FINSBURY GROWTH & INCOME TRUST PLC

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Annual Report for the year ended 30 September 2019

LINDSELL TRAIN

Frostrow CAPITAL

Finsbury Growth & Income Trust PLC Annual Report for the year ended 30 September 2019

FINSBURY GROWTH & INCOME TRUST PLC

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FINSBURY GROWTH & INCOME TRUST PLC

COMPANY SUMMARY

THE COMPANY

The Company is an investment trust and its shares are listed on the premium segment of the Official List and traded on the main market of the London Stock Exchange. The Company is a member of the Association of Investment Companies ("AIC").

OBJECTIVES AND PERFORMANCE MEASUREMENT

The Company aims to achieve capital and income growth and to provide Shareholders with a total return in excess of that of the FTSE All-Share Index (the Company's benchmark).

The Company's net assets as at 30 September 2019 were £1,878.8 million (2018: £1,411.8 million) and the market capitalisation was £1,891.6 million (2018: £1,420.8 million).

MANAGEMENT

The Company is an Alternative Investment Fund ("AIF") under the European Union Alternative Investment Fund Managers' Directive ("AIFMD").

The Company has appointed Frostrow Capital LLP ("Frostrow") as Alternative Investment Fund Manager ("AIFM") to provide company management, company secretarial, administrative and marketing services. The Company and Frostrow have jointly appointed Lindsell Train Limited ("Lindsell Train") as the Portfolio Manager.

Further details of the terms of these appointments are provided on pages 15 and 16 and full disclosures required under the AIFMD can be found on the home page of the Company's website: (www.finsburygt.com).

DIVIDENDS

A first interim dividend of 8.0p per share (2018: 7.2p) was paid on 16 May 2019 to shareholders registered at the close of business on 5 April 2019. The associated ex-dividend date was 4 April 2019.

A second interim dividend of 8.6p per share (2018: 8.1p) was paid on 8 November 2019 to shareholders registered at close of business on 4 October 2019. The associated ex-dividend date was 3 October 2019.

The total dividend paid for the year was therefore 16.6p per share (2018: 15.3p per share).

ISA STATUS

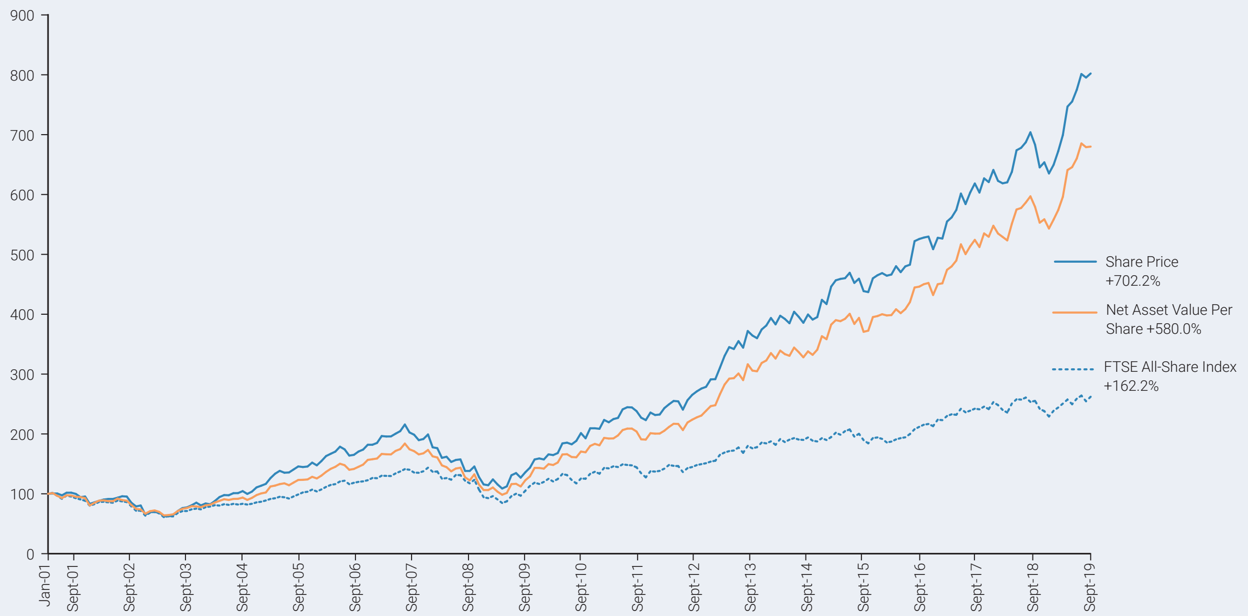
The Company's shares are eligible for Individual Savings Accounts ('ISAs') and for Junior ISAs.

STRATEGIC REPORT
COMPANY PERFORMANCE

The Company was incorporated in Scotland on 15 January 1926. Lindsell Train was appointed in December 2000. The total return of the Company's net asset value per share over the ten years to 30 September 2019 has been 374.7%*, equivalent to a compound annual return of 16.7%*. This compares to a total return of 121.0%* from the Company's benchmark, equivalent to a compound annual return of 8.3%*.

*Source: Morningstar, FTSE International Limited ("FTSE")©FTSE 2019

TOTAL RETURN PERFORMANCE SINCE THE DATE OF APPOINTMENT OF LINDSELL TRAIN AS PORTFOLIO MANAGER TO 30 SEPTEMBER 2019



Source: Morningstar
Rebased to 100 as at 1 January 2001

FIVE YEAR PERFORMANCE SUMMARY

	30 SEP 2015	30 SEP 2016	30 SEP 2017	30 SEP 2018	30 SEP 2019
Share price	556.5p	658.0p	736.5p	818.0p	942.0p
Share price total return*, ^	+11.8%	+20.8%	+14.2%	+13.2%	+17.4%
Net asset value per share	556.9p	657.7p	732.8p	812.8p	935.6p
Net asset value per share total return*, ^	+12.0%	+20.6%	+13.7%	+13.1%	+17.4%
FTSE All-Share Index total return**,†	(2.3)%	+16.8%	+11.9%	+5.9%	+2.7%
Revenue return per share	13.5p	15.2p	15.8p	16.5p	18.3p
Dividends per share	12.1p	13.1p	14.2p	15.3p	16.6p

* Source: Morningstar
** Source: FTSE International Limited ("FTSE")©FTSE 2019†
† See glossary of terms and alternative performance measures on pages 65 and 66
^ Alternative Performance Measure ("APM") (see glossary on pages 65 and 66)

FINANCIAL HIGHLIGHTS FOR THE YEAR

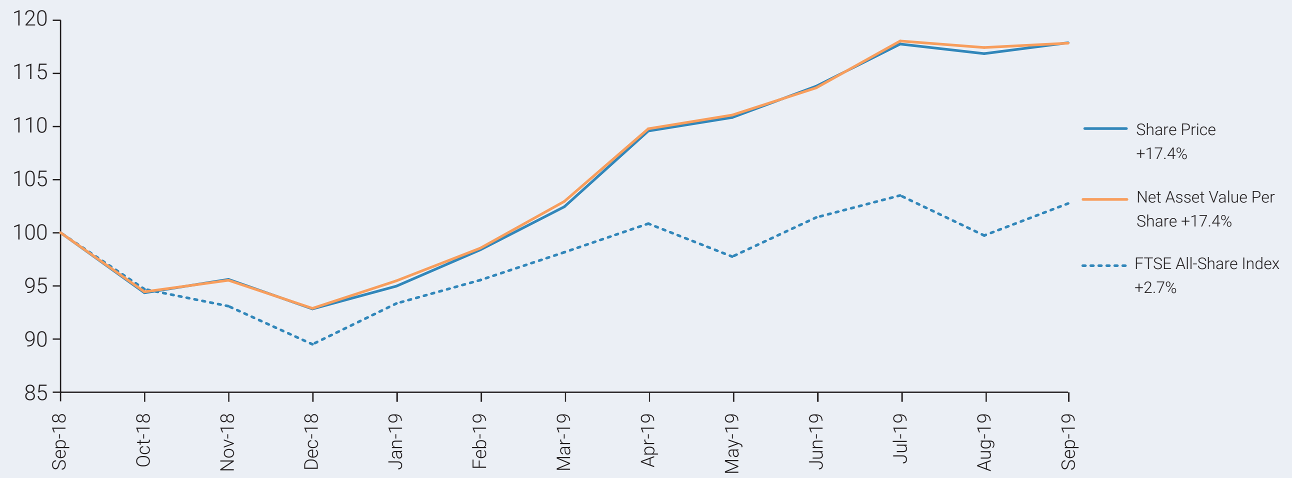
	AS AT 30 SEPTEMBER 2019	AS AT 30 SEPTEMBER 2018	CHANGE
Share price	942.0p	818.0p	+15.2%
Net asset value per share†	935.6p	812.8p	+15.1%
Premium of share price to net asset value per share^	0.7%	0.6%	
Gearing^	0.5%	1.4%	
Shareholders' funds†	£1,878.8m	£1,411.8m	+33.1%
Number of shares in issue	200,811,712	173,691,712	+15.6%

^ Alternative Performance Measure (see glossary on pages 65 and 66)
† UK GAAP Measure

	YEAR ENDED 30 SEPTEMBER 2019	YEAR ENDED 30 SEPTEMBER 2018	CHANGE
Share price total return[1,^]	+17.4%	+13.2%	
Net asset value per share total return[1,^]	+17.4%	+13.1%	
FTSE All-Share Index total return (Company benchmark)[1,2]	+2.7%	+5.9%	
Ongoing charges^	0.66%	0.67%	
Revenue return per share†	18.3p	16.5p	+10.9%
Dividends per share:			
First interim dividend	8.0p	7.2p	+11.1%
Second interim dividend	8.6p	8.1p	+6.2%
Total dividends per share for the year	16.6p	15.3p	+8.5%

^ Alternative Performance Measure (see glossary on pages 65 and 66)
† UK GAAP Measure
1 Source – Morningstar
2 Source – FTSE International Limited ("FTSE")©FTSE 2019*

ONE YEAR TOTAL RETURN PERFORMANCE



Source: Morningstar
Rebased to 100 as at 30 September 2018

STRATEGIC REPORT
CHAIRMAN'S STATEMENT

ANTHONY TOWNSEND
Chairman

Dear Shareholder,

PERFORMANCE

The Company's net asset value total return per share^ for the year was 17.4% (2018: 13.1%) and the share price total return^ was also 17.4% (2018: 13.2%). Both have again significantly outperformed the Company's benchmark, the FTSE All-Share Index, measured on a total return basis, which rose by 2.7% over the same period (2018: 5.9%). The principal contributions to net asset value performance came from our holdings in London Stock Exchange, Mondelez International and Diageo. More details are set out in the Portfolio Manager's report which follows this statement.

The Company's outstanding performance and the resulting strong demand for its shares has caused them to trade at a premium to the cum-income net asset value per share consistently throughout the year. At the end of the year the share price ended on a 0.7% premium^ to the Company's net asset value per share (2018: 0.6% premium).

It is also particularly pleasing to note that our Portfolio Manager's long-term strategy continues to deliver excellent returns with £1,000 invested in the Company ten years ago now being worth £4,747. This compares to a figure of £2,210 if we had just tracked the Company's benchmark index, the FTSE All-Share Index, over the same period.

SHARE CAPITAL

Consistent demand for the Company's shares led to the issue of a total of 27,120,000 new shares during the year. This issuance policy ensured that the share price premium was effectively managed throughout the year with the net proceeds received by the Company amounting to £226.3 million. These proceeds were invested in line with the Company's investment objective. Since the financial year end to the 16 December 2019, being the latest practical date, the Company has issued a further 6,555,000 new shares raising a further £58.2 million.

The scale of new issuance during the year exceeded the shareholder authority granted at the February 2019 Annual General Meeting (AGM). Accordingly, in advance of the authority level being reached, an extra general meeting was held in July 2019 to refresh the new share issuance authority. As described in the circular issued to shareholders in advance of that meeting, this was to ensure that new share issues could continue uninterrupted. At the July 2019 general meeting authority to issue a further 19.7 million new shares was approved by shareholders. Such authority will again be proposed for renewal at the Company's Annual General Meeting to be held in February 2020.

As a consequence of the ongoing share issuance programme the requirement to publish a prospectus arose during the year. This prospectus is available on the Company's website and it provides authority for the issue of 60 million new shares.

RETURN AND DIVIDEND

The Income Statement shows a total return per share of 143.8 pence per share (year ended 30 September 2018: 93.6 pence) consisting of a revenue return per share of 18.3 pence (year ended 30 September 2018: 16.5 pence) and a capital return per share of 125.5 pence (year ended 30 September 2018: 77.1 pence)

The Company's revenue return during the year was up 10.9% from last year (on a per share basis) and your Board has declared two interim dividends for the year totalling 16.6 pence per share (year ended 30 September 2018: 15.3 pence) a year-on-year increase of 8.5%. This is in line with the Board's long-term objective of increasing or at least maintaining the total dividend each year.

In light of the continued strong demand for the Company's shares and in order to facilitate dividend payments on a timely and cost effective basis, your Board continues to elect to distribute the Company's income to shareholders by means of two interim dividends rather than wait several months to secure shareholder approval to pay a final dividend at the Annual General Meeting.

^ Alternative Performance Measure
(see glossary on pages 65 and 66)

GEARING^

During the year the Company had a secured fixed term committed revolving facility with Scotiabank Europe PLC. This consisted of a £75 million facility with an additional £25 million option. As at 30 September 2019 a total of £36.7 million had been drawn down under the facility.

Having reviewed the pattern of usage, on 4 October 2019 the Board renewed the facility at an amount of £50 million, with the option of an additional £50 million.

REGULATORY

During 2018, a new UK Corporate Governance Code was published by the Financial Reporting Council, which applies to companies with financial years beginning on or after 1 January 2019. A corresponding AIC Code of Corporate Governance was published at the beginning of February 2019, also applying to companies with financial years beginning on or after 1 January 2019. The Company will report against the principles and recommendations of the new AIC Code in its next annual report and will continue to update the relevant policies and internal guidelines throughout the year in order to adhere to the new AIC Code.

BOARD COMPOSITION

Three members of the Board, I being one of them, have served for more than nine years and in accordance with the requirements of the above Corporate Governance Codes we are required to implement a Board refreshment programme. It would clearly be unnecessarily disruptive for all three of us to depart at the same time, so we are adopting a rolling programme of retirements.

Neil Collins will retire from the Board at the Annual General Meeting being held in February 2020 so will not stand for re-election. Neil has made a very significant contribution during his time on the Board and he will be greatly missed by his fellow Directors. We have all much enjoyed working with him and wish him all the best for the future.

David Hunt will be the next to retire and will do so next year after the release of our 2020 half year accounts to 31 March 2020. This will enable an orderly hand over of his responsibilities as Chairman of the Audit Committee. I will then retire at our 2021 Annual General Meeting, when Simon Hayes will succeed me as Chairman of the Board.

As announced on 9 October 2019, we are delighted to welcome Sandra Kelly to the Board. We are very pleased to have appointed a director with such extensive financial expertise and enthusiasm and it is intended that Sandra should succeed David Hunt as Chairman of the Audit Committee following his retirement next year. A resolution proposing her election together with resolutions for those Directors standing for re-election will be put to shareholders at the forthcoming Annual General Meeting.

OUTLOOK

The result of last week's general election in the UK has removed much of the political uncertainty that dominated the year under review although the Brexit process has yet to run its course. Despite that difficult backdrop, the Company has again continued to outperform its benchmark and deliver another year of respectable returns to shareholders.

Your Board continues to support fully the Portfolio Manager's strategy of investing in high quality companies that own both durable and cash generative brands. We believe firmly that this will continue to deliver strong investment returns to shareholders over the longer term.

ANNUAL GENERAL MEETING

The Annual General Meeting of the Company this year will again be held at Guildhall, City of London EC2V 7HH (please use the Basinghall Street Entrance) on Friday, 28 February 2020 at 12 noon, and we hope as many shareholders as possible will attend. This will be an opportunity to meet the Board and to receive a presentation from our Portfolio Manager. We thank you for your continued support.

Further details of the location of the Company's Annual General Meeting can be found in the Notice of Meeting.

Anthony Townsend
Chairman

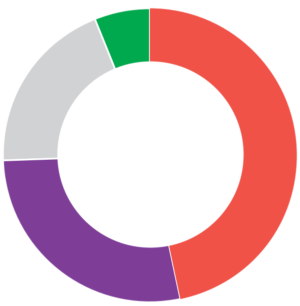
17 December 2019

STRATEGIC REPORT
INVESTMENT PORTFOLIO
Investments as at 30 September 2019

INVESTMENTS	FAIR VALUE 2018 £'000	PURCHASES £'000	SALES £'000	CAPITAL APPRECIATION/ (DEPRECIATION) £'000	FAIR VALUE 2019 £'000	% OF INVESTMENTS
London Stock Exchange	122,557	1,688	–	73,802	198,047	10.5
RELX	140,558	17,934	–	30,438	188,930	10.0
Unilever	136,683	20,087	–	25,217	181,987	9.6
Diageo	144,080	5,148	–	32,521	181,749	9.6
Mondelez International[1]	108,594	14,314	–	42,944	165,852	8.8
Burberry Group	105,384	36,361	–	14,092	155,837	8.3
Hargreaves Lansdown	131,250	20,547	–	(6,818)	144,979	7.7
Schroders+	101,028	36,420	–	3,106	140,554	7.4
Sage Group	71,717	25,701	–	13,938	111,356	5.9
Heineken[2]	78,959	8,827	–	13,642	101,428	5.4
Remy Cointreau[3]	52,617	8,767	–	4,726	66,110	3.5
Daily Mail & General Trust (non-voting)^	55,441	12,085	(5,860)	(13,457)	48,209	2.6
Euromoney Institutional Investor^	12,678	2,066	–	26,692	41,436	2.2
Pearson	35,244	6,482	–	(7,201)	34,525	1.8
Rathbone Brothers	29,904	1,775	–	(2,286)	29,393	1.6
Manchester United[1]	31,746	3,546	–	(7,394)	27,898	1.5
A.G. Barr	31,285	342	–	(6,137)	25,490	1.3
Lindsell Train Investment Trust	11,750	–	–	1,750	13,500	0.7
Young & Co's Brewery (non-voting)	12,285	–	–	(735)	11,550	0.6
Fuller Smith & Turner	6,580	–	–	1,820	8,400	0.4
Celtic*	5,549	7	–	(74)	5,482	0.3
PZ Cussons	–	4,153	–	(171)	3,982	0.2
Frostrow Capital LLP[4] **	1,885	50	–	205	2,140	0.1
Greene King	1,544	–	(1,640)	96	–	0.0
Keurig Dr. Pepper Snapple (formerly Dr. Pepper Snapple)	2,354	–	(3,944)	1,590	–	0.0
	1,431,672	**226,300**	**(11,444)**	**242,306**	**1,888,834**	**100.0**

\+ Includes Schroders (non-voting) shares, fair value £10,081,000 (2018: £8,265,000)
* Includes Celtic 6% cumulative convertible preference shares, fair value £290,000 (2018: £267,000)
** Includes Frostrow Capital LLP AIFM Investment, fair value £600,000 (2018: £550,000)
1 Listed in the United States
2 Listed in the Netherlands
3 Listed in France
4 Unquoted
^ During the year Daily Mail & General Trust (Daily Mail) divested its 49% stake in Euromoney Institutional Investor (Euromoney), resulting in a reduced holding in Daily Mail and an increased holding in Euromoney

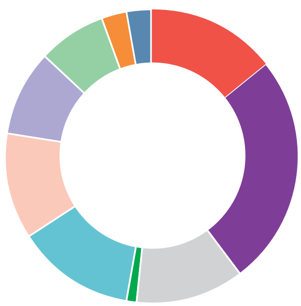
PORTFOLIO SECTOR WEIGHTINGS 2019



Consumer Goods	46.7%
Financials	28.0%
Consumer Services	19.4%
Technology	5.9%

Source: Frostrow Capital LLP

FTSE ALL SHARE SECTOR WEIGHTINGS* 2019



Consumer Goods	14.3%
Financials	25.6%
Consumer Services	11.9%
Technology	1.0%
Oil & Gas	13.2%
Industrials	11.7%
Health Care	9.4%
Basic Materials	7.4%
Telecommunications	2.8%
Utilities	2.7%

*Source: FTSE International Limited ("FTSE") © FTSE 2019

STRATEGIC REPORT
CONTRIBUTIONS TO TOTAL RETURN
for the year ended 30 September 2019

INVESTMENTS	TOTAL RETURN £'000	CONTRIBUTION PER SHARE (PENCE)*
Equities		
London Stock Exchange	75,517	40.2
Mondelez International	45,499	24.3
Diageo	36,181	19.3
RELX	34,610	18.5
Unilever	30,142	16.1
Burberry Group	16,869	9.0
Sage Group	16,279	8.7
Daily Mail & General Trust and Euromoney Institutional Investor**	15,444	8.2
Heineken	15,237	8.1
Schroders***	8,049	4.2
Remy Cointreau	5,949	3.2
Lindsell Train Investment Trust	2,045	1.1
Fuller Smith & Turner	1,961	1.1
Keurig Dr Pepper Snapple (formerly Dr. Pepper Snapple)	1,603	0.9
Greene King	102	0.1
Celtic	(97)	(0.1)
PZ Cussons	(129)	(0.1)
Young & Co's Brewery (non-voting)	(517)	(0.3)
Rathbone Brothers	(1,438)	(0.8)
Hargreaves Lansdown	(3,972)	(2.1)
A.G Barr	(5,413)	(2.9)
Pearson	(6,341)	(3.4)
Manchester United	(7,127)	(3.8)
	280,453	149.5
Preference Shares (Franked income)		
Celtic 6% (cumulative convertible preference shares)	30	0.0
	30	0.0
Unquoted		
Frostrow Capital LLP	656	0.4
Total Contributions to Total Return	281,139	149.9
Expenses and Finance Charges	(11,382)	(6.1)
Return on Ordinary Activities after Taxation	269,757	143.8

* Based on 187,655,152 shares, being the weighted average number of shares in issue during the year ended 30 September 2019
** Includes the total return of Daily Mail and Euromoney following a corporate action which took place during the year (see page 6 for further information)
*** includes Schroders non voting shares

STRATEGIC REPORT

PORTFOLIO MANAGER'S REVIEW

NICK TRAIN
LINDSELL TRAIN LIMITED
Portfolio Manager

Many years ago I came across a comment from George Soros about his time as a money manager that really rang true to me. However, it is now so long ago I read it I can no longer find the quote or vouch for the accuracy of what follows. Nonetheless, I'm sure I've got the gist of it.

What Soros said was something on the lines of:

"I found running money very painful. If the fund was doing well I was acutely worried that my performance was about to take a turn for the worse. And the only time I felt worse than when we were doing well - was when we were doing badly."

In other words, for all of us engaged in putting capital at risk in volatile markets - markets driven by rapidly changing economic and political circumstances – there is likely never a time when we aren't worried and worry is painful. This is true for so-called amateur investors (I say so-called, because many such investors are serious, talented and are "paying" themselves through the application of their acumen.) and for those of us lucky enough to be remunerated for investing other peoples' precious savings.

I was reminded of the Soros quote as I reviewed the investment performance of your Company ("FGT") over its financial year to end September 2019. On the face of it relative performance was strong over the period, or at least for 11 months of the 12. But I have to say that I have felt unusually worried most of this year as FGT's performance and share price rose nicely against the backdrop of a subdued UK equity market.

Don't misunderstand – it is gratifying to deliver gains for shareholders, especially given that I am one too (indeed, I have continued to add to my holding throughout the year). And to be clear, as far as the companies in which we have invested are concerned I continue to be optimistic about almost all of them. I will return to that "almost" later in this report.

But 2019 has truly felt like an unusual year for the UK stock market – with investors both domestic and international transfixed by the B-word, of course. Now, it transpired that FGT's portfolio was pretty much perfectly positioned for those months of uncertainty. FGT benefited from its bias toward global companies, like Diageo, RELX and Unilever and its lower exposure to domestic-oriented UK companies, such as banks or retailers; in fact we have zero in these sectors. In addition, we were helped by the near 20% we have in non-UK quoted companies, such as Heineken and Cadbury-owner Mondelez, which tended to go up in value as the Pound went down. (FGT's objective is to outperform the FTSE All-Share Index, but the Board permits us to invest up to 20% outside the UK, if we think that by doing so we improve the prospects of achieving investors' aspirations.)

But there is an important caveat here. This is that FGT's portfolio was not positioned in this way because of any brilliant analysis by Lindsell Train Limited and certainly not brilliant analysis by me, about the market ramifications of UK economic and political uncertainty in 2019. Rather, the portfolio is structured as it is because it reflects our long-held views about where the best long term investment returns will be earned. In other words there was a healthy dose of good fortune helping us in 2019. What is clear is that FGT's short term performance has become increasingly sensitive to the swings in sentiment about UK politics. Any development perceived as helpful for the Pound and the domestic economy has become, temporarily at least, unhelpful for FGT's Net Asset Value (NAV). Because when the Pound goes up our overseas earners go sideways or down and the domestic businesses to which we have less exposure go up. Indeed, this is exactly what happened in September 2019, the last month of FGT's financial year. It is too soon to say whether these affects will continue in the immediate aftermath of the outcome of the December 12th general election.

But what I will assure shareholders is that we will not change the strategic positioning of your portfolio in response to such short-term fluctuations. Or putting it differently – we do not expect FGT's medium-term performance to be effected either positively or negatively by whatever the eventual outcome of the UK's Brexit travails. Politics do matter tremendously for people and, to a degree for the economy. But it is a fundamental mistake to conflate an economy with a stock market. The constituents of a stock market may behave in aggregate very differently from the economy in which they are domiciled and this is particularly true of a stock market as globally-oriented as the UK. We remain optimistic about the prospects for the FTSE All-Share Index (and a fortiori for FGT), but this is because we remain confident in the entrepreneurial spirit of the UK corporate sector and value the shareholder-friendly corporate culture of the UK – not because we have any special insight into the geopolitics of the UK's relationship with continental Europe.

Now, turning to a review of corporate developments in 2019, it is worth noting two pieces of news. Our best performer in the year was the London Stock Exchange, which, as a result, has become the biggest holding in FGT. The LSE made an offer for the old Reuters business, now called Refinitiv and then saw off a possible bid from the Hong Kong Stock Exchange. Both developments were helpful for investors' appreciation of the LSE. The Refinitiv deal, if consummated, will materially increase the amount of proprietary data that the LSE can offer its clients, as well as making the company even more global. Meanwhile, the Hong Kong bid, albeit abortive, reinforces the strategic value of the LSE's position in the plumbing of global financial markets.

The LSE has been a wonderful investment for FGT, first introduced up to a decade and a half ago. We have persistently added to the holding over the years, but even so at the September year-end price the shares are up over 4-times on the average book cost. This is exactly the sort of effect we are looking to capture for FGT shareholders through the application of a really long-term approach. Fifteen years ago the LSE's share price was around £4.00. At end September it was at over £73.00. Of course over those years there have been times when LSE shares looked "expensive" or when commentators argued that the shares might underperform for a period. Indeed, there were periods when the shares did underperform. But, in hindsight, it is clear that the exceptional profitability of the LSE and its unique strategic position mattered much more than investors' short term quibbles about its valuation. In short - the shares of great companies go up over time and go up a lot if you are prepared to be more patient than the average market participant. Or, at least, that is our working hypothesis – certainly confirmed by the LSE's gains this year.

By stark contrast our equally long term holding in Pearson has disappointed us again, with its shares falling on its September 2019 trading update that revealed profits for this year will be at the lower end of expectations. We respect the senior executives of Pearson, who are of high integrity and have done as good a job as could be expected during a period of accelerating and unpredictable technology change. Candidly I am not certain what the correct next decision is as regards Pearson shares – at least if you are an owner. But I assure FGT shareholders that the experience of holding it is a powerful reminder to us that even the strongest franchises or collections of Intellectual Property (and Pearson had both) can be undone by the kind of disruptive technology change that we've experienced in the second decade of the 21st century.

There is a lot more that I could write about. For instance the encouraging business performance of the global brands that drive the earnings of so many of our biggest holdings. Or speculating about what might be the long-term implications of the Woodford affair on the fund management industry in general and on the business of Hargreaves Lansdown in particular (HL remains an important holding in FGT). Or noting that we have recently initiated a new holding – slowly building a position in a company that has been deeply out of favour for a number of years. But these topics will have to be developed in our monthly newsletters – once there is greater clarity.

I am going to conclude by pointing out that there is an important flip side to the factor that I blamed in a previous paragraph for Pearson's struggles – "disruptive technology change". The flip side is that technology change is also creating new opportunities for new and old companies to improve their products or services. And what drives equity markets higher over time are the productivity gains and new wealth created by such technology change. On this analysis we must actually be in some kind of golden era for equity investing. If that seems an absurdly optimistic claim, then consider: on the day I write this report the S&P 500 and NASDAQ indexes in the US have just hit all-time highs, up over 20% year-to-date. Meanwhile the FTSE All-Share Index is now up over 9% in calender 2019 and is only 5% below its peak hit in 2018. In other words, despite worries about Trump trade wars and all the rest, stock markets have gone higher.

So, like Soros, by all means worry. But not to the extent that you despair and lose your exposure to wealth-creating companies.

Nick Train
Director
Lindsell Train Limited
Portfolio Manager

17 December 2019

STRATEGIC REPORT
BUSINESS REVIEW

BUSINESS REVIEW

The Strategic Report, set out on pages 2 to 19, contains a review of the Company's policies and business model, together with an analysis of its performance during the financial year and its future developments. It also considers the principal risks and uncertainties facing the Company. The Strategic Report has been prepared to provide information to shareholders to assess how the Directors have performed their duty to promote the success of the Company.

The Strategic Report contains certain forward-looking statements. These statements are made by the Directors in good faith based on the information available to them up to the date of this report and such statements should be treated with caution due to the inherent uncertainties, including both economic and business risk factors, underlying any such forward-looking information.

As an externally managed investment trust the Company has no executive directors, employees or internal operations. The Company delegates its day-to-day management to third parties. The principal service providers to the Company are Frostrow which acts as AIFM, company secretary and administrator; and Lindsell Train Limited ("Lindsell Train") which acts as Portfolio Manager. The Bank of New York Mellon (International) Limited is the Company's Depositary.

The Board is responsible for all aspects of the Company's affairs, including the setting of parameters for and the monitoring of the investment strategy and the review of investment performance and policy. It also has responsibility for all strategic issues, the dividend policy, the share issuance and buy-back policy, gearing, share price and discount/ premium monitoring and corporate governance matters.

STRATEGY FOR THE YEAR ENDED 30 SEPTEMBER 2019 AND STRATEGIC REVIEW

Throughout the period under review, the Company continued to operate as an approved Investment Trust, following its investment objective to achieve capital and income growth and to provide shareholders with a total return in excess of that of the FTSE All-Share Index.

During the year, the Board and Frostrow Capital LLP, the Alternative Investment Fund Manager ("AIFM") and the Portfolio Manager undertook all strategic and administrative activities.

INVESTMENT POLICIES

No changes have been made to the Company's investment policies.

- The Company's investment policy is to invest principally in the securities of UK listed companies, whilst up to a maximum of 20% of the Company's portfolio, at the time of acquisition, can be invested in quoted companies outside the UK.
- The portfolio will normally comprise up to 30 investments. This level of concentration may lead to an investment return which is materially different from the Company's benchmark index and may be considered to carry above average risk.
- Unless driven by market movements, securities in FTSE 100 companies and comparable companies listed on an overseas stock exchange will normally represent between 50% and 100% of the portfolio; securities in FTSE 350 companies and comparable companies listed on overseas stock exchanges will normally represent at least 70% of the portfolio.
- The Company does not and will not invest more than 15%, in aggregate, of the value of its gross assets in other closed ended investment companies (including investment trusts) listed on the London Stock Exchange. Further, the Company does not and will not invest more than 10%, in aggregate, of the value of its gross assets in other closed ended investment companies (including investment trusts) listed on the London Stock Exchange, except where the investment companies themselves have stated investment policies to invest no more than 15% of their gross assets in other closed ended investment companies (including investment trusts) listed on the London Stock Exchange.
- The Company has the ability to invest up to 25% of its gross assets in preference shares, bonds and other debt instruments, although no more than 10% of any one issue may be held.
- In addition, a maximum of 10% of the Company's gross assets can be held in cash, where the Portfolio Manager believes market or economic conditions make equity investment unattractive or while seeking appropriate investment opportunities or to maintain liquidity.
- The Company's gearing policy is that gearing will not exceed 25% of the Company's net assets.

No investment will be made in any company or fund managed by the Portfolio Manager without the prior approval of the Board.

In accordance with the Listing Rules of the Financial Conduct Authority ("FCA"), the Company can only make a material change to its investment policies with the approval of its shareholders.

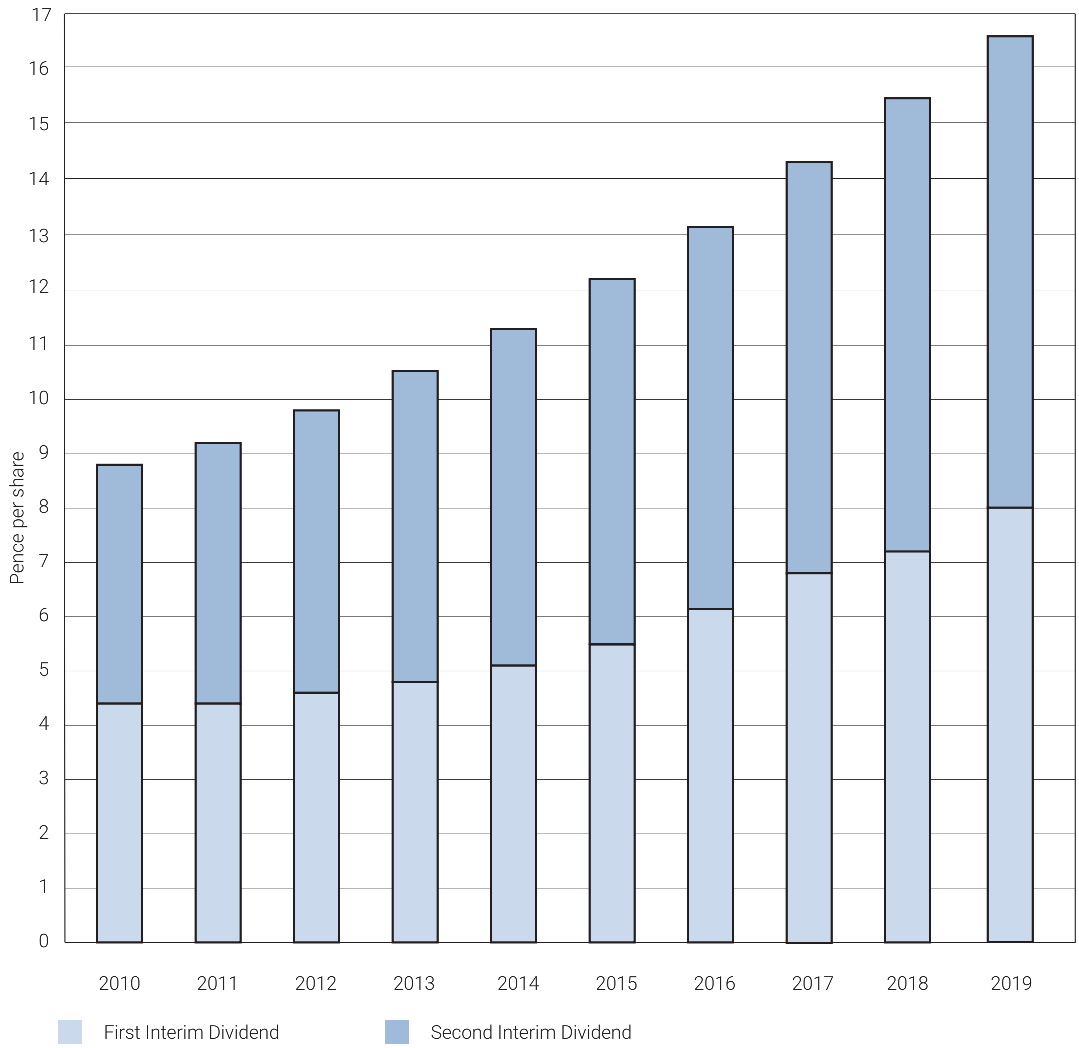
DIVIDEND POLICY

The Company's aim is to increase or at least to maintain the total dividend each year. A first interim dividend is typically paid in May and a second interim in November in lieu of a final dividend.

The level of dividend growth is dependent upon the growth and performance of the companies within the Investment Portfolio. The decision as to the level of dividend paid takes into account the income forecasts maintained by the Company's AIFM and Portfolio Manager which are reviewed regularly by the Board. These forecasts consider dividends earned from the portfolio together with predicted future earnings.

All dividends are distributed from revenue reserves.

TEN YEAR DIVIDEND RECORD



Source: Frostrow Capital LLP

STRATEGIC REPORT
BUSINESS REVIEW

PRINCIPAL RISKS AND RISK MANAGEMENT

The Board considers that the risks detailed below are the principal risks currently facing the Company. These are the risks that could affect the ability of the Company to deliver its strategy.

The Board can confirm that the principal risks of the Company, including those which would threaten its future performance, solvency or liquidity, have been robustly assessed throughout the year, and that processes are in place to continue this assessment.

A detailed risk register is reviewed by the Audit Committee on behalf of the Board twice a year. The principal risks and uncertainties faced by the Company relate to the nature of its objectives and strategy as an investment company and the markets in which it invests.

There were no changes to the Company's risk management processes during the year and no significant failings or weaknesses were identified from the Board's most recent risk review.

There has been no change to the assessment of each risk during the year.

Corporate Strategy

Risk: The Company's business model or investment objective may become unacceptable or unattractive to shareholders.

The Board reviews the Company's investment mandate in relation to market and economic conditions and monitors the Company's performance against its peers. In addition, the Board holds meetings with shareholders when necessary and regularly reviews the AIFM's reports on marketing activities and investor feedback. The Company's stockbroker also regularly reports to the Board on investor sentiment and movements on the share register.

The Board meets with the Portfolio Manager at each Board meeting and undertakes a regular review of compliance with the Company's investment guidelines.

Risk: The Board may be unable to maintain its dividend policy.

The Board reviews income forecasts produced by the AIFM at every Board meeting. The Company's Articles of Association would permit the payment of dividends out of capital. The Board also regularly reviews the Company's gearing levels in discussion with the Portfolio Manager as well as compliance with the gearing limits it sets.

Risk: The Company's share price total return may differ materially from the NAV per share total return.

The Board operates a discount control mechanism which is intended to protect against the share price widening beyond a 5% discount to NAV per share. There is also a share issuance programme which acts as a premium control mechanism.

Investment Strategy and Activity

Risk: The investment strategy adopted by the Portfolio Manager may lead to an investment return that is materially lower than the Company's benchmark index, thereby failing to achieve the Company's investment objective.

The Board reviews the performance of the portfolio against the benchmark and the Company's peer group at every meeting as well as a monthly compliance report and the monthly fact sheet. The Board discusses with the Portfolio Manager the structure of the portfolio, including asset allocation and portfolio concentration, and the investment strategy at each meeting.

Key Person Risk

Risk: The departure of a key individual at the Portfolio Manager may affect the Company's performance.

The Board keeps the portfolio management arrangements under continual review. In turn, the Portfolio Manager reports on developments at Lindsell Train, including succession and business continuity plans.

Shareholder Relations and Corporate Governance

Risk: The investment objective of existing shareholders no longer coincides with the investment objective of the Company or the Board becomes unaware of the identity of the Company's shareholders.

At each meeting the Board reviews movements in the Company's shareholder register. In addition, the AIFM and the Company's corporate stockbroker both report on their interactions with investors.

Risk: Poor adherence to corporate governance best practice or errors or irregularities in published information could lead to censure and/or result in reputational damage to the Company.

The Board reviews all information supplied to shareholders and the AIFM's marketing activity at each meeting and periodically reviews the Company's website. Details of the Company's compliance with corporate governance best practice, including information on relationship with shareholders, are set out in the Corporate Governance Report on pages 29 and 30.

Operational

Risk: The Company's service providers perform poorly, fail to meet their contractual obligations or fail to provide sufficient or accurate information to the Board for decision-making.

The Board reviews the terms of all major service agreements and the Audit Committee meets annually with the Company's auditors independently to discuss the year's audit findings.

The AIFM reports by exception on the performance of outsourced service providers and reviews contracts to ensure they remain reasonable and competitive, undertaking tender processes when appropriate.

Both the AIFM's and the Portfolio Manager's compliance officers report to the Audit Committee at every meeting and their internal control report, together with the internal control report of the Custodian, are reviewed annually. These reviews include consideration of the associated cyber security risks facing the Company.

Risk: Errors regarding title to investment holdings or threats to the solvency of the depositary may expose the Company to financial loss.

The AIFM monitors the portfolio movements daily and the Depositary submits semi-annual reports on the safe-keeping of the Company's assets. The AIFM and the Depositary undertake stock reconciliations and produce monthly exceptions reports, with any discrepancies investigated promptly.

Financial

Risk: The Company is exposed to market risk, liquidity risk, credit risk and fraud.

The Portfolio Manager is responsible for undertaking reviews of the creditworthiness of the counterparties that it uses. Compliance with investment guidelines is confirmed monthly.

The Board reviews a financial analysis at each meeting and the Depositary monitors all payments made from the Company's accounts as well as the custody of the Company's assets. The AIFM confirms adherence with the relevant loan covenants to the provider of the Company's bank loan facility on a monthly basis.

Board approval is required for gearing and the Board reviews adherence to the loan covenants monthly.

Further information on financial instruments and risk can be found in note 17 to the Financial Statements beginning on page 52.

Accounting, Legal and Regulatory

Risk: The regulatory environment in which the Company operates changes, affecting the Company's modus operandi.

Failure to comply with applicable laws and regulations could expose the Company to serious financial loss and reputational damage.

The Board monitors regulatory change with the assistance of its AIFM, Portfolio Manager and external professional suppliers to ensure compliance with applicable laws and regulations including the Companies Act 2006, the AIFM Rules, the Corporation Tax Act 2010 ('Section 1158'), the Market Abuse Regulation ('MAR'), the Disclosure Guidance and Transparency Rules ("DGTRs") and the UKLA Listing Rules. The Board reviews compliance reports and internal control reports provided by its service providers, as well as the Company's Financial Statements and forecasts.

The Depositary reports twice yearly to the Audit Committee, confirming that the Company, acting through the AIFM , has been managed in accordance with the AIFMD, the FUND sourcebook, the Articles (in relation to the calculation of the NAV per share) and with investment restrictions and leverage limits set in its offering documents. The Depositary Report can be found in the Shareholder information section of the Company's website (www.finsburygt.com).

The Directors attend AIC Roundtables and conferences to keep up to date on regulatory changes and receive industry updates from the AIFM.

THE BOARD

Details of the Board of Directors of the Company are set out on pages 20 and 21.

STRATEGIC REPORT
BUSINESS REVIEW

PERFORMANCE AND PROSPECTS

The Portfolio Manager uses a bottom-up stock picking approach and looks to invest in a universe of excellent listed businesses that appear undervalued.

Whilst performance is measured against the FTSE All-Share Index, the Company's portfolio is constructed and managed without reference to a stock market index.

The Board believes that the Company's performance over the last ten years (net asset total return^ of 374.7% compared to a total return from the Company's benchmark index of 121.0%) demonstrates that it is possible to achieve strong performance through investing principally in UK equities without trading portfolio securities on a short term basis.

Information on the Company's performance during the year and its prospects are provided in the Chairman's Statement and Portfolio Manager's Review and a record of the performance measures is shown on pages 2 and 3. Further Information can be found in the glossary beginning on page 65.

KEY PERFORMANCE INDICATORS

At each meeting the Board considers a number of performance measures to assess the Company's success in achieving its investment objective. These KPIs are:

Net asset value total return^

The Directors regard the Company's net asset value total return to be a key indicator of performance.

This reflects net asset value growth of the Company including the impact of reinvested dividends.

During the year under review the Company's net asset value per share total return was 17.4% (2018: 13.1%).

Share price total return^

The Directors also regard the Company's share price total return to be a key indicator of performance.

This reflects share price value growth of the Company including the impact of reinvested dividends.

During the year under review the Company's share price total return was 17.4% (2018: 13.2%).

Benchmark and peer group performance

The Company's benchmark is the FTSE All-Share Index (total return) which delivered a return of 2.7% (2018: 5.9%) over the year. This compares to the Company's share price total return of 17.4% (2018: 13.2%).

The Board also monitors the Company's net asset value per share return against its AIC peer group^. As at 30 September 2019 the Company ranked first out of 28 over one, three, five and ten years.*

Revenue return per share+

The Directors regard the Company's revenue return per share to be an important indicator of performance.

The revenue return per share for the year was 18.3p per share (2018: 16.5p per share). The Company's revenue return per share during the year was up 10.9%.

Share price discount/premium to net asset value per share^

The Board reviews the level of discount/premium to net asset value per share at every Board meeting and consideration is given to ways in which the share price performance may be enhanced, including the effectiveness of marketing and share issuance and buy-backs, where appropriate. Details of how the Company's discount/premium control mechanism works can be found in the Trust characteristics section on the Company's website (www.finsburygt.com).

Demand for the Company's shares led to the issue of a total of 27,120,000 new shares during the year at a premium to the higher of the prevailing cum or ex income net asset value per share at the time of issue. No shares were repurchased by the Company during the year. At 30 September 2019 the Company's share price stood at a 0.7% premium to the Company's net asset value per share (2018: 0.6%).

^ Alternative Performance Measure (see glossary on pages 65 and 66)

+ UK GAAP Measure
* Source: Morningstar

MANAGEMENT ARRANGEMENTS

Alternative Investment Fund Manager ("AIFM")

Frostrow under the terms of its AIFM agreement with the Company provides, *inter alia*, the following services:

- oversight of the portfolio management function delegated to Lindsell Train;
- promotion of the Company;
- investment portfolio administration and valuation;
- risk management services;
- share price discount and premium management;
- administrative and company secretarial services;
- advice and guidance in respect of corporate governance requirements;
- maintenance of the Company's accounting records;
- maintenance of the Company's website;
- preparation and publication of annual and half year reports and monthly fact sheets; and
- ensuring compliance with applicable legal and regulatory requirements.

Fees

During the year to 30 September 2019 under the terms of the AIFM Agreement Frostrow received an annual fee of 0.15% of the Company's adjusted market capitalisation up to a value of £1 billion, such fee reducing to 0.135% per annum of the amount of the Company's adjusted market capitalisation in excess of £1 billion.

On 26 July 2019 the Board agreed an amendment to the fee arrangements with Frostrow. It was agreed that, in the event that the Company's adjusted market capitalisation exceeds £2 billion, then its fee will reduce to 0.12% per annum in respect of the excess over £2 billion.

The AIFM Agreement may be terminated by either party on giving notice of not less than 12 months.

Portfolio Manager

Under the AIFM Agreement Lindsell Train, as delegate of the AIFM, is responsible for the management of the Company's portfolio of investments under an agreement between it, the Company and Frostrow (the "Portfolio Management Agreement").

Under the terms of its Portfolio Management Agreement, Lindsell Train provides, inter alia, the following services:

- seeking out and evaluating investment opportunities;
- recommending the manner by which monies should be invested, disinvested, retained or realised;
- advising on how rights conferred by the investments should be exercised;
- analysing the performance of investments made; and
- advising the Company in relation to trends, market movements and other matters which may affect the investment objective and policy of the Company.

Fees

During the year to 30 September 2019 under the terms of the Portfolio Management Agreement Lindsell Train received an annual fee of 0.45% of the Company's adjusted market capitalisation up to a value of £1 billion, such fee reducing to 0.405% per annum of the amount of the Company's adjusted market capitalisation in excess of £1 billion.

On 26 July 2019 the Board agreed an amendment to the fee arrangements with Lindsell Train. It was agreed that, in the event that the Company's adjusted market capitalisation exceeds £2 billion, then its fee will reduce to 0.36% per annum in respect of the excess over £2 billion.

The Portfolio Management Agreement may be terminated by either party on giving notice of not less than 12 months.

Performance Fees

The Company does not pay performance fees.

STRATEGIC REPORT
BUSINESS REVIEW

AIFM AND PORTFOLIO MANAGER EVALUATION AND RE-APPOINTMENT

The performance of Frostrow as AIFM and Lindsell Train as Portfolio Manager is continuously monitored by the Board with a formal evaluation being undertaken each year. As part of this process the Board monitors the services provided by the AIFM and the Portfolio Manager and receives regular reports and views from them. The Board also receives comprehensive performance measurement reports to enable it to determine whether or not the performance objective set by the Board has been met.

Following a review at a Board meeting in September 2019 the Board believes that the continuing appointment of Frostrow and Lindsell Train, under the terms described on page 15 (as applicable), is in the best interests of the Company's shareholders. In coming to this decision it took into consideration the following additional reasons:

- the quality and depth of experience of the management, company secretarial, administrative and marketing team that the AIFM brought to the management of the Company; and
- the quality and depth of experience that the Portfolio Manager brought to the management of the portfolio, the clarity and rigour of the investment process, the level of past performance of the portfolio in absolute terms and also by reference to the benchmark index.

Depositary

The Bank of New York Mellon (International) Limited (the "Depositary") acts as the Company's depositary in accordance with the AIFMD on the terms and subject to the conditions of the depositary agreement between the Company, Frostrow and the Depositary (the "Depositary Agreement"). Under the terms of the Depositary Agreement the Company pays the Depositary a fee of 0.009% of net assets.

The Depositary provides the following services:

- responsibility for the safe keeping of custodial assets of the Company;
- verification and maintenance of a record of all other assets of the Company and for the collection of income that arises from those assets;
- taking reasonable care to ensure that the Company is managed in accordance with the AIFMD, the FUND Sourcebook and the Company's instrument of incorporation, in relation to the calculation of the net asset value per share and the application of income of the Company; and
- monitoring the Company's compliance with investment restrictions and leverage limits set in its offering documents.

In accordance with the AIFM Rules the Depositary acts as global custodian and may delegate safekeeping to one or more global sub-custodians. The Depositary has delegated safekeeping of the assets of the Company to The Bank of New York Mellon SA/NV and/or The Bank of New York Mellon (The Global Sub-custodians). As at the date of this report, the applicable sub-custodians appointed by the Depositary who might be relevant for the purposes of holding the Company's investments are:

COUNTRY	NAME OF SUB-CUSTODIAN	REGULATOR
The Netherlands	The Bank of New York Mellon SA/NV	Financial Services and Markets Authority, Belgium
Euromarket	Euroclear Bank	The Autorité des Marchés Financiers
Canada	CIBC Mellon Trust Company	Canadian Securities Administrators
United States of America	The Bank of New York Mellon, New York	US Securities and Exchange Commission
France	The Bank of New York Mellon SA/NV	The Autorité des Marchés Financiers
The United Kingdom	Depositary and Clearing Centre (DCC) Deutsche Bank AG, London Branch	The Financial Conduct Authority
	The Bank of New York Mellon, New York	US Securities and Exchange Commission

The Global Sub-Custodian's safekeeping fees are charged according to the jurisdiction in which the holdings are based. The majority of the Company's assets attracted a fee of 0.0033% of their market value. Variable transaction fees were also chargeable.

The Depositary Agreement may be terminated by either party on giving notice of not less than 90 days.

IMPACT OF BREXIT

The Board has considered whether Brexit poses a discrete risk to the Company. While the election result removes a major uncertainty, at the time of writing, it is still not clear how the exit from the European Union will be achieved. It is also worth noting that your Company's shares are priced in sterling, while many of the portfolio investments are effectively priced in foreign currencies. As a result, sharp movements in exchange rates can effect the net asset value (see page 54 for the foreign currency sensitivity analysis).

Furthermore, whilst the Company's current shareholders are predominantly UK based, unexpected changes in investor sentiment, or tax or regulatory changes, could lead to short term selling pressure on the Company's shares which potentially could lead to the share price discount widening.

Overall, however, the Board believes that over the longer term, Brexit is unlikely to affect the Company's business model or whether the Company's shares trade at a premium or discount to the net asset value per share.

LONG TERM VIABILITY STATEMENT

In accordance with the UK Corporate Governance Code, the Directors have carefully assessed the Company's position and prospects as well as the principal risks stated on pages 12 and 13 and have formed a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the next five financial years.

To make this assessment and in reaching this conclusion, the Audit Committee has considered the Company's financial position and its ability to liquidate its portfolio and meet its liabilities as they fall due:

- The portfolio comprises principally of investments traded on major international stock exchanges. 95% of the current portfolio could be liquidated within 30 trading days (68% in seven days) and there is no expectation that the nature of the investments held within the portfolio will be materially different in future;
- The expenses of the Company are predictable and modest in comparison with the assets and there are no capital commitments foreseen which would alter that position; and
- The Company has no employees, only its non-executive Directors. Consequently it does not have redundancy or other employment related liabilities or responsibilities.

The Audit Committee, as well as considering the potential impact of its principal risks on pages 12 to 13 and various severe but possible downside scenarios, has also considered the following assumptions in considering the Company's longer-term viability:

- There will continue to be demand for investment trusts;
- The Board and the Portfolio Manager will continue to adopt a long-term view when making investments, and anticipated holding periods will be at least five years;
- The Company invests principally in the securities of UK listed companies to which investors will wish to continue to have exposure;
- The Company will maintain its bank loan facility;
- Regulation will not increase to a level that makes running the Company uneconomical; and
- The performance of the Company will continue to be satisfactory.

STRATEGIC REPORT
BUSINESS REVIEW

ALTERNATIVE PERFORMANCE MEASURES

The Financial Statements (on pages 41 to 57) set out the required statutory reporting measures of the Company's financial performance. In addition, the Board assesses the Company's performance against a range of criteria which are viewed as particularly relevant for investment trusts, which are summarised on page 3 and explained in greater detail in the Strategic Report under the heading 'Key Performance Indicators' on page 14. Please also see the glossary on pages 65 and 66.

COMPANY PROMOTION

The Company has appointed Frostrow to promote the Company's shares to professional investors in the UK and Ireland. As investment company specialists, the Frostrow team provides a continuous, pro-active marketing, distribution and investor relations service that aims to grow the Company by encouraging demand for the shares.

Frostrow actively engages with professional investors, typically discretionary wealth managers, some institutions and a range of execution-only platforms. Regular engagement helps to attract new investors and retain existing shareholders, and over time results in a stable share register made up of diverse, long-term holders.

Frostrow arranges and manages a continuous programme of one-to-one meetings with professional investors around the UK. These include regular meetings with 'gate keepers', the senior points of contact responsible for their respective organisations' research output and recommended lists. The programme of regular meetings also includes autonomous decision makers within large multi-office groups, as well as small independent organisations. Some of these meetings involve Lindsell Train, but most of the meetings do not, which means the Company is being actively promoted while Lindsell Train focuses on managing the portfolio.

The Company also benefits from involvement in the regular professional investor seminars run by Frostrow in major centres notably London and Edinburgh, which are focused on buyers of investment companies.

The creating and dissemination of information on the Company is also overseen by Frostrow. Frostrow produces all key corporate documents, monthly factsheets, annual reports and manages the Company's website www.finsburygt.com and social media profile. All company information and invitations to investor events, including updates from Lindsell Train on the portfolio and market developments, are regularly emailed to a growing database, overseen by Frostrow, consisting of professional investors across the UK and Ireland.

Frostrow maintains close contact with all the relevant investment trust broker analysts, particularly those from Winterflood, the Company's corporate broker, but also others who publish and distribute research on the Company to their respective professional investor clients. Frostrow also collaborates with Edison, a paid-for research provider, whose notes on the Company are freely available online to both professional and private investors.

The Company continues to benefit from regular press coverage, with articles appearing in respected publications that are widely read by both professional and self-directed private investors. The latter typically buy their shares via retail platforms, which account for a significant proportion of the Company's share register. Over the years, Nick Train's regular engagement with the press has resulted in a significant awareness of the Company's investment proposition. This interaction with the press has been managed for many years by Quill Communications, who work closely with Frostrow to ensure regular press attendance at seminars and the Company's AGM.

FUTURE DEVELOPMENTS

The Board's primary focus is on the Portfolio Manager's investment approach and performance. The subject is thoroughly discussed at every Board meeting.

In addition, the AIFM updates the Board on company communications, promotions and investor feedback, as well as wider investment company issues.

An outline of performance, investment activity and strategy, and market background during the year, as well as the outlook, is provided in the Chairman's Statement on pages 4 and 5 and the Portfolio Manager's Review on pages 8 and 9.

It is expected that the Company's strategy will remain unchanged in the coming year.

COMMUNITY, SOCIAL, EMPLOYEE, HUMAN RIGHTS, ENVIRONMENTAL ISSUES, ANTI-BRIBERY AND ANTI-CORRUPTION

The Company is committed to carrying out business in an honest and fair manner with a zero-tolerance approach to bribery, tax evasion and corruption. As such, policies and procedures are in place to prevent bribery and corruption. In carrying out its activities, the Company aims to conduct itself responsibly, ethically and fairly, including in relation to social and human rights issues.

As an investment trust with limited internal resource, the Company has little impact on the environment. The Company believes that high standards of corporate social responsibility ("CSR") make good business sense and have the potential to protect and enhance investment returns. Consequently, the Portfolio Manager's investment process ensures that social, environmental and ethical issues are taken into account and best practice is encouraged.

This report was approved by the Board of Directors and signed on its behalf by:

Anthony Townsend
Chairman

17 December 2019

GOVERNANCE

BOARD OF DIRECTORS

The Board of Directors supervises the management of Finsbury Growth & Income Trust PLC and looks after the interests of Shareholders. Each of the Directors is re-elected by shareholders annually (unless they are retiring from the Board).

All members of the Board are non-executive. None of the Directors, with the exception of Lorna Tilbian who is a non-executive director of Euromoney Institutional Investor PLC, has any other connection with the Portfolio Manager or is employed by any of the companies in which the Company holds an investment or any of the Company's service providers.

*information as at 30 September 2019

+information as at date of appointment (9 October 2019)

DIVERSITY

There are currently four male Directors and three female Directors on the Board. The Company aims to have a balance of relevant skills, experience and background amongst the Directors and believes that all Board appointments should be made on merit and with due regard to the benefits of diversity, including gender.

ANTHONY TOWNSEND

CHAIRMAN

(Age 71)

Anthony Townsend rejoined the Board on 1 February 2005 and became Chairman on 30 January 2008. He has spent over 40 years working in the City and was Chairman of the Association of Investment Companies from 2001 to 2003, British & American Investment Trust PLC until December 2017 and Miton Global Opportunities plc until October 2018. Anthony is also Chairman of BMO Global Smaller Companies PLC and Gresham House plc and a non-executive director of Baronsmead Second Venture Trust plc.

*Shares held:	191,034
*Annual Remuneration:	£37,500

NEIL COLLINS

(Age 72)

Neil Collins has served on the Board since 30 January 2008. He has spent most of his career in financial journalism and was City Editor of The Daily Telegraph for nearly 20 years until he retired from the position in 2005. Prior to that he had been City Editor of the London Evening Standard and The Sunday Times. He has since been a regular columnist for the London Evening Standard, Reuters and, most recently, the Financial Times. He was formerly a non-executive director of Templeton Emerging Markets Investment Trust PLC.

*Shares held:	83,484
*Annual Remuneration:	£24,500

KATE CORNISH-BOWDEN

(Age 53)

Kate Cornish-Bowden has served on the Board since 26 October 2017. Kate worked for 12 years as a fund manager for Morgan Stanley Investment Management, where she was managing director and head of the global equity team. Prior to Morgan Stanley she worked as a research analyst at M&G. Kate is a non-executive director of Calculus VCT plc, where she is chair of the audit committee, and a non-executive director of CC Japan Income and Growth Trust plc and Schroder Oriental Income Fund Limited.

*Shares held:	7,061
*Annual Remuneration:	£24,500

SIMON HAYES
(Age 49)

Simon Hayes has served on the Board since 29 June 2015. Simon is the Chairman of Peel Hunt LLP. He joined Peel Hunt in 1993 and was appointed Head of Corporate Finance in 2003, Chief Executive in 2006 and Chairman in 2016.

*Shares held:	35,496
*Annual Remuneration:	£24,500

DAVID HUNT, FCA
(Age 72)

David Hunt has served on the Board since 6 July 2006. A Chartered Accountant, he was formerly a director in the Assurance and Business Services division of Smith & Williamson. Prior to that he was a partner at both Binder Hamlyn and Arthur Andersen. David had over 30 years' experience advising quoted companies. He is the Senior Independent Director and Chairman of the Audit Committee.

*Shares held:	35,000
*Annual Remuneration:	£30,000

SANDRA KELLY, ACA
(Age 59)

Sandra Kelly joined the Board on 9 October 2019. A Chartered Accountant, she was formerly Finance Director of the Canal & River Trust. Prior to that she spent eight years as Finance Director at NHBC (National House-Building Council). She is a Trustee of the Land Trust Board and Chair and Governor of Headington School in Oxford. She previously held senior finance positions in the commercial sector, most notably for BMW GB.

+Shares held:	2,397
+Annual Remuneration:	£24,500

LORNA TILBIAN
(Age 62)

Lorna Tilbian has served on the Board since 26 October 2017. Lorna was formerly an executive director of Numis Corporation PLC, a non executive director of M&C Saatchi PLC, a director of WestLB Panmure Limited and S G Warburg Securities. She is a non executive director of Jupiter UK Growth Investment Trust PLC, ProVen VCT plc, Euromoney Institutional Investor PLC and Rightmove PLC.

*Shares held:	nil
*Annual Remuneration:	£24,500

GOVERNANCE

REPORT OF THE DIRECTORS

The Directors present their annual report on the affairs of the Company, together with the audited Financial Statements and the Independent Auditors' Report for the year ended 30 September 2019.

In accordance with the requirement for the Directors to prepare a Strategic Report and an enhanced Directors' Remuneration Report for the year ended 30 September 2019, the following information is set out in the Strategic Report: a review of the business of the Company including details about its objective, strategy and business model, future developments, details of the principal risks and uncertainties associated with the Company's activities (including the Company's financial risk management objectives and policies), information regarding community, social, employee, human rights and environmental issues and the Company's policy regarding Board diversity. Information about Directors' interests in the Company's ordinary shares is included within the Annual Report in the Remuneration section of the Directors' Remuneration Report.

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

BUSINESS AND STATUS OF THE COMPANY

The Company is registered as a public limited company in Scotland (Registered Number SC013958) and is an investment company within the terms of Section 833 of the Companies Act 2006. Its shares are listed on the premium segment of The Official List of the UK Listing Authority and traded on the main market of the London Stock Exchange which is a regulated market as defined in Section 1173 of the Companies Act 2006.

The Company has received approval from HM Revenue & Customs as an investment trust under sections 1158 and 1159 of the Corporation Tax Act 2010. In the opinion of the Directors, the Company continues to conduct its affairs so as to qualify for such approval.

RESULTS AND DIVIDENDS

The Return on Ordinary Shares after taxation is shown on page 41. Details of the Company's dividend record can be found on page 11.

DIRECTORS

The current Directors of the Company are listed on pages 20 and 21. With the exception of Sandra Kelly they all served as Directors throughout the year to 30 September 2019.

Sandra Kelly has served as a Director since 9 October 2019.

No other person was a Director during any part of the year or up to the approval of this Report.

Unless otherwise determined by the Company by ordinary resolution, the number of Directors shall not be less than two.

Directors' Conflicts of Interest

Directors report on actual or potential conflicts of interest at each Board meeting. Any Director with a potential conflict would be excluded from any related discussion.

Directors' & Officers' Liability Insurance Cover

Directors' and officers' liability insurance cover was maintained by the Company during the year. It is intended that this policy will continue for the year ending 30 September 2020 and subsequent years.

Directors' Indemnity

The Company provides, subject to the provisions of applicable UK legislation, an indemnity for Directors in respect of costs incurred in the defence of any proceedings brought against them and also liabilities owed to third parties, in either case arising out of their positions as Directors. This was in place throughout the financial year under review and up to the approval of this report.

A copy of each deed of indemnity is available for inspection at the Company's offices during normal business hours and will be available at the Annual General Meeting.

Directors' Fees

Reports on Directors' Remuneration and also the Directors' Remuneration Policy are set out on pages 35 to 39.

Directors' (and Other Senior Individuals) Interests

The beneficial interests in the Company of the Directors, of Nick Train, the individual with responsibility for managing the Company's portfolio at Lindsell Train and of Alastair Smith, Managing Partner at Frostrow, and of the persons closely associated with them, are set out on page 37 of this Annual Report.

CAPITAL STRUCTURE

The Company's capital structure is composed solely of Ordinary Shares. Details are given in note 13 to the Financial Statements on page 51.

Details of the voting rights in the Company's shares at the date of this Annual Report are given in note 9 to the Notice of the Annual General Meeting.

There were no shares held in treasury during the year (2018: nil).

Details of the substantial shareholders in the Company are listed on page 23.

The giving of powers to issue or buy-back the Company's shares requires the relevant resolution to be passed by shareholders. Proposals for the renewal of the Board's current powers to issue and buy-back shares are detailed within the Notice of the Annual General Meeting.

There are no restrictions concerning the transfer of securities in the Company; no special rights with regard to control attached to securities; no restrictions on voting rights; no agreements between holders of securities regarding their transfer known to the Company; and no agreements which the Company is party to that might affect its control following a successful takeover bid.

SHARE CAPITAL

At the Annual General Meeting held on 27 February 2019, authority to allot up to 18,402,671 shares on a non pre-emptive basis at prices not less than the higher of the prevailing cum or ex income net asset value per share at the time of issuance was granted.

All of the shares available under this allotment authority were issued and the Company held a General Meeting on 29 July 2019 where shareholder authority was obtained to issue a further 19,741,171 shares on the same basis.

Additionally, in order to continue issuing shares and remain in compliance with the Prospectus Rules Regulation, the Company issued a Prospectus in July 2019 relating to a placing programme of up to 60 million shares. Specifically in connection with this, the Company also obtained at the General meeting shareholder authority to issue 60 million shares on a non- pre-emptive basis at prices not less than the prevailing cum income net asset value per share. This authority shall expire at the closing of the placing programme and does not require renewing at the Company's Annual Meeting to be held in February 2020.

During the year, 27,120,000 new shares were issued by the Company at a premium to the higher of the prevailing cum or ex income net asset value per share at the time of issue.

Since the year-end and to 16 December 2019 a further 6,555,000 new shares have been issued under the same issuance criteria.

No shares were repurchased by the Company during the year.

SUBSTANTIAL SHARE INTERESTS

The Company was aware of the following substantial registered interests in the voting rights of the Company as at 30 September 2019 and 30 November 2019, being the latest practicable date before publication of the annual report:

	30 NOVEMBER 2019		30 SEPTEMBER 2019	
	NUMBER OF SHARES	% OF CAPITAL	NUMBER OF SHARES	% OF CAPITAL
Hargreaves Lansdown	26,223,535	12.78	25,537,492	12.75
interactive investor	18,485,018	9.01	6,386,630	3.19
Brewin Dolphin	14,252,285	6.95	14,394,613	7.18
AJ Bell	11,008,615	5.37	10,627,468	5.30
Investec Wealth & Investment	10,203,676	4.97	10,246,642	5.11
Rathbones	9,832,973	4.79	9,676,820	4.83
Charles Stanley	6,775,306	3.30	6,443,088	3.22
BlackRock	6,775,025	3.30	3,883,051	1.94
Alliance Trust Savings (now interactive investor)	n/a	n/a	14,876,704	7.42

At 30 September 2019 the Company had 200,811,712 shares in issue. As at 30 November 2019 the Company had 205,426,712 shares in issue.

GOVERNANCE

REPORT OF THE DIRECTORS

BENEFICIAL OWNERS OF SHARES – INFORMATION RIGHTS

The beneficial owners of shares who have been nominated by the registered holder of those shares to receive information rights under Section 146 of the Companies Act 2006 are required to direct all communications to the registered holder of their shares rather than to the Company's registrar, or to the Company directly.

HOLDING IN THE LINDSELL TRAIN INVESTMENT TRUST PLC AND PARTNERSHIP INTEREST IN FROSTROW CAPITAL LLP

In 2001 the Company acquired a 5% holding in Lindsell Train Investment Trust plc, which is managed by Lindsell Train, the Company's Portfolio Manager. Lindsell Train Investment Trust plc owns 25% of Lindsell Train and so the Company has an indirect interest of 1.25% in Lindsell Train.

The Company also acquired a 10% partnership interest in Frostrow, the Company's AIFM, in return for a capital contribution of £150,000 in 2007, of which £75,000 was repaid to the Company by Frostrow in 2008. The valuation of the Company's investment in The Lindsell Train Investment Trust plc and Frostrow at the year end can be found on pages 6 and 52. In addition, the Company has agreed to provide capital to Frostrow to enable it to satisfy its capital requirements under AIFMD, subject to a maximum of £750,000 in aggregate which may be varied from time to time. In return, the Company receives a priority return of 9% per annum on the balance of capital contributions made to Frostrow from time to time by the Company, as a first charge on Frostrow's profits. As at 30 September 2019, Frostrow had received £600,000 (2018: £550,000) from the Company to meet its capital requirements under AIFMD.

Subsequent to the year end Frostrow received a further £50,000.

Further details of the Company's investments in its Key Service providers can be viewed on the Company's website (www.finsburygt.com).

LOAN FACILITY

At 30 September 2019 the Company was in the final few days of its three-year secured fixed term committed revolving credit facility of £75 million (with an additional £25 million facility available if required) with Scotiabank Europe PLC. As at 30 September 2019 a total of £36.7 million was drawn down from this facility (2018: £36.7 million) which equates to net gearing of 0.5%.

On 4 October 2019 the Board renewed the credit facility for a further three years at an amount of £50 million with the option of an additional £50 million.

GLOBAL GREENHOUSE GAS EMISSIONS FOR THE YEAR ENDED 30 SEPTEMBER 2019

The Company has no significant greenhouse gas emissions to report from its operations, nor does it have responsibility for any other emissions producing sources under the Companies Act 2006 (Strategic Report and Directors' Reports) Regulations 2013, including those within the Company's underlying investment portfolio.

POLITICAL DONATIONS

The Company does not make political donations.

COMMON REPORTING STANDARD (CRS)

CRS is a global standard for the automatic exchange of information commissioned by the Organisation for Economic Cooperation and Development and incorporated into UK law by the International Tax Compliance Regulations 2015. CRS requires the Company to provide additional details to HMRC in relation to certain shareholders. The reporting obligation began in 2016 and will be an annual requirement going forward. The Registrars, Link Asset Services, have been engaged to collate such information and file the reports with HMRC on behalf of the Company.

LISTING RULE 9.8.4

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 there are no disclosures to be made in this regard.

SECURITIES FINANCIAL TRANSACTIONS REGULATION ('SFTR') DISCLOSURE (UNAUDITED)

The Company does not engage in Securities Financing Transactions (as defined in Article 3 of Regulation (EU) 2015/2365, securities financing transactions include repurchase transactions, securities or commodities lending and securities or commodities borrowing, buy-sell back transactions or sell-buy back transactions and margin lending transactions) or total return swaps. Accordingly, disclosures required by Article 13 of the Regulation are not applicable for the year ended 30 September 2019.

ALTERNATIVE PERFORMANCE MEASURES

The Company uses a variety of performance measures when monitoring the performance of the Company. These measures are considered to be alternative performance measures under the European Securities and Markets Authority ('ESMA') guidelines and are described further in the Glossary and Alternative Performance Measures on pages 65 and 66.

STATEMENT OF DISCLOSURE OF INFORMATION TO THE AUDITORS

So far as the Directors are aware, there is no relevant information (as defined in the Companies Act 2006) of which the Company's Auditors are unaware. The Directors have taken all steps they ought to have taken to make themselves aware of any relevant audit information (as defined) and to establish that the Auditors are aware of such information.

The above confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

GOING CONCERN

The content of the investment portfolio, trading activity, the Company's cash balances and revenue forecasts, and the trends and factors likely to affect the Company's performance are reviewed and discussed at each Board meeting. The Directors, having made relevant enquiries, are satisfied that it is appropriate to continue to adopt the going concern basis in preparing the Financial Statements as a significant proportion of the Company's holdings are readily realisable and, accordingly, the Company has adequate financial resources to continue in operation for at least the next 12 months.

The Viability Statement of the Company is included in the Strategic Report on page 17.

ANNUAL GENERAL MEETING

The Company's Annual General Meeting ("AGM") will be held at the Guildhall, City of London EC2V 7HH on Friday, 28 February 2020. The formal notice of the AGM is set out in the accompanying circular to Shareholders, together with explanations of the resolutions.

The Board considers that the resolutions relating to the proposed items of special business, are in the best interests of shareholders as a whole. Accordingly, the Board unanimously recommends to the shareholders that they vote in favour of the resolutions to be proposed at the Annual General Meeting as the Directors intend to do in respect of their own beneficial holdings totalling 354,472 shares.

OTHER STATUTORY INFORMATION

The following information is disclosed in accordance with the Companies Act 2006:

- The rules on the appointment and replacement of directors are set out in the Company's articles of association (the "Articles"). Any change to the Articles would be governed by the Companies Act 2006.
- Subject to the provisions of the Companies Act 2006, to the Articles, and to any directions given by special resolution, the business of the Company shall be managed by the Directors who may exercise all the powers of the Company. The powers shall not be limited by any special powers given to the Directors by the Articles and a meeting of the Directors at which a quorum is present may exercise all the powers exercisable by the Directors. The Directors' powers to issue and buy back shares, in force at the end of the year, are recorded in the Directors' Report.

There are no agreements:

i. to which the Company is a party that might affect its control following a takeover bid; and/or

ii. between the Company and its directors concerning compensation for loss of office.

By order of the Board

Frostrow Capital LLP
Company Secretary

17 December 2019

GOVERNANCE

CORPORATE GOVERNANCE

CORPORATE GOVERNANCE STATEMENT

The Board has considered the principles and recommendations of the AIC Code of Corporate Governance (the "AIC Code") by reference to the AIC Corporate Governance Guide for Investment Companies (the "AIC Guide"). The AIC Code, as explained by the AIC Guide, addresses all the principles set out in the UK Corporate Governance Code (the "UK Code"), as well as setting out additional principles and recommendations on issues that are of specific relevance to the Company.

The Board considers that reporting against the principles and recommendations of the AIC Code will provide the best information to shareholders and the Financial Reporting Council has confirmed that by following the AIC Code and the AIC Guide, boards of investment companies will meet their obligations in relation to the UK Corporate Governance Code and paragraph 9.8.6 of the UK Listing Rules.

During 2018, a new UK Corporate Governance Code was published by the Financial Reporting Council, which applies to companies with financial years beginning on or after 1 January 2019. A corresponding AIC Code of Corporate Governance was published at the beginning of February 2019, also applying to companies with financial years beginning on or after 1 January 2019. The Company has commenced a review of its internal policies and will report against the principles and recommendations of the new AIC Code in its next annual report.

The AIC Code and the AIC Guide can be viewed on the AIC's website (www.theaic.co.uk) and the UK Code can be viewed on the Financial Reporting Council website (www.frc.org.uk).

STATEMENT OF COMPLIANCE

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 UK Code includes certain provisions relating to:

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

For the reasons set out in the AIC Code, and as explained in the UK Code, the Board considers these provisions are not relevant to the position of the Company as it is an externally managed investment company. In particular, all of the Company's day-to-day management and administrative functions are outsourced to third parties. As a result, the Company has no executive directors, employees or internal operations. Therefore the Company has not reported further in respect of these provisions.

THE BOARD

Responsibility for effective governance and for the overall management of the Company's affairs lies with the Board. The governance framework of the Company reflects the fact that as an investment company it has no employees and outsources company secretarial, administration, marketing and risk management services to Frostrow and portfolio management to Lindsell Train.

The Board's key responsibilities are to set the strategy, values and standards; to provide leadership within a controls framework which enable risks to be assessed and managed; to challenge constructively and scrutinise performance of all outsourced activities; and to review regularly the contracts, performance and remuneration of the Company's principal service providers.

The Directors have decided that, given the size of the Board, it is unnecessary to form separate remuneration, management engagement and nomination Committees; the duties that would ordinarily fall to those Committees are carried out by the Board as a whole.

THE AUDIT COMMITTEE

The Audit Committee's key responsibilities are to monitor the integrity of the annual report and Financial Statements; to oversee the risk and control environment and financial reporting; and to review the performance of the Company's external auditor.

All Independent non-executive Directors are members of the Committee.

Copies of the full terms of reference, which clearly define the responsibilities of the Audit Committee, can be obtained from the Company Secretary. They will be available for inspection at the Annual General Meeting, and can be found in the Corporate Information section on the Company's website (www.finsburygt.com).

MEETING ATTENDANCE

The table overleaf sets out the number of scheduled Board and Committee meetings held during the year ended 30 September 2019 and the number of meetings attended by each Director.

In addition to the scheduled Board meetings there were a number of ad hoc Board meetings to consider matters such as the Company's authority to allot shares and the approval of regulatory announcements.

TOTAL NUMBER OF MEETINGS	BOARD 6	AUDIT COMMITTEE 4	AD HOC BOARD MEETINGS 7
Anthony Townsend	6	4	6
Neil Collins	6	4	6
Kate Cornish-Bowden	6	4	7
Simon Hayes	6	4	6
David Hunt	6	4	6
Lorna Tilbian	6	4	4

Sandra Kelly was appointed to the Board on 9 October 2019.
All of the Directors, with the exception of Sandra Kelly, attended the Annual General Meeting held on Wednesday, 27 February 2019.
The General Meeting held on 29 July 2019 was attended by David Hunt, Kate Cornish-Bowden and Simon Hayes.

DIRECTORS' INTERESTS

The beneficial interests of the Directors in the Company are set out on pages 20, 21 and 37.

DIRECTORS' INDEPENDENCE

The Board consists of seven non-executive Directors, each of whom is independent of Frostrow and Lindsell Train. No member of the Board has been an employee of the Company, Frostrow, Lindsell Train or any of its service providers. Accordingly, the Board considers that all the Directors are independent and there are no relationships or circumstances which are likely to affect or could appear to affect their judgement.

The Chairman has a seat on the Board of the Company's AIFM by virtue of the Company's minority partnership interest in Frostrow. It is a non-executive position and therefore the Board does not believe that this compromises his independence from the Company.

BOARD EVALUATION

During the year the performance of the Board, its committees and individual Directors (including each Director's independence) was evaluated through a formal assessment process led by the Chairman. This involved the circulation of a Board effectiveness checklist, tailored to suit the nature of the Company, followed by discussions between the Chairman and each of the Directors. The performance of the Chairman was evaluated by the other Directors under the leadership of David Hunt.

The Chairman is satisfied that the structure and operation of the Board continues to be effective and relevant and that there is a satisfactory mix of skills, experience, length of service and knowledge of the Company. The Board has considered the position of all of the Directors as part of the evaluation process, and believes that it would be in the Company's best interests to propose them for re-election, save for Neil Collins who will be retiring from the Board.

Sandra Kelly joined the Board on 9 October 2019. Accordingly her appointment will be proposed to shareholders for ratification at the forthcoming Annual General Meeting.

POLICY ON DIRECTOR TENURE

The Board subscribes to the view expressed within the AIC Code that long-serving directors should not be prevented from forming part of an independent majority. It does not consider that a director's tenure necessarily reduces his/her ability to act independently. The Board's policy on tenure is that continuity and experience are considered to add significantly to the strength of the Board and, as such, no limit on the overall length of service of any of the Directors, including the Chairman, has been imposed. In view of its non-executive nature, the Board considers that it is not appropriate for the Directors to be appointed for a specified term, although new Directors will be appointed with the expectation that they will serve for a minimum of three years, subject to shareholder approval.

APPOINTMENTS TO THE BOARD

The rules governing the appointment and replacement of directors are set out in the Company's Articles of Association. Where the Board appoints a new director during the year, that director will stand for election by shareholders at the next Annual General Meeting. When considering new appointments, the Board will seek to add persons with complementary skills and experience which fill any gaps in the Board's knowledge and who can devote sufficient time to the Company to carry out their duties effectively. The Company is committed to ensuring that any vacancies arising are filled by the most qualified candidates. The Board recognises the value of diversity in the composition of the Board and accordingly, the Board will ensure that a diverse group of candidates is considered for any vacancies.

GOVERNANCE

CORPORATE GOVERNANCE

The Board has adopted a Board and Audit Committee Composition and Succession Plan (the "Plan"). The purpose of the Plan is to ensure that the Board is comprised of members who collectively:

i. display the necessary balance of professional skills, experience, length of service and industry/Company knowledge; and

ii. are fit and proper to direct the Company's business with prudence and integrity; and provide policy guidance on the structure, size and composition of the Board (and its Committee) and the identification and selection of suitable candidates for appointment to the Board (and its Committee).

This Plan is reviewed by the Board annually and at such other times as circumstances may require.

Subject to there being no conflict of interest, all Directors are independent and are entitled to vote on candidates for the appointment of new Directors and on the recommendation for shareholders' approval for the Directors seeking re-election at the Annual General Meeting. The Chairman will not chair the meeting when the Board is dealing with the appointment of his successor.

As part of the process to appoint Sandra Kelly the Board engaged the services of a specialist recruitment consultant, Trust Associates. Trust Associates prepared a list of potential candidates for consideration by the Board. A short list was then arrived at, the candidates were interviewed and Sandra Kelly was subsequently appointed. Trust Associates has no other connection with the Company.

INDUCTION / DEVELOPMENT

New appointees to the Board are provided with a full induction programme. The programme covers the Company's investment strategy, policies and practices. New directors are also given key information on the Company's regulatory and statutory requirements as they arise including information on the role of the Board, matters reserved for its decision, the terms of reference for the Board committee, the Company's corporate governance practices and procedures and the latest financial information. Directors are encouraged to participate in training courses where appropriate.

The Board has formalised arrangements under which the Directors, in the furtherance of their duties, may seek independent professional advice at the Company's expense.

The Company has also arranged Directors' and Officers' Liability Insurance which provides cover for legal expenses under certain circumstances. This was in force for the entire period under review and up to the date of this report.

CONFLICTS OF INTEREST

In line with the Companies Act 2006, the Board has the power to sanction any potential conflicts of interest that may arise and impose such limits or conditions as it thinks fit. A register of interests and external appointments is maintained and is reviewed at every Board meeting to ensure all details are kept up to date. Should a conflict arise, the Board has the authority to request that the director concerned abstains from any relevant discussion, or vote where a perceived conflict may arise. Appropriate authorisation will be sought prior to the appointment of any new director or if any new conflicts or potential conflicts arise.

EXERCISE OF VOTING POWERS

The Board has delegated authority to Lindsell Train (as Portfolio Manager) to vote the shares owned by the Company that are held on its behalf by its Custodian.

The Board has instructed that the Portfolio Manager submit votes for such shares wherever possible and practicable. The Portfolio Manager may refer to the Board on any matters of a contentious nature.

ANTI-BRIBERY AND CORRUPTION POLICY

The Board has adopted a zero-tolerance approach to instances of bribery and corruption. Accordingly it expressly prohibits any Director or associated persons when acting on behalf of the Company from accepting, soliciting, paying, offering or promising to pay or authorise any payment, public or private, in the United Kingdom or abroad to secure any improper benefit from themselves or for the Company.

The Board applies the same standards to its service providers in their activities for the Company.

A copy of the Company's Anti Bribery and Corruption Policy can be found in the Board and Policies section of the Company's website (www.finsburygt.com) The policy is reviewed regularly by the Audit Committee.

PREVENTION OF THE FACILITATION OF TAX EVASION

In response to the implementation of the Criminal Finances Act 2017, the Board adopted a zero-tolerance approach to the criminal facilitation of tax evasion. A copy of the Company's policy on preventing the facilitation of tax evasion can be found in the Board and Policies section of the Company's website (www.finsburygt.com). The policy is reviewed annually by the Audit Committee.

Further details of the Company's voting record can be found in the Portfolio Manager's Stewardship Report on the company's website (www.lindselltrain.com).

BOARD MEETINGS AND RELATIONS WITH THE AIFM AND THE PORTFOLIO MANAGER

The Board is responsible for strategy and reviews the continued appropriateness of the Company's investment objective, strategy and investment restrictions at each meeting. The Board meets regularly throughout the year and representatives from Frostrow and Lindsell Train are in attendance at each Board meeting. The Chairman encourages open debate to foster a supportive and co-operative approach for all participants.

The primary focus at regular Board meetings is the review of key investment and financial data, revenue and expenses projections, analyses of asset allocation, transactions and performance comparisons, share price and net asset value performance, marketing and shareholder communication strategies, the risks associated with pursuing the investment strategy, peer group information and industry issues.

The Board reviews the discount or premium to net asset value per share of the Company's share price at each Board meeting and considers the effectiveness of the Company's marketing and communication strategies, as well as any recommendations on share buybacks and issuance.

The Board has reviewed the Portfolio Manager's Statement of Compliance with the UK Stewardship Code, which is available on the FRC website (www.frc.org.uk).

SHAREHOLDER RELATIONS

Representatives of Frostrow and Lindsell Train regularly meet institutional shareholders and private client asset managers to discuss strategy, to understand their issues and concerns and, if applicable, to discuss corporate governance issues. The results of such meetings are reported at the following Board meeting.

An analysis of the Company's shareholder register is provided to the Directors at each Board meeting. The Board receives marketing reports from Frostrow. The Board reviews and considers the marketing plans on a regular basis. Reports from the Company's broker are submitted to the Board on investor sentiment and industry issues.

SHAREHOLDER COMMUNICATIONS

The Company aims to provide shareholders with a full understanding of the Company's investment objective, policy and activities, its performance and the principal investment risks by means of informative annual and half yearly reports. This is supplemented by the daily publication through the London Stock Exchange, of the net asset value of the Company's shares.

The Company's website (www.finsburygt.com) is regularly updated with monthly fact sheets and provides useful information about the Company, including the Company's financial reports and announcements.

All substantive communications regarding any major corporate issues are discussed by the Board taking into account representations from the AIFM, the Portfolio Manager, the Auditor, legal advisers and the Corporate Stockbroker.

The Board supports the principle that the AGM be used to communicate with investors. It is the intention that the full Board will attend the AGM under the chairmanship of the Chairman of the Board. All shareholders are encouraged to attend the AGM, where they have given the opportunity to question the Chairman, the Board and representatives of the AIFM and the Portfolio Manager. The Portfolio Manager makes a presentation to shareholders covering the investment performance and strategy of the Company at each AGM. Details of proxy votes received in respect of each resolution are made available to shareholders at each General Meeting and are also published in the Shareholder Information section of the Company's website (www.finsburygt.com).

GOVERNANCE

CORPORATE GOVERNANCE

The Directors welcome the views of all shareholders and place considerable importance on communications with them. Shareholders wishing to communicate with the Chairman, or any other member of the Board, may do so by writing to the Company Secretary at the offices of Frostrow or via email at info@frostrow.com.

SIGNIFICANT HOLDINGS AND VOTING RIGHTS

Details of the substantial interests in the Company's Shares, the voting rights of the shares and the Directors' authorities to issue and repurchase the Company's shares, are set out in the Directors' Report on page 23.

NOMINEE SHARE CODE

Where the Company's shares are held via a nominee company name, the Company undertakes:

- to provide the nominee company with multiple copies of shareholder communications, so long as an indication of quantities has been provided in advance; and
- to allow investors holding shares through a nominee company to attend general meetings, provided the correct authority from the nominee company is available.

Nominee companies are encouraged to provide the necessary authority to underlying shareholders to attend the Company's Annual General Meeting.

ANNUAL GENERAL MEETING

THE FOLLOWING INFORMATION TO BE DISCUSSED AT THE FORTHCOMING ANNUAL GENERAL MEETING IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt about the action you should take, you should seek advice from your stockbroker, bank manager, solicitor, accountant or other financial adviser authorised under the Financial Services and Markets Act 2000 (as amended). If you have sold or transferred all of your ordinary shares in the Company, you should pass this document, together with any other accompanying documents, including the form of proxy, at once to the purchaser or transferee, or to the stockbroker, bank or other agent through whom the sale or transfer was effected, for onward transmission to the purchaser or transferee.

Resolutions relating to the following items of special business will be proposed at the forthcoming Annual General Meeting.

Resolution 11 Authority to allot shares

Resolution 12 Authority to disapply pre-emption rights

Resolution 13 Authority to sell shares held in Treasury on a non pre-emptive basis

Resolution 14 Authority to repurchase shares

Resolution 15 Authority to hold General Meetings (other than the Annual General Meeting) on at least 14 clear days' notice.

The full text of the resolutions to be proposed at the AGM are contained in the separate Notice of Meeting being sent to Shareholders with this Report and will be available in the Corporate Information section of the Company's website (www.finsburygt.com).

By order of the Board

Frostrow Capital LLP
Company Secretary

17 December 2019

GOVERNANCE

AUDIT COMMITTEE REPORT

On behalf of the Board, I am pleased to present the Audit Committee's Report for the year ended 30 September 2019.

ROLE AND COMPOSITION

The Audit Committee ('Committee') comprises all the Directors of the Company.

The role of the Committee is to ensure that shareholder interests are properly protected in relation to the application of financial reporting and internal control principles and to assess the effectiveness of the audit. The Committee's role and responsibilities are set out in full in its terms of reference which are available in the Corporate Information section of the Company's website (www.finsburygt.com). A summary of the Committee's main responsibilities and how it has fulfilled them is set out below.

The Committee, as a whole, has competence relevant to the investment trust sector with Committee members having a range of financial and investment experience. The requirement for at least one member of the Committee to have recent and relevant experience is satisfied by myself being a chartered accountant and having spent my career in the audit and accountancy profession.

The Committee met four times during the financial year. Typically there are three meetings, the fourth meeting this year took place in early October 2018, immediately after the financial year end. Meeting attendance is shown on page 27.

RESPONSIBILITIES

As Chairman of the Committee I can confirm that the Committee's main responsibilities during the year were:

1. **To review the Company's half year and annual financial statements** together with announcements and other filings relating to the financial performance of the Company and issuance of the Company's shares. In particular, the Committee considered whether the Financial Statements were fair, balanced and understandable, allowing shareholders to assess the Company's strategy, investment policy, business model, financial performance and financial position at each period end.
2. **To review the risk management and internal control processes** of the Company and its key service providers. As part of this review the Committee reviewed the appropriateness of the Company's anti-bribery and corruption policy. During the year the Committee also reviewed the internal controls in place at the Company's AIFM, its Portfolio Manager, its Registrar and its Depositary.
3. **To ensure Compliance with Section 1158 of the Corporation Tax Act 2010.** The Committee sought confirmation that the Company continues to meet the regulatory requirements.
4. **To recommend the appointment of external Auditors** and agree the scope of their work and their remuneration, reviewing their independence and the effectiveness of the audit process.
5. **To consider any non-audit work to be carried out by the Auditors.** The Committee reviews the need for non-audit services in accordance with the Company's non-audit services policy, and authorises such on a case by case basis having given consideration to the cost effectiveness of the services and the objectivity of the Auditors. The Auditors carried out no non-audit work during the year.

MEETINGS AND BUSINESS

Representatives of the AIFM, Frostrow, attended each of the Committee's meetings and reported as to the proper conduct of business in accordance with the regulatory environment in which the Company and the AIFM operate. The Committee also met the Auditors twice during the year and once, following completion of the audit, without representatives of the AIFM being present.

The following matters were dealt with at these meetings:

October 2018:

– Consideration of the Company's key risks and internal control procedures

– Review of the Committee's terms of reference and audit tender guidelines

– Approval of the Auditors' engagement letter and review of their plan for the 2018 audit

– Review of the Company's policies in respect of non-audit services, whistle blowing, anti-slavery, prevention of the facilitation of tax evasion and anti-bribery and corruption, together with the procedures for the detection of fraud and cyber security and the measures for these put in place by its key service providers

– Evaluation of the Committee's Performance

December 2018:

– Consideration and review of the annual results and the Auditors' report to the Committee

GOVERNANCE

AUDIT COMMITTEE REPORT

- Approval of the annual report and Financial Statements
- Review of the Depositary's Report for the period ended 30 September 2018

May 2019:

- Consideration and review of the half year report and Financial Statements
- Approval of the half year report
- Review of the Depositary's Report for the six months ended 31 March 2019
- Review of the Company's risk management process
- Review of the relevant internal controls of its key service providers
- Approval of the Auditors' engagement letter and review of their plan for the 2019 audit

September 2019:

- Review of the Company's key risks
- Review of the Company's policies in respect of non-audit services, whistle blowing, anti-slavery, prevention of the facilitation of tax evasion and anti-bribery and corruption, together with the procedures for the detection of fraud and cyber security and the measures for these put in place by its key service providers

FINANCIAL REPORTING COUNCIL ("FRC") review of the Company's Annual Report & Accounts to 30 September 2018

During the year the FRC carried out a review of the Company's Annual Report and Accounts to 30 September 2018. The review was based on the document itself and did not benefit from detailed knowledge of the Company. However, it was conducted by staff of the FRC who had an understanding of the relevant legal and accounting framework. The Committee was pleased to note that, based on the FRC's review, while there were a small number of minor disclosure matters that required consideration, there were no questions that the FRC wished to raise.

ANNUAL REPORT AND FINANCIAL STATEMENTS

The Annual Report and the Financial Statements as a whole, are the responsibility of the Board. The Directors' Responsibility Statement is contained on page 40. The Board looks to the Committee to advise them in relation to the Financial Statements both as regards their form and content, and on any specific areas requiring judgement.

Although the Committee did not identify any significant issues as part of its review of the Annual Report and Financial Statements, it paid particular attention to:

Accounting Policies

The accounting policies, as set out on pages 45 to 47, have been applied throughout the year. In light of there being no unusual transactions during the year or other possible reasons, the Committee found no reasons to change any of the policies.

Existence of investments

During the year the Committee met with representatives of the Depositary who provided reassurance concerning the safekeeping of the company's investments.

Valuation of Investments

The Committee reviewed the robustness of the AIFM's processes in place for recording investment transactions as well as ensuring the valuation of investments is in accordance with the adopted accounting policies.

Recognition of Revenue from Investments

The Committee received assurance that all dividends receivable, including special dividends, had been accounted for appropriately. Specific attention was given to a special dividend paid by Dr. Pepper Snapple. The financial treatment of the dividend is set out in a note to the Statement of Changes in Equity.

Interest in unquoted investment

The Committee reviewed the valuation methodology of the Company's partnership interest in Frostrow Capital LLP. The valuation, based upon the average of a discounted multiple of revenues and price earnings multiple, was accepted.

Going Concern

Having considered the Company's financial position, the Committee satisfied itself that it is appropriate for the Board to present the Financial Statements on the going concern basis.

Long Term Viability

The Committee satisfied itself that it is appropriate for the Board to make the statement on page 17 that they have a reasonable expectation that the Company will be able to continue its operations over the next five years.

Internal audit

Since the company delegates its day to day operations to third parties and has no employees, the Committee again determined that there is no requirement for such a function.

INTERNAL CONTROLS AND RISK MANAGEMENT

The Directors have identified (Strategic Report pages 12 and 13) six main areas of risk: Corporate Strategy, Investment Strategy and Activity, Shareholder Relations and Corporate Governance, Operational, Financial, Accounting and Legal and Regulatory. They have set out the actions taken to evaluate and manage these risks. The Committee reviews the various actions taken and satisfies itself that they are sufficient: in particular the Committee reviews the Company's schedule of key risks at each meeting and requires amendments to both risks and mitigating actions if necessary.

During the year the Committee considered whether Brexit poses potential risks to the Company. It does not consider that Brexit has affected the risk profile of the Company but will continue to monitor developments and reassess the Company's risks accordingly.

The Board has overall responsibility for the Company's risk management and systems of internal controls and for reviewing their effectiveness. In common with the majority of investment trusts, investment management, accounting, company secretarial and custodial services have been delegated to third parties. The effectiveness of the internal controls is assessed on a continuing basis by the AIFM, the Portfolio Manager and the Depositary. Each maintains its own systems and the Committee receives regular reports from them. The Committee is satisfied that appropriate systems have been in place for the year under review.

EXTERNAL AUDITORS

Meetings:
This year the nature and scope of the 2019 audit together with PricewaterhouseCoopers LLP's ("PwC") audit plan were reviewed by the Committee on 7 May 2019.

I, together with three other Committee members, met the Senior Audit Manager on 26 November 2019 to discuss the audit and the draft 2019 Annual Report and Financial Statements. The Committee then met on 11 December 2019 to review the outcome of the audit with the Audit Partner, Jeremy Jensen and his Senior Audit Manager.

Details of the fees paid to the Auditors for audit services are set out in note 4 to the Financial Statements on page 47.

Independence and Effectiveness:
In order to fulfil the Committee's responsibility regarding the independence of the Auditors, the Committee reviewed:

- the senior audit personnel in the audit plan,
- the Auditors' arrangements concerning potential conflicts of interest,
- the statement by the Auditors that they remain independent within the meaning of the regulations and their professional standards, and
- the extent of any non-audit services in line with the Company's policy.

In order to consider the effectiveness of the audit process, the Committee reviewed:

- the Auditors' fulfilment of the agreed audit plan,
- the report arising from the audit itself, and
- feedback from the AIFM on the conduct of the audit.

The Committee satisfied itself concerning the Auditors' independence and the effectiveness of the audit process, together with the degree of diligence and professional scepticism brought to bear.

The Committee is aware of developments in best practice with regards to non-audit services and in particular the EU Revised FRC Ethical Standard that came into effect in 2016.

The Committee monitors the level of non-audit work carried out by the Auditors and seeks assurances from the Auditors that they maintain suitable policies and processes ensuring independence, and monitor compliance with the relevant regulatory requirements on an annual basis. No non-audit work was carried out by the Auditors during the year.

The Company has a policy in respect of any Non-Audit Services provided by the Auditors. It operates on the basis whereby the provision of non-audit services by the Auditors is permissible where no conflict of interest arises, where the independence of the Auditors is not likely to be impinged by undertaking the work and the quality and objectivity of both the non-audit work and audit work will not be compromised. In particular, non-audit services may be provided by the Auditor if they are inconsequential or would have no direct effect on the Company's Financial Statements and the audit firm would not place significant reliance on the work for the purposes of the statutory audit.

GOVERNANCE

AUDIT COMMITTEE REPORT

Auditor Tendering

The Committee reviews the re-appointment of the Auditors every year and the need to put the audit out to tender. Based on existing legislation, another tender process will be conducted no later than in 2024. The Company is therefore in compliance with the provisions of "The Statutory Audit Services for Large Companies Market Investigation" (Mandatory use of responsibilities) Order 2014 as issued by the Competition & Markets Authority.

PwC have been the Company's Auditors since June 2014, which was the last occasion an audit tender was held and this appointment has been renewed at each subsequent AGM.

The Audit Committee, following a review, remains satisfied with the effectiveness and independence of PwC. It has not, therefore, considered it necessary to require the audit to be put out to tender. When necessary the Audit Committee discusses engagement and partner rotation with PwC and Jeremy Jensen has replaced Alex Bertolotti following his rotation after five years in the role. There are no contractual or similar obligations restricting the Company's choice of auditors.

Independent Auditors Re-appointment

PwC have carried out the audit for the years ended 30 September 2014 to 2019 and have been considered to be independent by the Committee.

Having indicated their willingness to continue to act as Auditors to the Company for the forthcoming year a resolution re-appointing PwC LLP as Auditors will be proposed at the forthcoming Annual General Meeting.

Performance Evaluation

The Committee undertook an evaluation of its performance during December 2019. No former recommendations were required to be reported to the Board this year in accordance with the Committee's terms of reference.

As part of its evaluation the Committee reviewed the following:

- Its role
- Membership, Independence, Objectivity and Understanding
- Skills
- Scope of Work
- Communications

David Hunt, FCA
Chairman of the Audit Committee

17 December 2019

GOVERNANCE

DIRECTORS' REMUNERATION REPORT

STATEMENT BY THE CHAIRMAN OF THE BOARD

On behalf of the Board, I am pleased to present the Directors' Remuneration Report to shareholders.

This report has been prepared in accordance with the requirements of Section 421 of the Companies Act 2006 and the Enterprise and Regulatory Reform Act 2013. An Ordinary Resolution for the approval of this report will be put to shareholders at the Company's forthcoming Annual General Meeting. The Directors' Remuneration Policy Report, which is separate to this report, can be found on page 39.

The law requires the Company's Auditors to audit certain disclosures within this report. Where disclosures have been audited, they are indicated as such and the Auditors' opinion is included in their report to members on pages 58 to 63.

Due to the Company's size and to avoid the need to establish a separate Remuneration Committee, the Company's remuneration function is carried out by the full Board under my Chairmanship. The Board considers the framework for the remuneration of the Directors on an annual basis. It reviews the ongoing appropriateness of the Company's remuneration policy and the individual remuneration of Directors by reference to the activities of the Company and comparison with other companies of a similar structure and size. This is in-line with the AIC Code.

At a review meeting held on 17 September 2019 it was agreed that Directors' fees would remain unchanged for the year ended 30 September 2020.

All levels of remuneration reflect both the time commitment and responsibility of the role.

No advice from remuneration consultants was received during the year under review.

Directors' Fees

The Directors are remunerated exclusively by fixed fees in cash and do not receive bonus payments, pension contributions or other benefits from the Company. Directors are not offered options to acquire shares in the Company.

All Directors are entitled to the reimbursement of reasonable out of pocket expenses incurred by them in order to perform their duties as directors of the Company. No Director drew any such expenses during the year.

As noted in the Strategic Report, all of the Directors are non-executive and therefore there is no Chief Executive Officer ("CEO"). The Company does not have any employees. There is therefore no CEO or employee information to disclose.

No payments were made to former Directors of the Company other than disclosed in the table below:

Single total figure of remuneration 2019 (audited)

	DATE OF APPOINTMENT TO THE BOARD	TOTAL FEES[3] 2019	TOTAL FEES[3] 2018
Anthony Townsend[1]	1 February 2005	£37,500	£34,500
John Allard*	11 October 2000	–	£7,667
Neil Collins	30 January 2008	£24,500	£23,000
Kate Cornish-Bowden	26 October 2017	£24,500	£21,437
Simon Hayes	29 June 2015	£24,500	£23,000
David Hunt[2]	6 July 2006	£30,000	£27,250
Sandra Kelly	9 October 2019	–	–
Vanessa Renwick*	11 October 2000	–	£7,667
Lorna Tilbian	26 October 2017	£24,500	£21,437
		£165,500	£165,958

[1] Chairman of the Board
[2] Chairman of the Audit Committee and Senior Independent Director
[3] None of the fees were paid to any third party in respect of the services provided
* resigned as Directors on 31 January 2018

GOVERNANCE

DIRECTORS' REMUNERATION REPORT

At the last Annual General Meeting held in February 2019 the results in respect of the resolutions to approve the Directors' Remuneration Report were as follows:

DIRECTORS' REMUNERATION REPORT

	VOTES CAST FOR	VOTES CAST AGAINST	VOTES WITHHELD*
Votes cast	64,173,877	987,370	532,154
% of votes cast	(98.48%)	(1.52%)	

Shareholder approval of the Directors' Remuneration Report was last sought at the Annual General Meeting held in February 2019 and will be sought again at the next AGM to be held in February 2020.

DIRECTORS' REMUNERATION POLICY

	VOTES CAST FOR	VOTES CAST AGAINST	VOTES WITHHELD*
Votes cast	54,068,160	1,165,112	427,418
% of votes cast	(97.89%)	(2.11%)	

* Votes withheld are not votes by law and are therefore not counted in the calculation of votes for or against a resolution

Shareholder approval of the Directors' Remuneration Policy was last sought at the Annual General Meeting held in January 2017 and will be sought again at the next AGM to be held in February 2020.

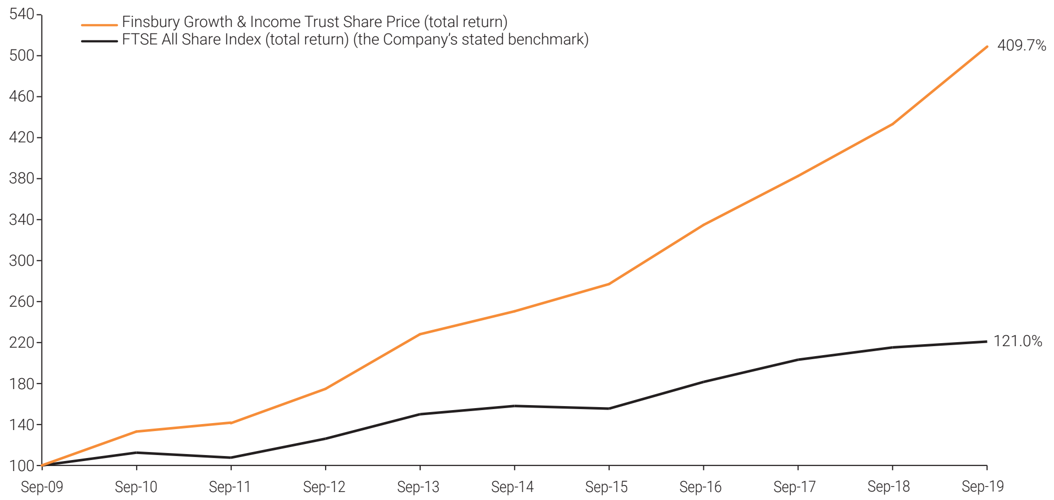
Loss of office

Directors do not have service contracts with the Company but are engaged under letters of appointment. These specifically exclude any entitlement to compensation upon leaving office for whatever reason.

Share Price Return

The chart below illustrates the shareholder return for a holding in the Company's shares as compared to the FTSE All-Share Index, which the Board has adopted as the measure for both the Company's performance and that of the Portfolio Manager for the ten years to 30 September 2019.

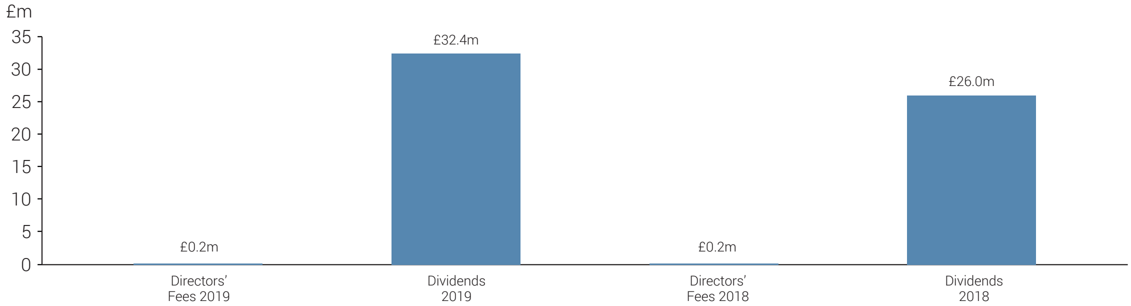
TEN YEARS TOTAL SHAREHOLDER RETURN TO 30 SEPTEMBER 2019



Source: Morningstar
Rebased to 100 at September 2009

RELATIVE COST OF DIRECTORS' REMUNERATION

The bar chart below shows the comparative cost of Directors' fees compared with the level of dividend distribution for 2018 and 2019.



Source: Frostrow Capital LLP

Directors' Interests in Ordinary Shares

The Directors' interests in the share capital of the Company are shown in the table below:

	NUMBER OF ORDINARY SHARES OF 25p HELD			
	(AUDITED) 30 SEPTEMBER 2019 SHARES HELD	VALUATION* 30 SEPTEMBER 2019 £'000	(AUDITED) 30 SEPTEMBER 2018 SHARES HELD	VALUATION* 30 SEPTEMBER 2018 £'000
Anthony Townsend (Chairman)	191,034	1,800	191,034	1,563
Neil Collins	83,484	786	76,754	628
Kate Cornish-Bowden	7,061	67	7,061	58
Simon Hayes	35,496	334	35,000	286
David Hunt	35,000	330	35,000	286
Sandra Kelly[1]	2,397	23	–	–
Lorna Tilbian	–	–	–	–
Total	354,472	3,340	344,849	2,821

* The Company's share price as at 30 September 2019 was 942.0p (2018: 818.0p)
[1] Sandra Kelly was appointed as a Director on 9 October 2019

None of the Directors was granted or exercised rights over shares during the year. None of the Directors has any contract (including service contracts) with the Company. There are no provisions included within the Company's Articles of Association which require Directors to hold shares in the Company.

Managers' Interests in Ordinary Shares

Managers' interests in the share capital of the Company are shown in the table below:

	NUMBER OF ORDINARY SHARES OF 25p HELD			
	30 SEPTEMBER 2019 SHARES HELD	VALUATION* 30 SEPTEMBER 2019 £'000	30 SEPTEMBER 2018 SHARES HELD	VALUATION* 30 SEPTEMBER 2018 £'000
Alastair Smith	74,827	705	71,633	586
Nick Train	2,665,336	25,107	2,044,202	16,722

* The Company's share price as at 30 September 2019 was 942.0p (2018: 818.0p)

GOVERNANCE

DIRECTORS' REMUNERATION REPORT

Annual Statement

On behalf of the Board I confirm that the Remuneration Policy, set out on page 39 and this Remuneration Report summarises, as applicable, for the year ended 30 September 2019:

(a) the major decisions on Directors' remuneration;

(b) any substantial changes relating to Directors' remuneration made during the year; and

(c) the context in which the changes occurred and decisions have been taken.

Anthony Townsend
Chairman

17 December 2019

GOVERNANCE

DIRECTORS' REMUNERATION POLICY REPORT

The Company follows the recommendations of the AIC Code that Directors' remuneration should reflect their duties, responsibilities and the value of their time spent. The Board's policy is that the remuneration of the Directors should reflect the experience of the Board as a whole, and is determined with reference to comparable organisations and appointments. There are no performance conditions attaching to the remuneration of the Directors as the Board does not believe that this is appropriate for non-executive Directors. This policy is reviewed annually and it is intended that it will continue for the year ending 30 September 2020 and for subsequent financial years.

The fees for the Directors are determined within the limits set out in the Company's Articles of Association, the maximum aggregate limit currently being £200,000 per annum, and they are not eligible for bonuses, pension benefits, share options, long-term incentive schemes or other benefits. Directors are entitled to claim reasonable expenses from the Company in relation to the performance of their duties. The current and projected Directors' fees for 2020 are shown in the following table. The Company does not have any employees.

Directors' Fees Current and Projected

	DATE OF APPOINTMENT TO THE BOARD	PROJECTED FEES 2020	CURRENT FEES 2019
Anthony Townsend (Chairman)	1 February 2005	£37,500	£37,500
Neil Collins (retires at the 2020 AGM)	30 January 2008	£10,208	£24,500
Kate Cornish-Bowden	26 October 2017	£24,500	£24,500
Simon Hayes	29 June 2015	£24,500	£24,500
David Hunt (Chairman of the Audit Committee and Senior Independent Director)*	6 July 2006	£20,000	£30,000
Sandra Kelly	9 October 2019	£24,060	–
Lorna Tilbian	26 October 2017	£24,500	£24,500
		165,268	165,500

* David Hunt will retire following the release of the Company's Half Year Accounts to 31 March 2020.

The current level of Directors' fees will not be reviewed until at least September 2020. Any new Director being appointed to the Board who has not been appointed as either Chairman of the Board or as the Senior Independent Director will, under the current level of fees, receive £24,500 per annum.

DIRECTORS' REMUNERATION YEAR ENDED 30 SEPTEMBER 2019

None of the Directors has a service contract. The terms of their appointment provide that Directors shall retire and be subject to election at the first Annual General Meeting after their appointment and to re-election annually thereafter. The terms also provide that a Director may be removed without notice and that compensation will not be due on leaving office. The terms and conditions of the Directors' appointments are set out in formal letters of appointment which are available for review of the Company's Annual General Meeting.

CONSIDERATION OF SHAREHOLDER'S VIEWS

In accordance with best practice recommendations the Board will put the Remuneration Policy to shareholders at the Annual General Meeting at least once every three years. Approval of this policy was last granted by shareholders at the Annual General Meeting held in January 2017.

Any feedback received from Shareholders is considered as part of the Board's annual review of remuneration. In respect of the year under review no feedback has been received from shareholders in relation to remuneration.

GOVERNANCE

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Annual Report and Financial Statements in accordance with applicable law and regulation.

Company law requires the directors to prepare Financial Statements for each financial year. Under that law the Directors have prepared the Financial Statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice).

Under company law the Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these Financial Statements, the Directors are required to:

- select suitable accounting policies and then applied them consistently;
- follow applicable UK Accounting Standards, subject to any material departures disclosed and explained in the Financial Statements respectively; and
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the Financial Statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business .

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 Company and enable them to ensure that the Financial Statements and the Directors' Remuneration Report comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Financial Statements are published in the Corporate Information section of the Company's website (www.finsburygt.com) and via the website of the AIFM (www.frostrow.com). The maintenance and integrity of these websites, so far as it relates to the Company, is the responsibility of the AIFM. The work carried out by the Auditors does not involve consideration of the maintenance and integrity of these websites and, accordingly, the Auditors accept no responsibility for any changes that have occurred to the Financial Statements since they were initially presented on these websites. Visitors to the websites need to be aware that legislation in the UK governing the preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions.

DIRECTORS' CONFIRMATIONS

The Directors consider that the Annual Report, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

Each of the Directors, who are listed on pages 20 and 21 confirm that, to the best of their knowledge:

- the financial statements, which have been prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law), give a true and fair view of the assets, liabilities, financial position and net return of the Company; and
- the Strategic Report includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties that it faces.

Approved by the Board of Directors and signed on its behalf by

Anthony Townsend
Chairman

17 December 2019

FINANCIAL STATEMENTS
INCOME STATEMENT
for the year ended 30 September 2019

	NOTE	YEAR ENDED 30 SEPTEMBER 2019 REVENUE £'000	YEAR ENDED 30 SEPTEMBER 2019 CAPITAL £'000	YEAR ENDED 30 SEPTEMBER 2019 TOTAL £'000	YEAR ENDED 30 SEPTEMBER 2018 REVENUE £'000	YEAR ENDED 30 SEPTEMBER 2018 CAPITAL £'000	YEAR ENDED 30 SEPTEMBER 2018 TOTAL £'000
Gains on investments at fair value through profit or loss	9	–	242,306	242,306	–	133,822	133,822
Currency translations		–	(125)	(125)	–	(209)	(209)
Income	2	39,680	–	39,680	31,794	–	31,794
AIFM and Portfolio management fees	3	(3,045)	(6,181)	(9,226)	(2,525)	(5,127)	(7,652)
Other expenses	4	(1,199)	–	(1,199)	(1,018)	–	(1,018)
Return on ordinary activities before finance charges and taxation		35,436	236,000	271,436	28,251	128,486	156,737
Finance charges	5	(275)	(557)	(832)	(240)	(488)	(728)
Return on ordinary activities before taxation		35,161	235,443	270,604	28,011	127,998	156,009
Taxation on ordinary activities	6	(847)	–	(847)	(557)	–	(557)
Return on ordinary activities after taxation		34,314	235,443	269,757	27,454	127,998	155,452
Return per share – basic and diluted	7	18.3p	125.5p	143.8p	16.5p	77.1p	93.6p

The "Total" column of this statement represents the Company's income statement.

The "Revenue" and "Capital" columns are supplementary to this and are prepared under guidance published by the Association of Investment Companies (AIC).

All items in the above statement derive from continuing operations.

The Company had no recognised gains or losses other than those declared in the Income Statement; therefore no separate statement of Total Comprehensive Income has been presented.

There is no material difference between the net return on ordinary activities before taxation and the net return on ordinary activities after taxation stated above and their historical cost equivalents.

The notes on pages 45 to 57 form part of these Financial Statements.

FINANCIAL STATEMENTS

STATEMENT OF CHANGES IN EQUITY

for the year ended 30 September 2019

	CALLED UP SHARE CAPITAL £'000	SHARE PREMIUM ACCOUNT £'000	CAPITAL REDEMPTION RESERVE £'000	SPECIAL RESERVE £'000	CAPITAL RESERVE £'000	REVENUE RESERVE £'000	TOTAL SHAREHOLDERS' FUNDS £'000
At 1 October 2018	43,423	684,726	3,453	–	643,037	37,151	1,411,790
Net return from ordinary activities	–	–	–	–	235,443	34,314	269,757
Reclassification of the special dividend from Dr Pepper Snapple*	–	–	–	–	(2,499)	2,499	–
Second interim dividend (8.1p per share) for the year ended 30 September 2018	–	–	–	–	–	(14,077)	(14,077)
First interim dividend (8.0p per share) for the year ended 30 September 2019	–	–	–	–	–	(15,084)	(15,084)
Issue of shares	6,780	219,747	–	–	–	–	226,527
Cost of share issuance	–	(153)	–	–	–	–	(153)
At 30 September 2019	50,203	904,320	3,453	–	875,981	44,803	1,878,760

* Keurig Dr Pepper Snapple (formerly Dr. Pepper Snapple) paid a special dividend in July 2018. At the time and in the 30 September 2018 Financial Statements, it was treated as being capital in nature. During the year, Dr Pepper Snapple clarified that 28.4% of this dividend should be regarded as revenue. Accordingly £2,499,000 of the special dividend has been transferred from the Company's capital reserve to the revenue reserve.

	CALLED UP SHARE CAPITAL £'000	SHARE PREMIUM ACCOUNT £'000	CAPITAL REDEMPTION RESERVE £'000	SPECIAL RESERVE £'000	CAPITAL RESERVE £'000	REVENUE RESERVE £'000	TOTAL SHAREHOLDERS' FUNDS £'000
At 1 October 2017	39,724	572,791	3,453	12,424	515,039	20,990	1,164,421
Net return from ordinary activities	–	–	–	–	127,998	27,454	155,452
Second interim dividend (7.4p per share) for the year ended 30 September 2017	–	–	–	–	–	(11,786)	(11,786)
First interim dividend (7.2p per share) for the year ended 30 September 2018	–	–	–	–	–	(11,931)	(11,931)
Issue of shares	3,699	111,935	–	–	–	–	115,634
Transfer of special reserve to revenue reserve**	–	–	–	(12,424)	–	12,424	–
At 30 September 2018	43,423	684,726	3,453	–	643,037	37,151	1,411,790

The notes on pages 45 to 57 form part of these Financial Statements.

** The special reserve arose following court approval in 2002 to cancel the share premium account. This reserve was historically used to fund share buy-backs by the Company. During 2018, having taken legal advice, the balance of the special reserve amounting to £12,424,000 was transferred to the Revenue reserve and was judged to be distributable.

FINANCIAL STATEMENTS

STATEMENT OF FINANCIAL POSITION

as at 30 September 2019

	NOTE	2019 £'000	2018 £'000
Fixed assets			
Investments designated at fair value through profit or loss	9	1,888,834	1,431,672
Current assets			
Debtors	10	10,243	4,886
Cash and cash equivalents		22,379	13,175
		32,622	18,061
Current liabilities			
Creditors: amounts falling due within one year	11	(5,996)	(1,243)
Bank loan	12	(36,700)	–
		(42,696)	(1,243)
Net current (liabilities)/assets		(10,074)	16,818
Total assets less current liabilities		1,878,760	1,448,490
Creditors: amount falling due after more than one year			
Bank loan	12	–	(36,700)
Net assets		1,878,760	1,411,790
Capital and reserves			
Called up share capital	13	50,203	43,423
Share premium account		904,320	684,726
Capital redemption reserve		3,453	3,453
Capital reserve	14	875,981	643,037
Revenue reserve		44,803	37,151
Total shareholders' funds		1,878,760	1,411,790
Net asset value per share	15	935.6p	812.8p

The Financial Statements on pages 41 to 57 were approved by the Board of Directors on 17 December 2019 and were signed on its behalf by:

Anthony Townsend
Chairman

The notes on pages 45 to 57 form part of these Financial Statements.

Company Registration Number SC013958 (Registered in Scotland)

FINANCIAL STATEMENTS
STATEMENT OF CASH FLOWS
for the year ended 30 September 2019

	NOTE	2019 £'000	2018 £'000
Net cash inflow from operating activities before interest	18	27,436	21,712
Interest paid		(822)	(568)
Net cash inflow from operating activities		26,614	21,144
Investing activities			
Purchase of investments		(221,806)	(199,082)
Sale of investments		11,444	87,923
Net cash outflow from investing activities		(210,362)	(111,159)
Financing activities			
Dividends paid		(29,161)	(23,717)
Shares issued		222,391	115,634
Cost of share issuance		(153)	–
Net cash inflow from financing activities		193,077	91,917
Increase/(decrease) in cash and cash equivalents		9,329	1,902
Currency translations		(125)	(209)
Cash and cash equivalents at 1 October		13,175	11,482
Cash and cash equivalents at 30 September		22,379	13,175

The notes on pages 45 to 57 form part of these Financial Statements.

FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

The Company is a public limited company (PLC) incorporated in the United Kingdom, with registered office of 50 Lothian Road, Festival Square, Edinburgh EH3 9WJ.

The principal accounting policies, all of which have been applied consistently throughout the year in the preparation of these Financial Statements, are set out below:

(a) Basis of preparation

The Financial Statements have been prepared under UK Company Law, FRS 102 'The Financial Reporting Standard applicable in the UK and Ireland' and under the historical cost convention, except for the measurement at fair value of investments, and in accordance with UK Generally Accepted Accounting Practice (GAAP) and the Statement of Recommended Practice (SORP) for "Financial Statements of Investment Trust Companies and Venture Capital Trusts" issued by the Association of Investment Companies dated October 2019 and the Companies Act 2006.

The revised SORP issued in October 2019 is applicable for accounting periods beginning on or after 1 January 2019 and early adoption is encouraged. The Company has chosen to early adopt the revised SORP. 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 9. 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.

Presentation of the Income Statement

In order to reflect better the activities of an investment trust company and in accordance with the SORP, supplementary information which analyses the Income Statement between items of a revenue and capital nature has been presented alongside the Income Statement. The net revenue return is the measure the Directors believe appropriate in assessing the Company's compliance with certain requirements set out in Sections 1158 and 1159 of the Corporation Tax Act 2010.

Judgements and key sources of estimation and uncertainty

There were no such judgements, estimates and uncertainty reported during the financial year ended 30 September 2019.

(b) Investments held at fair value through profit or loss

As the Company's business is investing in financial assets with a view to profiting from their total return in the form of dividends, interest or increases in fair value, investments are held at fair value through profit or loss and are initially recognised at fair value. The Company manages and evaluates the performance of these investments on a fair value basis in accordance with its investment strategy, and information about the investments is provided internally on this basis to the Board. Fair value for quoted investments is deemed to be bid market prices, or last traded price, depending on the convention of the stock exchange on which they are quoted.

Changes in the fair value of investments held at fair value through profit or loss, and gains and losses on disposal are recognised in the Income Statement as a capital item.

All purchases and sales of investments are accounted for on the trade date basis.

The Company's policy is to expense transaction costs on acquisition through the gains on investment at fair value through profit or loss. The total of such expenses, showing the total amounts included in disposals and acquisitions are disclosed in note 9 on page 50.

(c) Income

Dividends receivable from equity shares are recognised in Revenue on an ex-dividend basis except where, in the opinion of the Board, the dividend is Capital in nature, in which case it is included in Capital. Overseas dividends are stated gross of any withholding tax.

When the Company has elected to receive scrip dividends in the form of additional shares rather than cash, the amount of cash dividend foregone is recognised in Revenue.

Fixed returns on non-equity shares are recognised on a time apportionment basis.

Special dividends: In deciding whether a dividend should be regarded as a Capital or Revenue receipt, the Company reviews all relevant information as to the reasons for and sources of the dividend on a case by case basis depending upon the nature of the receipt. Special dividends of a revenue nature are recognised through the revenue column of the Income Statement. Special Dividends of a capital nature are recognised through the capital column of the Income Statement.

The limited liability partnership (LLP) profit share is recognised in the financial statements when the entitlement to the income is established.

Deposit interest receivable is taken to revenue on an accruals basis.

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1. ACCOUNTING POLICIES CONTINUED

(d) Dividend Payments

Dividends paid by the Company on its shares are recognised in the Financial Statements in the period in which they are paid and are shown in the Statement of Changes in Equity.

(e) Expenditure and Finance Charges

All the expense and finance costs are accounted for on an accruals basis. Expenses are charged through the revenue column of the Income Statement except as follows:

(1) expenses which are incidental to the acquisition or disposal of an investment are treated as part of the cost or deducted from proceeds of that investment (as explained in 1(b) above);

(2) expenses are taken to the Capital reserve via the capital column of the Income Statement, where a connection with the maintenance or enhancement of the value of the investments can be demonstrated. In line with the Board's expected long term split of returns, in the form of capital gains and income from the Company's portfolio, 67% of the portfolio management fee, AIFM fee and finance costs are taken to the Capital reserve and the balance to the Revenue reserve.

(f) Taxation

Current tax is provided at the amounts expected to be paid or recovered.

Deferred taxation is provided on all timing differences that have originated but not been reversed by the Statement of Financial Position date other than those differences regarded as permanent. This is subject to deferred tax assets only being recognised if it is considered more likely than not that there will be suitable profits from which the reversal of timing differences can be deducted. Any liability to deferred tax is provided for at the rate of tax enacted or substantially enacted.

Any tax relief obtained in respect of AIFM and portfolio management fees, finance costs and other capital expenses charged are allocated to the capital column of the Income Statement.

(g) Foreign currency

Transactions recorded in overseas currencies during the year are translated into Sterling at the exchange rates ruling at the date of the transaction. Assets and liabilities denominated in overseas currencies at the Statement of Financial Position date are translated into sterling at the exchange rate ruling at that date. Profits or losses on the translation of foreign currency balances, whether realised or unrealised are credited or debited to the Income Statement.

(h) Cash and Cash Equivalents

Cash and cash equivalents are defined as cash and demand deposits readily convertible to known amounts of cash and subject to insignificant risk of changes in value.

(i) Bank Loan

Bank loans are recognised at cost, being the fair value of the consideration received. Any issue costs are charged in the year in which they are incurred. The amounts falling due for repayment within one year are included under current liabilities in the Statement of Financial Position and amounts falling due after one year are included under "Creditors: amounts falling due after more than one year" in the Statement of Financial Position.

(j) Nature and purpose of reserves

Capital redemption reserve

This reserve arose when ordinary shares were redeemed by the Company and subsequently cancelled, at which point the amount equal to the par value of the ordinary share capital was transferred from the ordinary share capital to the Capital Redemption reserve.

Capital reserve

This reserve reflects any:

- gains or losses on the disposal of investments;
- exchange differences of a capital nature;
- the increases and decreases in the fair value of investments which have been recognised in the capital column of the Income Statement;
- expenses which are capital in nature as disclosed in note I(e); and
- following amendments to the Company's Articles of Association in 2015, this reserve can be used to distribute realised capital profits by way of dividend.

1. ACCOUNTING POLICIES CONTINUED

Revenue reserve

This reserve reflects all income and expenditure which are recognised in the revenue column of the income statement and is distributable by way of dividend.

2. INCOME

	2019 £'000	2018 £'000
Income from investments		
UK listed dividends	32,728	26,887
Overseas dividends	6,500	4,475
Limited liability partnership – profit-share and priority profit share on AIFM capital contribution	451	431
Bank interest	1	1
Total income	39,680	31,794

3. AIFM AND PORTFOLIO MANAGEMENT FEES

	REVENUE £'000	CAPITAL £'000	2019 TOTAL £'000	REVENUE £'000	CAPITAL £'000	2018 TOTAL £'000
AIFM fee	761	1,545	2,306	631	1,282	1,913
Portfolio management fee	2,284	4,636	6,920	1,894	3,845	5,739
Total fees	3,045	6,181	9,226	2,525	5,127	7,652

4. OTHER EXPENSES

	REVENUE £'000	CAPITAL £'000	2019 TOTAL £'000	REVENUE £'000	CAPITAL £'000	2018 TOTAL £'000
Directors' fees	166	–	166	166	–	166
Auditors' fees –						
statutory annual audit	29	–	29	28	–	28
Stock listing and FCA fees	322	–	322	220	–	220
Registrar's fees	72	–	72	55	–	55
Depositary's fees	169	–	169	138	–	138
Custody fees	91	–	91	76	–	76
Company broker fees	36	–	36	36	–	36
Legal and professional fees	9	–	9	17	–	17
Promotional costs	62	–	62	68	–	68
Printing and postage	74	–	74	65	–	65
Other expenses	169	–	169	149	–	149
Total expenses	1,199	–	1,199	1,018	–	1,018

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4. OTHER EXPENSES (CONTINUED)

All of the above expenses include VAT where applicable, with the exception of the fees paid to the Company's Auditors, which are shown net of VAT.

Further details of the amounts paid to Directors are included in the Directors' Remuneration Report on pages 35 to 38.

5. FINANCE CHARGES

	REVENUE £'000	CAPITAL £'000	2019 TOTAL £'000	REVENUE £'000	CAPITAL £'000	2018 TOTAL £'000
Interest payable on bank loan	230	467	697	196	398	594
Loan facility expenses	45	90	135	44	90	134
	275	557	832	240	488	728

6. TAXATION ON ORDINARY ACTIVITIES

(a) Analysis of charge in the year

	REVENUE £'000	CAPITAL £'000	2019 TOTAL £'000	REVENUE £'000	CAPITAL £'000	2018 TOTAL £'000
UK Corporation tax at 19% (2018: 19%)	–	–	–	–	–	–
Overseas withholding tax	1,150	–	1,150	744	–	744
Recoverable overseas withholding tax	(303)	–	(303)	(187)	–	(187)
	847	–	847	557	–	557

(b) Factors affecting current tax charge for year

The tax assessed for the year is lower (2018: lower) than the standard rate of UK corporation tax of 19% (2018: 19%).

The differences are explained below:

	REVENUE £'000	CAPITAL £'000	2019 TOTAL £'000	REVENUE £'000	CAPITAL £'000	2018 TOTAL £'000
Total return on ordinary activities before taxation	35,161	235,443	270,604	28,011	127,998	156,009
Return on ordinary activities multiplied by UK corporation tax of 19% (2018: 19%)	6,681	44,734	51,415	5,322	24,319	29,641
Effects of:						
Overseas taxation	847	–	847	557	–	557
Franked investment income not subject to corporation tax – UK dividend income	(6,218)	–	(6,218)	(5,109)	–	(5,109)
Overseas dividends not taxable	(1,236)	–	(1,236)	(850)	–	(850)
Excess management and loan expenses	773	–	773	637	–	637
Amounts charged to capital	–	1,280	1,280	–	1,067	1,067
Non-taxable gains on investments*	–	(46,038)	(46,038)	–	(25,426)	(25,426)
Currency translations	–	24	24	–	40	40
Total tax charge for the year (note 6(a))	847	–	847	557	–	557

*Gains on investments are not subject to corporation tax within an investment trust company.

(c) Provision for deferred taxation

As at 30 September 2019, the Company had unutilised management expenses and other reliefs for taxation purposes of £86,943,000 (2018: £76,137,000). It is unlikely the Company will generate sufficient taxable income in excess of the available deductible expenses and therefore the Company has not recognised a deferred tax asset of £14,780,000 (2018: £12,943,000) based on a prospective corporation tax rate of 17% (2018: 17%). The UK corporation tax rate is *currently* enacted to fall to 17% effective 1 April 2020.

Due to the company's status as an investment company and the intention to continue meeting the conditions required to maintain such a status in the foreseeable future, the Company has not provided for deferred tax on any capital gains or losses arising on the revaluation or disposal of investments.

7. RETURN PER SHARE – BASIC AND DILUTED

	2019 £'000	2018 £'000
The return per share is based on the following figures:		
Revenue return	34,314	27,454
Capital return	235,443	127,998
Total return	269,757	155,452
Weighted average number of shares		
in issue for the year	187,655,152	166,079,612
Revenue return per share	18.3p	16.5p
Capital return per share	125.5p	77.1p
Total return per share	143.8p	93.6p

The calculation of the total, revenue and capital returns per ordinary share is carried out in accordance with IAS 33, "Earnings per Share (as adopted in the EU)".

During the year there were no dilutive instruments held, therefore the basic and diluted return per share are the same.

8. DIVIDENDS

In accordance with FRS 102 dividends are included in the Financial Statements in the year in which they are paid or approved by shareholders.

	EX-DIVIDEND DATE	REGISTER DATE	PAYMENT DATE	2019 £'000	2018 £'000
First interim dividend of 8.0p per share (2018: 7.2p)	4 April 2019	5 April 2019	16 May 2019	15,084	11,931
Second interim dividend of 8.6p per share (2018: 8.1p)	3 October 2019	4 October 2019	8 November 2019	17,297	14,077

The second interim dividend of 8.6p per share (2018: 8.1p) has not been included as a liability in these Financial Statements as it is only recognised in the financial year in which it is paid.

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8. DIVIDENDS (CONTINUED)

The total dividends payable in respect of the financial year which ensures compliance with Section 1158 of the Corporation Tax Act 2010 are set out below:

	2019 £'000	2018 £'000
Revenue available for distribution by way of dividend for the year	34,314	27,454
Amount transferred to revenue reserves during the year*	2,499	–
Adjusted revenue available for distribution by way of dividend	36,813	27,454
2019: First interim dividend of 8.0p per share (2018: 7.2p) paid on 16 May 2019	(15,084)	(11,931)
2019: Second interim dividend of 8.6p per share (2018: 8.1p) paid on 8 November 2019	(17,297)	(14,077)
Net addition to revenue reserves	4,432	1,446

* For further information see Statement of Changes in Equity on page 42.
The Company's dividend policy is set out on page 11.

9. INVESTMENTS HELD AT FAIR VALUE THROUGH PROFIT OR LOSS

Analysis of portfolio movements

	2019 £'000	2018 £'000
Opening book cost	874,556	706,019
Opening investment holding gains	557,116	480,892
Valuation at 1 October	1,431,672	1,186,911
Movements in the year:		
Purchases at cost	226,300	198,862
Sales Proceeds	(11,444)	(87,923)
Gains on investments*	242,306	133,822
Valuation at 30 September	1,888,834	1,431,672
Closing book cost	1,093,373	874,556
Investment holding gains at 30 September	795,461	557,116
Valuation at 30 September	1,888,834	1,431,672

* Due to early adoption of the revised SORP issued in October 2019, the presentations of gains and losses arising from disposals of investments and gains and losses on revaluation of investments have now been combined. Please see Accounting Policies note 1(a) on page 45.

The company received £11,444,000 (2018: £87,923,000) from investments sold in the year. The book cost of these investments when they were purchased was £7,483,000 (2018: £30,325,000). These investments have been revalued over time and until they were sold any unrealised gains/losses were included in the fair value of the investments.

Purchase transaction costs for the year to 30 September 2019 were £1,070,000 (2018: £822,000). These comprise of stamp duty costs of £976,000 (2018: £724,000) and commission of £94,000 (2018: £98,000). Sales transaction costs for the year to 30 September 2019 were £1,000 (2018: £10,000) and comprise commission.

10. DEBTORS

	2019 £'000	2018 £'000
Amounts due from brokers in respect of shares issued by the Company	4,136	–
Prepayments and accrued income	6,107	4,886
	10,243	4,886

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £'000	2018 £'000
Amounts due to brokers	4,742	248
Other creditors and accruals	1,254	995
	5,996	1,243

12. BANK LOAN

	2019 £'000	2018 £'000
Bank loan	36,700	36,700

Scotiabank Europe PLC, the provider of the Company's loan facility, has a fixed and floating charge over the assets of the Company as security against any funds drawn down under the loan facility. As at 30 September 2019, the Company was in its final few days of its three year secured fixed term multicurrency revolving credit facility of £75 million (with an additional £25 million facility available if required).

The main covenant under the loan facility required that, at each month end, total borrowings should not exceed £100 million and the ratio of Adjusted Total Net Assets to Debt is not to be less than 4:1. There were no breaches of the covenant during the year.

This facility was renewed on 4 October 2019. (See the Chairman's Statement on page 5 for further details).

The Board has set a gearing limit which must not exceed 25% of the Company's Net Asset Value. (See the Strategic Report on page 10 for further details).

13. CALLED UP SHARE CAPITAL

	2019 £'000	2018 £'000
Allotted, issued and fully paid:		
200,811,712 (2018: 173,691,712) ordinary shares of 25p each	50,203	43,423

During the year 27,120,000 (2018: 14,795,000) new ordinary shares were issued for consideration of £226,527,000 (2018: £115,634,000) being an average price of 835.28p (2018: 781.57p) per share.

At the year end £4,136,000 was owed to the Company, (2018: £nil) in relation to shares issued but not yet settled until after that date.

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14. CAPITAL RESERVE

	CAPITAL RESERVE REALISED £'000	CAPITAL RESERVE INVESTMENT HOLDING GAINS UNREALISED £'000	2019 TOTAL £'000	2018 TOTAL £'000
At 1 October 2018	85,921	557,116	643,037	515,039
Net gains on investments	3,961	238,345	242,306	133,822
Reclassification of the special dividend from Dr. Pepper Snapple (see page 42 for further information)	(2,499)	–	(2,499)	–
Expenses charged to capital	(6,181)	–	(6,181)	(5,127))
Finance costs charged to capital	(557)	–	(557)	(488)
Currency translations	(125)	–	(125)	(209)
At 30 September 2019	80,520	795,461	875,981	643,037

Under the terms of the Company's Articles of Association, sums within "Capital Reserve Realised" are available for distribution.

15. NET ASSET VALUE PER SHARE

	2019	2018
Net Assets (£'000)	1,878,760	1,411,790
Number of shares in issue	200,811,712	173,691,712
Net asset value per share	935.6p	812.8p

During the year there were no dilutive instruments held, therefore the basic and diluted net asset value per share are the same.

16. TRANSACTIONS WITH THE MANAGER AND RELATED PARTIES

Details of the relationship between the Company, Frostrow Capital LLP ("Frostrow"), and Lindsell Train Limited ("Lindsell Train") are disclosed on the Company's website (www.finsburygt.com) and also in the Report of the Directors on page 24.

The Company has an investment in Frostrow with a book cost of £675,000 (2018: £625,000) and a fair value of £2,140,000 as at 30 September 2019 (2018: £1,885,000).

The Company also has an investment in The Lindsell Train Investment Trust plc, which is managed by Lindsell Train, with a book cost of £1,000,000 (2018: £1,000,000) and a fair value of £13,500,000 as at 30 September 2019 (2018: £11,750,000).

Details of the income received and fees payable to the AIFM are disclosed in notes 2 and 3 and details of the remuneration payable to the Portfolio Manager is detailed in note 3 on page 47.

Details of the fees of all Directors can be found in pages 35 to 39 and in note 4 on page 47. Directors' interests in the capital of the Company can be found on page 37. There were no other material transactions during the year with the Directors of the Company.

17. RISK MANAGEMENT

As an investment trust, the Company invests in equities and other investments for the long term so as to secure its investment objective as stated on page 1. In pursuit of its investment objective, the Company is exposed to a variety of risks that could result in either a reduction in the Company's net assets or a reduction in the revenue returns available for distribution.

The Company's financial instruments comprise mainly of equity investments, cash balances, borrowings, debtors and creditors that arise directly from its operations.

The principal risks inherent in managing the Company's financial instruments are market risk, liquidity risk and credit risk. These risks and the Directors' approach to the management of them are set out in the Strategic Report on pages 12 and 13.

Market risk

Market risk comprises three types of risk: market price risk, interest rate risk and currency risk.

Market price risk

As an investment company, performance is dependent on the performance of the underlying companies and securities in which it invests. The market price of investee companies' shares is subject to their performance, supply and demand for the shares and investor sentiment regarding the company or the industry sector in which it operates. Consequently market price risk is one of the most significant risks to which the Company is exposed.

At 30 September 2019, the fair value of the Company's assets exposed to market price risk was £1,888,834,000 (2018: £1,431,672,000) see page 6. If the fair value of the Company's investments at the Statement of Financial Position date increased or decreased by 10%, while all other variables remained constant, the capital return and net assets attributable to shareholders for the year ended 30 September 2019 would have increased or decreased by £188,883,000 or 94.1p per share (2018: £143,167,000 or 82.4p per share).

No derivatives or hedging instruments are currently utilised to manage market price risk.

Interest rate risk

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

Interest rate movement may affect:

- the interest payable on the Company's variable rate borrowings
- the level of income receivable from variable interest securities and cash deposits
- the fair value of investments of fixed rate securities

The Company's main exposure to interest rate risk during the year ended 30 September 2019 was through its three year £75,000,000 secured multicurrency committed revolving credit facility (with an additional £25 million facility available if required) with Scotiabank Europe PLC maturing in October 2019. Borrowings at the year-end amounted to £36,700,000 (2018: £36,700,000) at an interest rate of 1.84% (LIBOR plus 1.05% per annum).

If the above level of borrowing was maintained for a year a 1% increase/decrease in LIBOR would decrease/increase the revenue return by £121,000, (2018: £121,000) decrease/increase the capital return by £246,000 (2018: £246,000), and decrease/increase the net assets by £367,000 (2018: £367,000).

The weighted average interest rate, during the year, on borrowings under the above mentioned revolving credit facility was 1.89% (2018: 1.63%).

At 30 September 2019, the Company's financial assets and liabilities exposed to interest rate risk were as follows:

	2019 WITHIN ONE YEAR £'000	2019 MORE THAN ONE YEAR £'000	2018 WITHIN ONE YEAR £'000	2018 MORE THAN ONE YEAR £'000
Exposure to floating rates:				
Assets				
Cash and cash equivalents	22,379	–	13,175	–
Liabilities				
Creditors: amount falling due within one year – borrowings on the loan facility	(36,700)	–	–	–
Creditors: amount falling due after more than one year				
– borrowings under the loan facility	–	–	–	(36,700)
Exposure to fixed rates:				
Assets				
Investments at fair value through profit or loss#	890	–	817	–
Liabilities	–	–	–	–

Celtic 6% cumulative convertible preference shares and Frostrow Capital LLP AIFM Investment

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17. RISK MANAGEMENT CONTINUED

Currency risk

The Financial Statements are presented in sterling, which is the functional currency and presentational currency of the Company. At 30 September 2019, the Company's investments, with the exception of four, were priced in sterling. The four exceptions, Heineken, listed in the Netherlands, Remy Cointreau listed in France, Manchester United and Mondelez International, all listed in the United States together represent 19.2% of the portfolio.

The AIFM and the Portfolio Manager monitor the Company's exposure to foreign currencies on a continuous basis and regularly report to the Board. The Company does not hedge against foreign currency movements, but the Portfolio Manager takes account of the risk when making investment decisions.

Income denominated in foreign currencies is converted into sterling on receipt. The Company does not use financial instruments to mitigate the currency exposure in the period between its receipt and the time that the income is included in the Financial Statements.

Foreign currency exposure

At 30 September 2019 the Company held £193,750,000 (2018: £142,694,000) of investments denominated in U.S. dollars and £167,538,000 (2018: £131,576,000) in Euros.

Currency sensitivity

The following table details the sensitivity of the Company's return after taxation for the year to a 10% increase or decrease in the value of sterling compared to the U.S. dollar and Euros (2018: 10% increase and decrease).

The analysis is based on the Company's foreign currency financial instruments held at each Statement of Financial Position date.

If sterling had weakened against the U.S dollar and Euros, as stated above, this would have had the following effect:

	2019 £'000	2018 £'000
Impact on revenue return	134	82
Impact on capital return	40,017	30,477
Total return after tax/increase in shareholders' funds	40,151	30,559

If sterling had strengthened against the foreign currencies as stated above, this would have had the following effect:

	2019 £'000	2018 £'000
Impact on revenue return	(109)	(67)
Impact on capital return	(32,744)	(24,936)
Total return after tax/decrease in shareholders' funds	(32,853)	(25,003)

Credit Risk

Credit risk is the Company's exposure to financial loss from the failure of a counterparty to deliver securities or cash for acquisition or disposal of investments which could result in the Company suffering a financial loss. Credit risk is managed as follows:

- Investment transactions are carried out only with brokers whose creditworthiness is reviewed by the Portfolio Manager.
- Transactions are ordinarily undertaken on a delivery versus payment basis whereby the Company's custodian bank ensures that the counterparty to any transactions entered into by the Company has delivered its obligation before any transfer of cash or securities away from the Company is completed.
- Any failing trades in the market are closely monitored by both the AIFM and the Portfolio Manager.
- Cash is only held at banks that have been identified by the Board as reputable and of high credit quality. Bank of New York Mellon has a credit rating of Aa1 (Moodys) and AA- (S&P).

At 30 September 2019, the exposure to credit risk was £32,912,000 (2018: £18,328,000), comprising:

	2019 £'000	2018 £'000
Fixed assets:		
Non-equity investments (preference shares)	290	267
Current assets:		
Other receivables (amounts due from brokers, dividends and priority profit share receivable)	10,243	4,886
Cash and cash equivalents	22,379	13,175
Total exposure to credit risk	32,912	18,328

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities.

Liquidity risk is not considered significant as the majority of the Company's assets are investments in quoted equities. As at 30 September 2019 95% of the investment portfolio could be liquidated within 30 days (68% in seven days), based on average trading volumes taken from Bloomberg.

Liquidity risk exposure

Financial liabilities comprise of:	30 SEPTEMBER 2019 £'000	30 SEPTEMBER 2018 £'000
Due within one month:		
Balances due to brokers	4,742	248
Accruals	1,254	995
Bank loan	36,700	–
Due after three months and within one year		
Bank loan	–	36,700

Fair value of financial assets and financial liabilities

Financial assets and financial liabilities are either carried in the Statement of Financial Position at their fair value or at a reasonable approximation of fair value.

Valuation of financial instruments

The Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements. Categorisation within the hierarchy has been determined on the basis of the lowest level input that is significant to the fair value measurement of the relevant asset as follows:

- Level 1 – quoted prices in active markets.
- Level 2 – prices of recent transactions for identical instruments.
- Level 3 – valuation techniques using observable and unobservable market data.

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17. RISK MANAGEMENT (CONTINUED)

The financial assets and liabilities measured at fair value in the Statement of Financial Position are grouped into the fair value hierarchy at the reporting date as follows:

AS AT 30 SEPTEMBER 2019	LEVEL 1 £'000	LEVEL 2 £'000	LEVEL 3 £'000	TOTAL £'000
Equity investments	1,886,404	–	–	1,886,404
Limited liability partnership interest (Frostrow Capital LLP)	–	–	1,540	1,540
AIFM Capital contribution (Frostrow Capital LLP)	–	–	600	600
Preference share investments	290	–	–	290
	1,886,694	–	2,140	1,888,834

AS AT 30 SEPTEMBER 2018	LEVEL 1 £'000	LEVEL 2 £'000	LEVEL 3 £'000	TOTAL £'000
Equity investments	1,429,520	–	–	1,429,520
Limited liability partnership interest (Frostrow Capital LLP)	–	–	1,335	1,335
AIFM Capital contribution (Frostrow Capital LLP)	–	–	550	550
Preference share investments	267	–	–	267
	1,429,787	–	1,885	1,431,672

The unquoted investment in Frostrow Capital LLP has been valued by the Directors using an average of an adjusted revenue multiplier and an earnings multiplier.

There have been no transfers during the year between Levels 1 and 2. A reconciliation of fair value measurements in Level 3 is set out below.

Level 3 Reconciliation of financial assets at fair value through profit or loss at 30 September

	2019 £'000	2018 £'000
Opening fair value	1,885	1,680
AIFM Capital Contribution (Frostrow Capital LLP)	50	70
Total gains included in gains on investments in the Income Statement	205	135
Closing fair value	2,140	1,885

If the revenue multiple used in the valuation were to increase or decrease by three and the earnings multiple by one, while all the other variables remained constant, the return and net costs attributable to shareholders for the year ended 30 September 2019 would have increased/decreased by £527,000 (2018: £505,000).

Capital management objectives, policies and procedures

The structure of the Company's capital is described in note 13 on page 51 and details of the Company's reserves are shown in the Statement of Changes in Equity on page 42.

The Company's capital management objectives are:

- to ensure that it is able to continue as a going concern; and
- to achieve capital and income growth and to provide shareholders with a total return in excess of that of the FTSE All-Share Index through an appropriate balance of equity and debt.

The Board, with the assistance of the AIFM and the Portfolio Manager, regularly monitors and reviews the broad structure of the Company's capital. These reviews include:

- the level of gearing, set at a limit in normal market conditions, is not to exceed 25% of the Company's net assets, which takes account of the Company's position and the views of the Board, the AIFM and the Portfolio Manager on the market;
- the extent to which revenue reserves should be retained or utilised; and
- ensuring the Company's ability to continue as a going concern.

The Company's objectives, policies and procedures for managing capital are unchanged from last year.

There were no breaches by the Company during the year of the financial covenants put in place by Scotiabank Europe plc in respect of the committed revolving credit facility provided to the Company.

These requirements are unchanged since last year and the Company has complied with them at all times.

18. NET CASH INFLOW FROM OPERATING ACTIVITIES BEFORE INTEREST

	2019 £'000	2018 £'000
Total return before finance charges and taxation	271,436	156,737
Less: capital return before finance charges and taxation	(236,000)	(128,486)
Net revenue before finance charges and taxation	35,436	28,251
Increase in accrued income and prepayments	(949)	(1,136)
Increase in creditors	249	255
Taxation – overseas witholding tax paid	(1,119)	(531)
AIFM, Portfolio management fees and other expenses charged to capital	(6,181)	(5,127)
Net cash inflow from operating activities	27,436	21,712

19. SUBSTANTIAL INTERESTS

At 30 September 2019 the Company held interests in 3% or more of any class of capital in the following entities:

COMPANY OR LIMITED LIABILITY PARTNERSHIP	SHARES HELD	2019 FAIR VALUE £'000	% OF ISSUED SHARE CAPITAL OR LIMITED LIABILITY PARTNERSHIP INTEREST
A. G. Barr	4,402,500	25,490	3.9
Celtic	3,244,940	5,482	3.4
Frostrow Capital LLP (unquoted)	–	2,140	10.0
Manchester United	2,095,000	27,898	5.2
Lindsell Train Investment Trust*	10,000	13,500	5.0
Young & Co's Brewery (non voting shares)	1,050,000	11,550	5.5

* Also managed by Lindsell Train Limited who receive a portfolio management fee based on the Company's market capitalisation. The details of the fee arrangements with the Company are detailed on page 15.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FINSBURY GROWTH & INCOME TRUST PLC

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OPINION

In our opinion, Finsbury Growth & Income Trust PLC's Financial Statements:

- give a true and fair view of the state of the Company's affairs as at 30 September 2019 and of its return and cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the Financial Statements, included within the Annual Report, which comprise: the Statement of Financial Position as at 30 September 2019; the Income Statement, the Statement of Cash Flows, the Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Our opinion is consistent with our reporting to the Audit Committee.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, as applicable to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, we declare that non-audit services prohibited by the FRC's Ethical Standard were not provided to the Company.

We have provided no non-audit services to the Company in the period from 1 October 2018 to 30 September 2019.

OUR AUDIT APPROACH

Overview

- Overall materiality: £18.7 million (2018: £14.1 million), based on 1% of net assets.

- The Company is a standalone Investment Trust Company and engages Frostrow Capital LLP as Alternative Investment Fund Manager (the 'AIFM') and Lindsell Train Limited as Portfolio Manager.
- We conducted our audit of the Financial Statements using information from the AIFM and Maitland Institutional Services with whom the AIFM has engaged to provide certain administrative functions.
- We tailored the scope of our audit taking into account the types of investments within the Company, the involvement of the third parties referred to above, the accounting processes and controls, and the industry in which the Company operates.

- Dividend income.
- Valuation and existence of investments.

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we looked at where the directors made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain.

Capability of the audit in detecting irregularities, including fraud

Based on our understanding of the Company and industry, we identified that the principal risks of non-compliance with laws and regulations related to breaches of section 1158 of the Corporation Tax Act 2010 and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of management override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase revenue or to overstate the value of investments and increase the net asset value of the Company. Audit procedures performed by the engagement team included:

- Discussions with the Directors and the AIFM, including consideration of known or suspected instances of non compliance with laws and regulations and fraud, and review of the reports made by management;
- Reviewing relevant meeting minutes, including those of the Audit Committee;
- Identifying and testing journal entries, in particular any material or revenue impacting manual journal entries posted as part of the annual report preparation process;
- Assessment of the Company's compliance with the requirements of section 1158 of the Corporation Tax Act 2010, including recalculation of numerical aspects of the eligibility conditions; and
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing of expenses.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the 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) identified by the auditors, 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, and any comments we make on the results of our procedures thereon, 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. This is not a complete list of all risks identified by our audit.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FINSBURY GROWTH & INCOME TRUST PLC

KEY AUDIT MATTER	HOW OUR AUDIT ADDRESSED THE KEY AUDIT MATTER
Dividend Income Refer to page 32 (Audit Committee Report), page 45 (Accounting Policies) and page 47 (Notes to the Financial Statements). Dividend income from investments during the year ended 30 September 2019 was £39.2 million. We focused on the accuracy and completeness of dividend income recognition and its presentation in the Income Statement as set out in the requirements of The Association of Investment Companies' Statement of Recommended Practice (the SORP). This is because incomplete or inaccurate income could have a material impact on the Company's net asset value and dividend cover.	We assessed the accounting policy for income recognition for compliance with accounting standards and the AIC SORP and performed testing to check that income had been accounted for in accordance with this stated accounting policy. We found that the accounting policies implemented were in accordance with accounting standards and the AIC SORP, and that income has been accounted for in accordance with the stated accounting policy. We understood and assessed the design and implementation of key controls surrounding income recognition. We tested dividend receipts by agreeing the dividend rates from all investments to independent third party sources. To test for completeness, we tested that the appropriate dividends had been received in the year by reference to independent data of dividends declared for all dividends during the year. Our testing did not identify any unrecorded dividends. No material misstatements were identified from this testing.
Valuation and existence of investments Refer to page 32 (Audit Committee Report), page 45 (Accounting Policies) and pages 50 and 56 (Notes to the Financial Statements).The investment portfolio at the year end principally comprised quoted equity investments valued at £1,886.4 million. We focused on the valuation and existence of quoted investments because investments represent the principal element of the net asset value.	We tested the valuation of all quoted equity investments by agreeing the prices used in the valuation to independent third party sources. We tested the existence of the investment portfolio by agreeing the holdings of all quoted investments to an independently obtained custodian confirmation. No material misstatements were identified from this testing

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the Company, the accounting processes and controls, and the industry in which it operates.

Materiality

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

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

Overall materiality	£18.7 million (2018: £14.1 million).
How we determined it	1% of net assets.
Rationale for benchmark applied	We have applied this benchmark, a generally accepted auditing practice for investment trust audits, in the absence of indicators that an alternative benchmark would be appropriate and because we believe this provides an appropriate and consistent year-on-year basis for our audit.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above £935,000 (2018: £600,000) as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Going concern

In accordance with ISAs (UK) we report as follows:

REPORTING OBLIGATION	OUTCOME
We are required to report if we have anything material to add or draw attention to in respect of the directors' statement 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 Company's ability to continue as a going concern over a period of at least twelve months from the date of approval of the financial statements.	We have nothing material to add or to draw attention to. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Company's ability to continue as a going concern. For example, the terms on which the United Kingdom may withdraw from the European Union are not clear, and it is difficult to evaluate all of the potential implications on the Company's business and the wider economy
We are required to report if the directors' statement relating to Going Concern in accordance with Listing Rule 9.8.6R(3) is materially inconsistent with our knowledge obtained in the audit.	We have nothing to report.

REPORTING ON OTHER INFORMATION

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Report of the Directors, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, the Companies Act 2006 (CA06), ISAs (UK) and the Listing Rules of the Financial Conduct Authority (FCA) require us also to report certain opinions and matters as described below (required by ISAs (UK) unless otherwise stated).

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF FINSBURY GROWTH & INCOME TRUST PLC

Strategic Report and Report of the Directors

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Report of the Directors for the year ended 30 September 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements. (*CA06*)

In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Report of the Directors. (*CA06*)

The directors' assessment of the prospects of the Company and of the principal risks that would threaten the solvency or liquidity of the Company

We have nothing material to add or draw attention to regarding:

- The directors' confirmation on page 12 of the Annual Report that they have carried out a robust assessment of the principal risks facing the Company, including those that would threaten its business model, future performance, solvency or liquidity.
- The disclosures in the Annual Report that describe those risks and explain how they are being managed or mitigated.
- The directors' explanation on page 17 of the Annual Report as to how they have assessed the prospects of the Company, 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 Company 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.

We have nothing to report having performed a review of the directors' statement that they have carried out a robust assessment of the principal risks facing the Company and statement in relation to the longer-term viability of the Company. Our review was substantially less in scope than an audit and only consisted of making inquiries and considering the directors' process supporting their statements; checking that the statements are in alignment with the relevant provisions of the UK Corporate Governance Code (the "Code"); and considering whether the statements are consistent with the knowledge and understanding of the Company and its environment obtained in the course of the audit. (*Listing Rules*)

Other Code Provisions

We have nothing to report in respect of our responsibility to report when:

- The statement given by the directors, on page 40, that they consider the Annual Report taken as a whole to be fair, balanced and understandable, and provides the information necessary for the members to assess the Company's position and performance, business model and strategy is materially inconsistent with our knowledge of the Company obtained in the course of performing our audit.
- The section of the Annual Report on page 32 describing the work of the Audit Committee does not appropriately address matters communicated by us to the Audit Committee.
- The directors' statement relating to the Company's compliance with the Code does not properly disclose a departure from a relevant provision of the Code specified, under the Listing Rules, for review by the auditors.

Directors' Remuneration

In our opinion, the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006. (*CA06*)

RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS AND THE AUDIT

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of the Directors' Responsibilities set out on page 40, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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 financial statements, the directors are responsible for assessing the 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 Company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 auditors' 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 FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

OTHER REQUIRED REPORTING

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.

Appointment

Following the recommendation of the audit committee, we were appointed by the directors on 19 June 2014 to audit the financial statements for the year ended 30 September 2014 and subsequent financial periods. The period of total uninterrupted engagement is 6 years, covering the years ended 30 September 2014 to 30 September 2019.

Jeremy Jensen (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

17 December 2019

FURTHER INFORMATION

AIFMD DISCLOSURES (UNAUDITED)

The Company's AIFM, Frostrow Capital LLP, and the Company are required to make certain disclosures available to investors in accordance with the Alternative Investment Fund Managers Directive ("AIFMD").

Those disclosures that are required to be made pre-investment are included within an Investor Disclosure Document which can be found on the home page of the Company's website (www.finsburygt.com).

The periodic disclosures to investors are made below:

- Information on the investment strategy, sector investment focus and principal stock exposures are included in the Strategic Report.
- None of the Company's assets are subject to special arrangements arising from their illiquid nature.
- There are no new arrangements for managing the liquidity of the Company or any material changes to the liquidity management systems and procedures employed by Frostrow.
- The Strategic Report starting on page 12 and note 17 to the Financial Statements starting on page 52, set out the risk profile and risk management systems in place. There have been no changes to the risk management systems in place during the year under review and no breaches of the risk limits set, with no breach expected.
- The maximum level of leverage has not changed in the year under review (see Glossary of terms and Alternative Performance Measures on page 65 for further details). The total amount of leverage employed by the Company as at 30 September 2019 is shown below.

	GROSS METHOD	COMMITMENT METHOD
Maximum limit	125.0%	125.0%
Actual	100.5%	101.7%

Following completion of an assessment of the application of the proportionality principle to the FCA's AIFM Remuneration Code, the AIFM has disapplied the pay-out process rules with respect to it and any of its delegates. This is because the AIFM considers that it carries out non-complex activities and is operating on a small scale.

Note: These disclosures are not audited by the Company's Statutory auditor.

FURTHER INFORMATION

GLOSSARY OF TERMS AND ALTERNATIVE PERFORMANCE MEASURES

AIC

Association of Investment Companies.

ALTERNATIVE INVESTMENT FUND MANAGER'S DIRECTIVE (AIFMD)

The Alternative Investment Fund Managers Directive (the "Directive") is a European Union Directive that entered into force on 22 July 2013. The Directive regulates EU fund managers that manage alternative investment funds (this includes investment trusts).

ALTERNATIVE PERFORMANCE MEASURE (APM)

An APM is a numerical measure of the Company's current, historical or future financial performance, financial position or cash flows other than a financial measure defined or specified in the applicable financial framework. In selecting these Alternative Performance Measures, the Directors considered the key objectives and expectations of typical investors in an investment trust such as the Company.

BENCHMARK RETURN

Total return on the benchmark, on a closing -market-value to closing-market basis, assuming that all dividends received were re-invested, without transaction costs, into the shares of the underlying companies at the time the shares were quoted ex-dividend.

BREXIT

The advisory public referendum which was held on 23 June 2016 in the United Kingdom to indicate whether voters wanted to remain or withdraw from membership of the European Union (EU). The referendum vote was cast in favour of leaving the EU. The process of actually leaving is termed Brexit.

DISCOUNT OR PREMIUM (APM)

A description of the difference between the share price and the net asset value per share. The size of the discount or premium is calculated by subtracting the share price from the net asset value per share and is usually expressed as a percentage (%) of the net asset value per share. If the share price is higher than the net asset value per share the result is a premium. If the share price is lower than the net asset value per share, the shares are trading at a discount.

DISCOUNT OR PREMIUM (APM)	PAGE	30 SEPTEMBER 2019 p	30 SEPTEMBER 2018 p
Share Price	2/3	942.0	818.0
Net Asset value per share	2/3	935.6	812.8
Premium	3	0.7%	0.6%

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GEARING (APM)

Gearing represents prior charges, adjusted for net current assets expressed as a percentage of net assets.

Prior charges includes all loans and bank overdrafts for investment purposes.

	PAGE	30 SEPTEMBER 2019 £'000	30 SEPTEMBER 2018 £'000
Bank Loan (prior charges)	43	(36,700)	(36,700)
Net Current Assets (excluding bank loan)	43	26,626	16,818
Net Debt		(10,074)	(19,882)
Net Assets	43	1,878,760	1,411,790
Gearing	3	0.5%	1.4%

LEVERAGE

For the purpose of the Alternative Investment Fund Managers (AIFM) Directive, leverage is an method which increases the Company's exposure, including the borrowing of cash and the use of derivatives.

Leverage is calculated slightly differently to the AIC method of calculating Gearing in that it is expressed as a ratio between the Company's exposure and its net asset value. It is calculated under the gross and a commitment method. Under the gross method, exposure represents the Company's position after the deduction of sterling cash balances, without taking into account any hedging and netting arrangements. Under the Commitment method, exposure is calculated without the deduction of sterling cash balances and after certain hedging and netting positions are offset. For these purposes the Board has set a maximum leverage of 125% for both methods see page 64 for further details.

NET ASSET VALUE (NAV)

The value of the Company's assets, principally investments made in other companies and cash being held, less any liabilities. The NAV is also described as 'shareholders' funds' per share. The NAV is often expressed in pence per share after being divided by the number of shares which have been issued. The NAV per share is unlikely to be the same as the share price which is the price at which the Company's shares can be bought or sold by an investor. The share price is determined by the relationship between the demand and supply of the shares.

FURTHER INFORMATION

GLOSSARY OF TERMS AND ALTERNATIVE PERFORMANCE MEASURES CONTINUED

NET ASSET VALUE TOTAL RETURN PER SHARE (APM)

The theoretical total return on an investment over a specified period assuming dividends paid to shareholders were reinvested at net asset value per share at the time the shares were quoted ex-dividend. This is a way of measuring investment management performance of investment trusts which is not affected by movements in discounts or premiums.

NAV TOTAL RETURN	PAGE	30 SEPTEMBER 2019 p	30 SEPTEMBER 2018 p
Opening NAV per share (p)	2/3	812.8	732.8
Increase in NAV		122.8	80.0
Closing NAV per share (p)	2/3	935.6	812.8
% Increase in NAV	3	15.1%	10.9%
Impact of dividends re-invested*		2.3%	2.2%
NAV per share total return (p)	2/3	17.4%	13.1%

* Total dividends paid during the year of 16.1p (2018: 14.60p) were re-invested at the cum dividend NAV/share price during the year.
Where the dividend is invested and NAV/share price falls, this will further reduce the return, if it rises, any increase would be greater.
The source is Morningstar who have calculated the return on an industry comparative basis.

ONGOING CHARGES (APM)

Ongoing charges are calculated by taking the Company's annualised operating expenses expressed as a proportion of the average daily net asset value of the Company over the year. The costs of buying and selling investments are excluded, as are interest costs, taxation, cost of buying back or issuing ordinary shares and other non-recurring costs.

	PAGE	30 SEPTEMBER 2019 p	30 SEPTEMBER 2018 p
AIFM and Portfolio management fees	47	9,226	7,652
Operating Expenses	47	1,199	1,018
Total expenses		10,425	8,670
Average Net Assets during the year	–	1,577,172	1,291,632
Ongoing Charges	3	0.66%	0.67%

PEER GROUP

Finsbury Growth & Income Trust PLC is part of the AIC's UK Equity Income Investment Trust Sector. The trusts in this universe are defined as trusts whose investment objective is to achieve a total return for Shareholders through both capital and dividend growth. The members will have at least 80% of their assets in UK securities.

REVENUE RETURN PER SHARE

The revenue return per share is calculated by taking the Return on ordinary activities after taxation and dividing by the weighted average number of shares in issue during the year.

SHARE PRICE TOTAL RETURN (APM)

The change in capital value of a company's shares over a given period, plus dividends paid to shareholders, expressed as a percentage of the opening value. The assumption is that dividends paid to shareholders are re-invested in the shares at the time the shares are quoted ex dividend.

SHARE PRICE TOTAL RETURN	PAGE	30 SEPTEMBER 2019 p	30 SEPTEMBER 2018 p
Opening share price share (p)	2/3	818.0	736.5
Increase in share price		124.0	81.5
Closing share price (p)	2/3	942.0	818.0
% Increase in share price	3	15.2%	11.1%
Impact of dividends re-invested*		2.2%	2.1%
Share price total return (p)	2/3	17.4%	13.2%

* Total dividends paid during the year of 16.1p (2018: 14.60p) were re-invested at the cum dividend NAV/share price during the year.
Where the dividend is invested and NAV/share price falls, this will further reduce the return,if it rises, any increase would be greater.
The source is Morningstar who have calculated the return on an industry comparative basis.

TREASURY SHARES

Shares previously issued by a company that have been bought back from shareholders to be held by the company for potential sale or cancellation at a later date. Such shares are not capable of being voted and carry no rights to dividends.

FURTHER INFORMATION
HOW TO INVEST

RETAIL INVESTORS ADVISED BY IFAS

The Company currently conducts its affairs so that its Shares can be recommended by Independent Financial Advisers ("IFAs") in the UK to ordinary retail investors in accordance with the Financial Conduct Authority (FCA) rules in relations to non-mainstream investment procedures and intends to continue to do so. The Shares are excluded from the FCA's restrictions which apply to non-mainstream investment products because they are shares in an investment trust.

INVESTMENT PLATFORMS

The Company's shares are traded openly on the London Stock Exchange and can be purchased through a stock broker or other financial intermediary. The shares are available through savings plans (including Investment Dealing Accounts, ISAs, Junior ISAs and SIPPs) which facilitate both regular monthly investments and lump sum investments in the Company's shares. There are a number of investment platforms that offer these facilities. A list of some of them, that is not comprehensive nor constitutes any form of recommendation, can be found on the Company's website (www.finsburygt.com).

LINK ASSET SERVICES – SHARE DEALING SERVICE

A quick and easy share dealing service is available to existing shareholders through the Company's Registrar, Link Asset Services, to either buy or sell shares. An online and telephone dealing facility provides an easy to access and simple to use service.

There is no need to pre-register and there are no complicated forms to fill in. The online and telephone dealing service allows you to trade 'real time' at a known price which will be given to you at the time you give your instruction.

To deal online or by telephone all you need is your surname, investor code, full postcode and your date of birth. Your investor code can be found on your share certificate. Please have the appropriate documents to hand when you log on or call, as this information will be needed before you can buy or sell shares.

For further information on this service, please contact: www.linksharedeal.com (online dealing) Telephone: 0371 664 0445 (Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom are charged at the applicable international rate. Lines are open between 8.00 a.m. – 4.30 p.m., Monday to Friday excluding public holidays in England and Wales).

RISK WARNINGS

- Past performance is no guarantee of future performance.
- The value of your investment and any income from it may go down as well as up and you may not get back the amount invested. This is because the share price is determined, in part, by the changing conditions in the relevant stock markets in which the Company invests and by the supply and demand for the Company's shares.
- As the shares in an investment trust are traded on a stock market, the share price will fluctuate in accordance with supply and demand and may not reflect the underlying net asset value of the shares; where the share price is less than the underlying value of the assets, the difference is known as the 'discount'. For these reasons, investors may not get back the original amount invested.
- Although the Company's Financial Statements are denominated in sterling, some of the holdings in the portfolio are currently denominated in currencies other than sterling and therefore they may be affected by movements in exchange rates. As a result, the value of your investment may rise or fall with movements in exchange rates.
- Investors should note that tax rates and reliefs may change at any time in the future.
- The value of ISA and Junior ISA tax advantages will depend on personal circumstances. The favourable tax treatment of ISAs and Junior ISAs may not be maintained.

FURTHER INFORMATION

COMPANY INFORMATION

Financial Calendar

30 September	Financial Year End
December	Final Results Announced
January/February	Annual General Meeting
31 March	Half Year End
May	Half Year Results Announced
May and November	Interim Dividends Payable

Annual General Meeting
The Annual General Meeting of Finsbury Growth & Income Trust PLC will be held at Guildhall, City of London EC2V 7HH on Friday, 28 February 2020 at 12 noon. Formal notice of the meeting will be sent to shareholders with the Annual Report.

Share Prices
The Company's ordinary shares are listed on the London Stock Exchange under 'Investment Companies'. The prices are published daily in the Financial Times and online.

Daily Net Asset Value
The daily net asset value of the Company's shares can be obtained on the Company's website (www.finsburygt.com) and is published daily via the London Stock Exchange.

Registered Office
50 Lothian Road,
Festival Square,
Edinburgh EH3 9WJ

Incorporated in Scotland with company no. SC013958 and registered as an investment company under Section 833 of the Companies Act 2006.

AIFM, Company Secretary and Administrator
Frostrow Capital LLP
25 Southampton Buildings
London WC2A 1AL
Telephone: 0203 008 4910
E-Mail: info@frostrow.com
Website: www.frostrow.com
Authorised and regulated by the Financial Conduct Authority.

Portfolio Manager
Lindsell Train Limited
5th Floor,
66 Buckingham Gate,
London SW1E 6AU
Telephone: 0207 808 1225
Website: www.lindselltrain.com
Authorised and regulated by the Financial Conduct Authority.

Independent Auditors
PricewaterhouseCoopers LLP
7 More London Riverside
London SE1 2RT

Depositary
The Bank of New York Mellon (International) Limited
One Canada Square
London E14 5AL
Website: www.bnymellon.com

Global Custodian
Bank of New York Mellon
160 Queen Victoria Street
London EC4V 4LA

Registrars
If you have any queries in relation to your shareholding please contact:
Link Asset Services
The Registry
34 Beckenham Road
Beckenham
Kent BR3 4TU
email: enquiries@linkgroup.co.uk;
telephone +44 (0)371 664 0300.
Website: www.linkassetservices.com

+ Calls outside the UK will be charged at the applicable international rate and may be recorded for training purposes. Lines are open from 9.00 a.m. to 5.30 p.m. Monday to Friday excluding public holidays in England and Wales.

Shareholder Portal
You can register online to view your holdings using the Share Portal, a service offered by Link Asset Services
at www.signalshares.com.

The Share Portal is an online service enabling you to quickly and easily access and maintain your shareholding online – reducing the need for paperwork and providing 24 hour access to your shareholding details.

Through the Share Portal you may:
- Cast your proxy vote online;
- View your holding balance and get an indicative valuation;
- View movements on your holding;
- View the dividend payments you have received;
- Update your address;
- Register and change bank mandate instructions so that dividends can be paid directly to your bank account;
- Elect to receive shareholder communications electronically; and
- Access a wide range of shareholder information including the ability to download shareholder forms

Corporate Broker
Winterflood Securities Limited
The Atrium Building,
Cannon Bridge,
25 Dowgate Hill
London EC4R 2GA

Identification Codes

Shares:	SEDOL:	0781606
	ISIN:	GB0007816068
	BLOOMBERG:	FGT LN
	EPIC:	FGT

Legal Entity Identifier (LEI)
213800NN4ZKX2LGIGQ40

Global Intermediary Identification Number (GIIN)
QH4BH0.99999.SL.826

Disability Act
Copies of this annual report and other documents issued by the Company are available from the Company Secretary. If needed, copies can be made available in a variety of formats, including braille, audio tape or larger type as appropriate. You can contact the Registrar to the Company, Link Asset Services, which has installed telephones to allow speech and hearing impaired people who have their own telephone to contact them directly, without the need for an intermediate operator, for this service please call 0800 731 1888. Specially trained operators are available during normal business hours to answer queries via this service. Alternatively, if you prefer to go through a 'typetalk' operator (provided by The Royal National Institute for Deaf People) you should dial 18001 from your textphone followed by the number you wish to dial.

Be ScamSmart

Investment scams are designed to look like genuine investments

Spot the warning signs

Have you been:

- contacted out of the blue
- promised tempting returns and told the investment is safe
- called repeatedly, or
- told the offer is only available for a limited time?

If so, you might have been contacted by fraudsters.

Avoid investment fraud

1 Reject cold calls
If you've received unsolicited contact about an investment opportunity, chances are it's a high risk investment or a scam. You should treat the call with extreme caution. The safest thing to do is to hang up.

2 Check the FCA Warning List
The FCA Warning List is a list of firms and individuals we know are operating without our authorisation.

3 Get impartial advice
Think about getting impartial financial advice before you hand over any money. Seek advice from someone unconnected to the firm that has approached you.

Report a Scam

If you suspect that you have been approached by fraudsters please tell the FCA using the reporting form at **www.fca.org.uk/consumers/report-scam-unauthorised-firm.** You can also call the FCA Consumer Helpline on **0800 111 6768**

If you have lost money to investment fraud, you should report it to Action Fraud on 0300 123 2040 or online at www.actionfraud.police.uk

Find out more at www.fca.org.uk/scamsmart

Remember: if it sounds too good to be true, it probably is!

FCA
FINANCIAL CONDUCT AUTHORITY

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The pulp is bleached using a totally chlorine free (TCF) process.
This report has been produced using vegetable based inks.

The Association of
Investment Companies

A member of the Association of Investment Companies

Winner

- Investment Week, Investment Trust of the Year Awards 2019. Category: UK Income
- Citywire Investment Trust Awards 2019, Category: UK Equity Income
- AJ Bell Fund & Investment Trust Awards 2019, Category: UK Equity - Active
- Money Observer Trust Awards 2019, Category: Best UK Income Trust
- AJ Bell Online Person Wealth Awards 2019, Category: Best Investment Trust for Income
- Moneywise Investment Trust Awards 2018, Category: UK Equity Income
- Citywire Investment Trust Awards 2018, Category: UK Equity Income

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