruals	**124,674**	125,061	**114,064**	113,522
	134,071	135,463	**226,199**	226,490

16. Financial Instruments and Associated Risks

The Groups 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.

16. Financial Instruments and Associated Risks *(continued)*

Investment Objective and Policy

The Group's investment objective is to provide shareholders with an attractive level of dividends coupled with capital growth over the long-term. The investing activities in pursuit of its investment objective involve certain inherent risks.

Any use of derivatives for investment purposes will be made on the basis of the same principles of risk spreading and diversification that apply to the Group's direct investments, as described below.

Risks

The risks identified arising from the Group's financial instruments are market risk (which comprises market price risk and interest rate risk, liquidity risk and credit and counterparty risk). The Group may enter into derivative contracts to manage risk. The Board reviews and agrees policies for managing each of these risks, which are summarised below.

Market Risk

Market 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 Group assesses the exposure to market risk when making each investment decision and these risks are monitored by the Investment Manager on a regular basis and the Board at quarterly meetings with the Investment Manager.

Market price risk

Market price risk (i.e. changes in market prices other than those arising from currency risk or interest rate risk) may affect the value of investments.

The Board manages the risks inherent in the investment portfolio by ensuring full and timely reporting of relevant information from the Investment Manager. Investment performance and exposure are reviewed at each Board meeting.

The Group's exposure to changes in market values was £14,818,360 (2019: £15,777,113). The direct impact of a 5% movement in the value of investments amounts to £740,918 (2019: £788,856). An equal change in the opposite direction would have decreased the net assets and net profit available to shareholders by an equal and opposite amount. The analysis is based on closing balances only and is not representative of the year as a whole.

	2020	2019
	£	£
Securities at fair value through profit or loss	**14,818,360**	15,777,113
Total investment	**14,818,360**	15,777,113

Interest Rate Risk

Interest rate movements may affect the level of income receivable on cash deposits. The Group's financial assets and liabilities, excluding short-term debtors and creditors, may include investment in fixed interest securities, such as UK corporate debt stock, whose fair value may be affected by movements in interest rates. The majority of the Group's financial assets and liabilities, however, are non-interest bearing. As a result, the Group's financial assets and liabilities are not subject to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates.

16. Financial Instruments and Associated Risks *(continued)*

The possible effects on the fair value and cash flows that could arise as a result of changes in interest rates are taken into account when making investment decisions. The Board imposes borrowing limits to ensure gearing levels are appropriate to market conditions.

	Cash flow interest rate risk 2020 £	**No interest rate risk 2020 £**	**Total 2020 £**	Cash flow interest rate risk 2019 £	No interest rate risk 2019 £	Total 2019 £
Investments at fair value through profit or loss	**4,166,493**	**10,650,686**	**14,817,179**	3,957,341	11,817,675	15,775,016
Investment in Subsidiary	**–**	**1,181**	**1,181**	–	2,097	2,097
Other receivables*	**–**	**85,007**	**85,007**	–	188,445	188,445
Cash at bank	**265,052**	**–**	**265,052**	785,703	–	785,703
Current liabilities	**–**	**(134,071)**	**(134,071)**	–	(135,463)	(135,463)
	4,431,545	**10,602,803**	**15,034,398**	4,743,044	11,872,754	16,615,798

* The above table does not include prepayments of £2,709 (2019: £4,513).

Interest rate movements may affect the level of income receivable on cash deposits and fixed interest bearing securities. The impact of a 1% movement in interest rates would move net assets and net profit available to shareholders by the following amounts:

	2020 £	2019 £
Fixed interest bearing securities	**3,225**	2,599
Bank interest	**–**	–
	3,225	2,599

Liquidity Risk

The Group's assets mainly comprise readily realisable quoted and unquoted securities that can be sold to meet funding commitments if necessary. Short-term flexibility is achieved through the ability to liquidate listed securities.

The Group's liquidity risk is managed by the Investment Manager in accordance with established policies and procedures in place. Cash flow forecasting is performed in the operating entities of the Group and aggregated by the Investment Manager. The Investment Manager monitors the rolling forecasts of the group's liquidity requirements to ensure it has sufficient cash to meet obligations as they fall due.

The maturity profile of the Group's financial liabilities £134,071 (2019: £135,463) is all due in one year or less.

Credit and Counterparty Risk

Credit risk is the risk of financial loss to the Group if the contractual party to a financial instrument fails to meet its contractual obligations.

The maximum exposure to credit risk as at 30 June 2020 was £352,768 (2019: £978,661). The calculation is based on the Group's credit risk exposure as at 30 June 2020 and this may not be representative for the whole year.

16. Financial Instruments and Associated Risks *(continued)*

The Group's quoted investments are held on its behalf by Fiske plc acting as the Group's custodian. Bankruptcy or insolvency of the custodian may cause the Group's rights with respect to securities held by the custodian to be delayed.

Where the Investment Manager makes an investment in a bond, corporate or otherwise, the credit rating of the issuer is taken into account so as to minimise the risk to the Group of default.

Investment transactions are carried out with a number of brokers where creditworthiness is reviewed by the Investment Manager.

Cash is only held at banks that have been identified by the Board as reputable and of high credit quality.

Foreign Currency Risk
Although the Group's performance is measured in sterling, a proportion of the Group's assets may be either denominated in other currencies, investments with currency exposure or the trading activities of its investee companies.

At 30 June, the Group held £1,181 (2019: £1,285) of investments held for sale denominated in Australian Dollars. This is not material to the Group.

Derivatives
The Investment Manager may use derivative instruments in order to "hedge" the market risk of part of the portfolio. The Investment Manager reviews the risks associated with individual investments and, where they believe it appropriate, may use derivatives to mitigate the risk of adverse market (or currency) movements. The Investment Manager discusses regularly the hedging strategy with the Board.

At the year end, there were no derivative contracts open (2019: none).

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 adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell securities to reduce debt.

The Group had no debt during the years to June 2020 or 2019.

17. Related Party Transactions

Details of the relationship between the Company/Group and the Investment Manager, Fiske plc are disclosed in the Strategic Report pages 3 to 13.

The amounts paid to the Investment Manager, together with details of the Investment Management Agreement, are disclosed in note 3. Investment Management fees for the year amounted to £121,165 (2019: £98,697). In addition, £8,183 was paid to Fiske plc pursuant to a custody agreement (2019: £6,141).

As at the year end, the following amounts were outstanding payable to Fiske plc: £20,622 (2019: £13,670).

Key Management Personnel

The Board consists of three 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. For the year ended 30 June 2020 all Directors including, the Chairman, received an annual fee of £15,000 between 1 July 2019 and 31 January 2020. From 1 February 2020 and going forward they have received a basic fee rate of £15,000 p.a. and fees for additional services at an annualized rate of £5,000 making a total of £20,000 p.a. The Directors did not receive any other form of renumeration.

Controlling Party

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

At the year end, there were no outstanding fees payable to Directors (2019: £nil).

Expenses outstanding to Directors at the year end consists of £nil (2019: £nil). No interest is charged on the balance and consists of reimbursement of expenses incurred.

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

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 154th Annual General Meeting of the Company will be held at the offices of IFC Advisory, Birchin Court, Birchin Lane, London, EC3V 9DU on 4 November 2020 at 11.00am to consider and, if thought fit, pass the following resolutions, of which numbers 1 to 10 and 14 will be proposed as ordinary resolutions and numbers 11 to 13 as special resolutions.

Please note that in light of the current COVID-19 pandemic and the associated restrictions on travel and public gatherings the AGM will be run as a closed meeting and shareholders will not be able to attend in person. Shareholders attempting to attend the AGM will be refused entry.

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 2020.

Resolution 2 – Ordinary Resolution

To receive and approve the Directors' Remuneration Report.

Resolution 3 – Ordinary Resolution

To receive and approve the Directors' Remuneration Policy.

Resolution 4 – Ordinary Resolution

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

Resolution 5 – Ordinary Resolution

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

Resolution 6 – Ordinary Resolution

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

Resolution 7 – Ordinary Resolution

To 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

To approve the Company's dividend payment policy as set out on page 10 of the Annual Report and Accounts for the year ended 30 June 2019.

Resolution 10 – 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 2021 (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 11 – Special Resolution

THAT, in substitution for any existing authorities, subject to the passing of Resolution 10, 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 10 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 2021 (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 12 – 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 this Notice);

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 2021;

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.

Resolution 13 – Special Resolution

THAT, a General Meeting other than an Annual General Meeting may be called on not less than 14 clear days’ notice.

Resolution 14 – Ordinary Resolution

THAT, the Company shall continue in existence as a closed-ended investment trust in accordance with the Articles of Association.

By order of the Board
Maitland Administration Services Limited
Hamilton Centre, Rodney Way, Chelmsford, Essex CM1 3BY

10 October 2020

NOTICE OF ANNUAL GENERAL MEETING *continued*

NOTES

Please note that in light of the current COVID-19 pandemic and the associated restrictions on travel and public gatherings the Annual General Meeting will be run as a closed meeting and shareholders will not be permitted to attend in person. Shareholders attempting to attend the AGM will be refused entry.

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 dialing internationally, on +44 (0) 121 415 7047. The helpline is open Monday to Friday 9.00am to 5.00pm, 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 2 November 2020 (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 5 October 2020 (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 5 October 2020 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.

14. Electronic Proxy Appointment through CREST

    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 4 November 2020 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 2 November 2020.

    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, www.maitlandgroup.com.

NOTICE OF ANNUAL GENERAL MEETING *continued*

16. None of the Directors has a contract of service with the Company. A copy of the letters of appointment of the Directors 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. 4205

NOTES