Finsbury Growth & Income Trust PLC

Annual Report for the year ended 30 September 2014

Frostrow CAPITAL

Lindsell Train

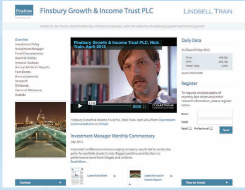
About Finsbury Growth & Income Trust PLC

Finsbury Growth & Income Trust PLC 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

Further details of the Company's investment policy are set out on pages 7 and 8.

Keep up to date with the Finsbury Growth & Income Trust PLC

For more information about the Finsbury Growth & Income Trust PLC visit the website at www.finsburygt.com



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Winner:

- Shares Awards 2014, Best Investment Trust
- Investment Week, Investment Trust of the Year 2010, 2011 and 2013, UK Income Category
- Money Week, Investment Trust of the Year 2011, UK Growth & Income Category
- Moneywise, Investment Trust of the Year 2011 and 2014, UK Growth & Income Category
- FE Trustnet FE Alpha Manager Rating 2014 (Mr Nick Train)

Company Summary

The Company

The Company is an investment trust and its shares are listed on 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").

The Company's net assets as at 30 September 2014 were £494.9 million (2013: £395.8 million) and the market capitalisation was £496.2 million (2013: £398.2 million).

Management

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 Portfolio Manager. Further details of the terms of these appointments are provided on pages 25 and 26.

Performance

Performance is measured against the FTSE All-Share Index.

Capital Structure

The Company's capital structure is composed solely of ordinary shares. Details are given in note 12 to the accounts on page 70.

Dividend

A first interim dividend of 5.1p per share (2013: 4.8p) was paid on 6 May 2014 to Shareholders registered at the close of business on 4 April 2014. The associated ex-dividend date was 2 April 2014.

A second interim dividend of 6.2p per share (2013: 5.7p) was paid on 10 November 2014 to shareholders registered at close of business on 10 October 2014. The associated ex-dividend date was 9 October 2014.

ISA Status

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

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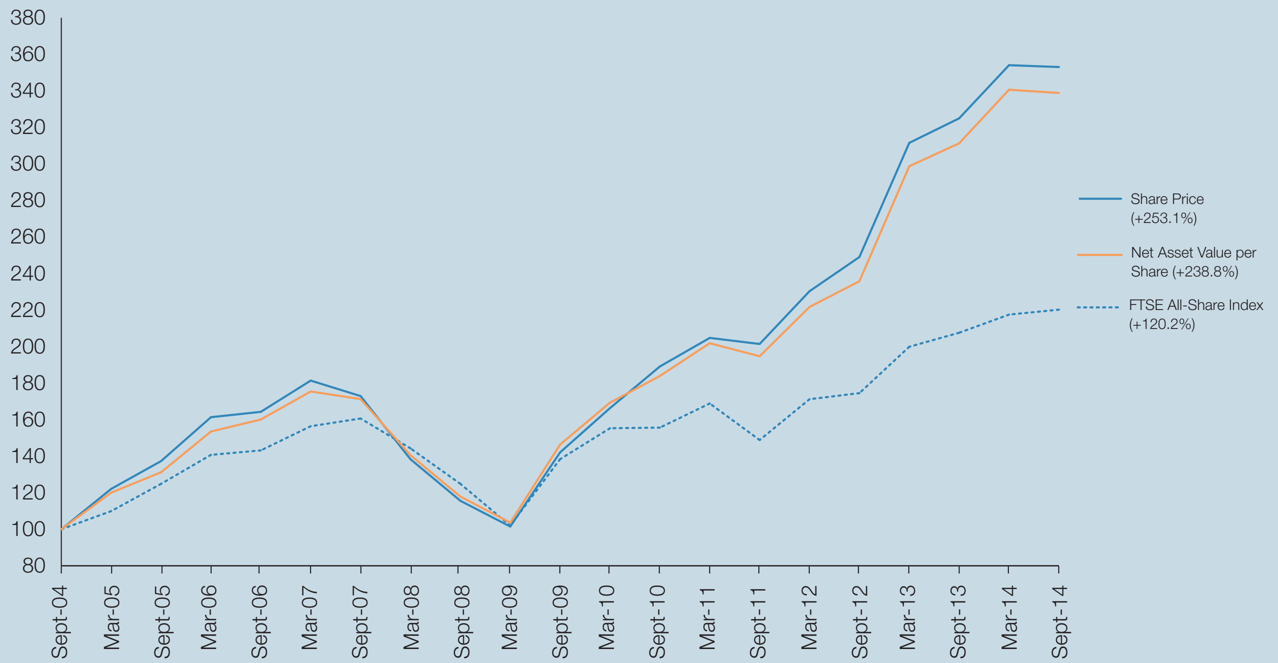
The Company was incorporated in Scotland on 15 January 1926. Lindsell Train was first appointed as Investment Manager in December 2000. The total return of the Company's net asset value per share over the 10 years to 30 September 2014 has been 238.8%*, equivalent to a compound annual return of 13.0%*. This compares to a total return of 120.2%* in the Company's benchmark, equivalent to a compound annual return of 8.2%*.

*Source: Morningstar, FTSE International Limited ("FTSE")©FTSE 2014

Ten Year Total Return Performance to 30 September 2014



Rebased to 100 as at 30 September 2004 Source: Morningstar

Financial Highlights

Share price total return	Net asset value per share total return	FTSE All-Share Index (total return)
+8.6%	**+8.9%**	**+6.1%**
2013 +30.5%	2013 +31.6%	2013 +18.9%

Share price	Net asset value per share	Dividends for the year
509.0p	**507.7p**	**11.3p**
2013 479.0p	2013 476.1p	2013 10.5p
+6.3%	**+6.6%**	**+7.6%**

Source: Morningstar, FTSE International Limited ("FTSE")©FTSE 2014

Strategic Report / Company Performance

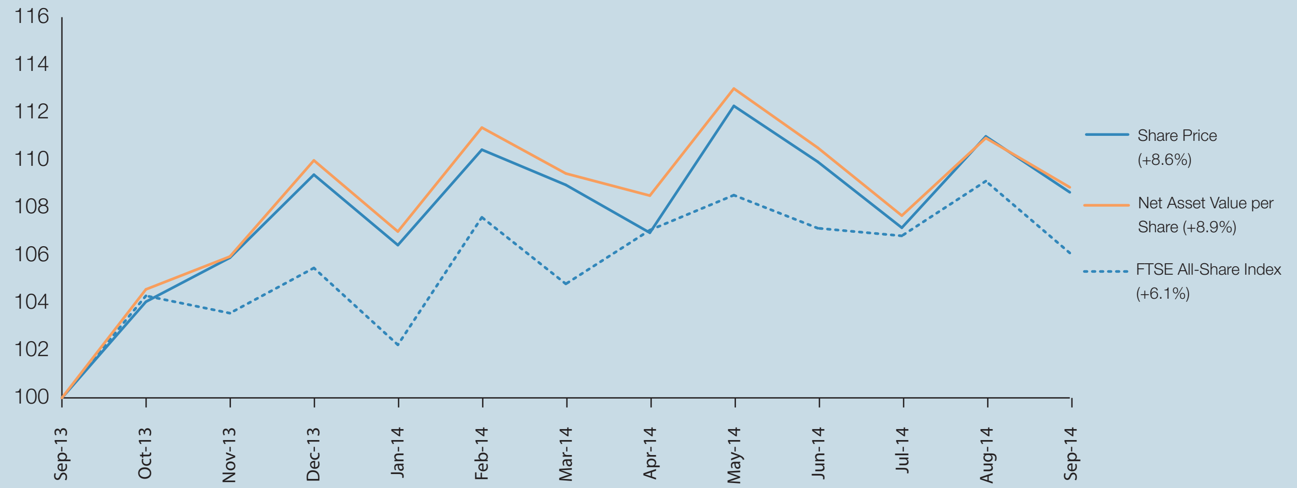
Financial Highlights continued

	As at 30 September 2014	As at 30 September 2013	% Change
Share price	509.0p	479.0p	+6.3
Net asset value per share	507.7p	476.1p	+6.6
Premium of share price to net asset value per share	0.3%	0.6%	–
Gearing*	4.0%	3.6%	–
Shareholders' funds	£494.9m	£395.8m	+25.0
Number of shares in issue	97,480,212	83,136,557	+17.3

	Year ended 30 September 2014	Year ended 30 September 2013	% Change
Share price (total return)#	+8.6%	+30.5%	
Net asset value per share total return#	+8.9%	+31.6%	
FTSE All-Share Index (total return) (Company benchmark)# +	+6.1%	+18.9%	
Ongoing charges*	0.8%	0.8%	
Dividends per share			
First interim dividend	5.1p	4.8p	
Second interim dividend	6.2p	5.7p	
Total for the year	11.3p	10.5p	+7.6%

#Source – Morningstar
+Source – FTSE International Limited ("FTSE")©FTSE 2014*
*See glossary on page 77

One Year Total Return Performance to 30 September 2014



Rebased to 100 as at 30 September 2013 Source: Morningstar

Strategic Report / Chairman's Statement

"...the Company's net asset value total return and share price total return have again outperformed the Company's benchmark during the year"

Performance

It was always going to be difficult to match last year's exceptional performance but I am still pleased to be able to report that the Company's net asset value total return for the year of 8.9% (2013: 31.6%) and the share price total return of 8.6% (2013: 30.5%) have again both outperformed the Company's benchmark, the FTSE All-Share Index, measured on a total return basis, which rose by 6.1% over the same period (2013: 18.9%). The principal contributions to net asset value performance came from our major holdings in London Stock Exchange, Reed Elsevier and Rathbone Brothers. This year, despite strong dividend increases, Diageo and Schroders detracted.

The Company's continued strong 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. The share price ended the year standing at a 0.3% premium to net asset value per share compared to a 0.6% a year ago.

It is also particularly pleasing to note that our Portfolio Manager's strategy has delivered excellent returns over the last ten years with £1,000 invested ten years ago now being worth £3,388. This compares to a total return of £2,202 from the Company's benchmark index over the same period.

Anthony Townsend
Chairman

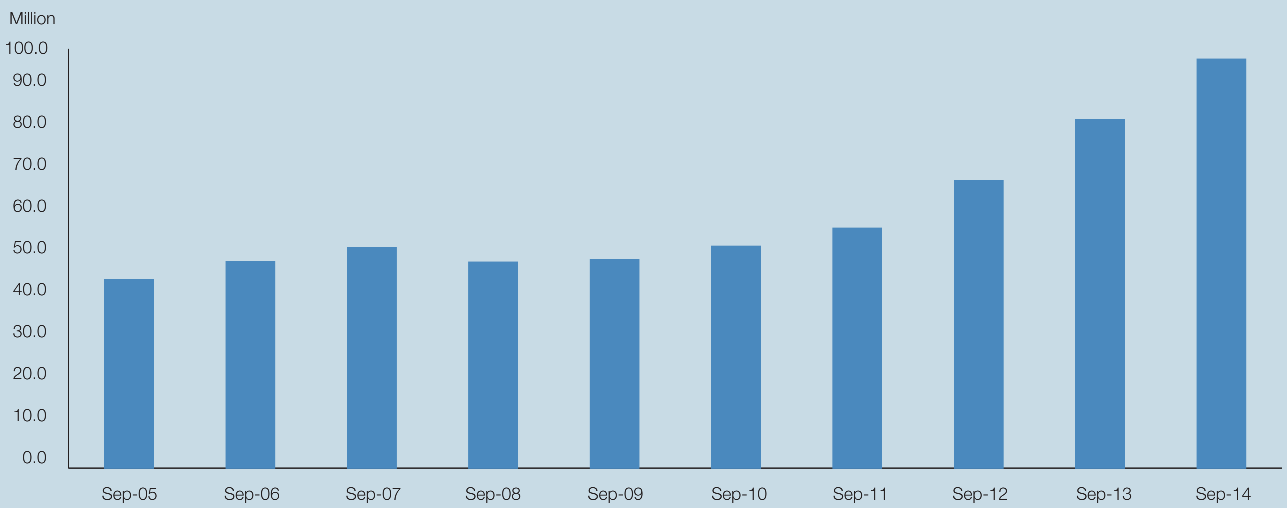
Share Capital

Consistent demand for the Company's shares led to the issue of a total of 14,343,655 new shares during the year ensuring that the share price premium was effectively managed throughout the year. The proceeds received by the Company from the issue of these new shares during the year amounted to £72.5 million. Since the year end, a further 4,245,000 new shares have been issued to the date of this report. The Company's share issuance authority will be proposed for renewal at the Company's Annual General Meeting to be held in February 2015, and as part of this process, a new prospectus required by the Prospectus Directive will be issued shortly.

Return and Dividend

The Income Statement shows a total return per share of 39.6 pence per share (2013: 112.1 pence) consisting of a revenue return per share of 12.6 pence (2013: 12.7 pence) and a capital return per share of 27.0 pence (2013: 99.4 pence).

Number of shares in issue (excluding Treasury shares)



Source: Frostrow Capital LLP

Strategic Report / Chairman's Statement

The Company's net revenue return during the year was broadly unchanged from last year and your Board has declared two interim dividends for the year totalling 11.3 pence per share (2013: 10.5 pence) a year-on-year increase of 7.6%. This is in line with the Board's long-term objective of maintaining a progressive dividend policy.

In light of the continued strong demand for the Company's shares and in order to facilitate dividend payments in 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. We continue to keep under review the possibility of paying quarterly dividends, but we are not running a high income fund and with the majority of holdings in our portfolio paying only two dividends a year, we do not believe the significant additional costs would be justified.

Borrowings

Gearing

The Company is in the first year of its three-year secured fixed term multicurrency revolving credit facility of £30 million with Scotiabank Europe PLC; we do also have the ability to draw down a further £20 million under this facility. As at the year end a total of £23.1 million was drawn down from this facility (2013: £20.2 million).

Leverage

In accordance with the AIFM Directive the Board has set leverage limits of 125% under the gross method and 125% under the commitment method. Please refer to page 7 for further explanation of these limits.

The Board

There have been no changes to the Board during this year and in accordance with our policy of all Directors standing for re-election annually, you will find the appropriate resolutions in the Notice of the Annual General Meeting on page 80 of this annual report.

Charitable Donation

As I announced at the last Annual General Meeting the Company donated £10,000 to the Giles Warman Foundation in November 2014 in memory of Giles Warman, who was a Director of the Company from 1988 until he sadly passed away very unexpectedly in May 2013. Further details concerning this donation can be found within the Report of the Directors on page 29.

Regulatory

Alternative Investment Fund Management Directive (the 'Directive')

I reported in my half year statement that the Board together with its advisers had been keeping developments with respect to the Directive under close review. I am pleased to confirm that the Company entered into all the necessary arrangements to ensure compliance with the Directive on 22 July 2014.

The Company appointed Frostrow as its Alternative Investment Fund Manager ('AIFM') on the terms and subject to the conditions of a new management agreement. In addition the Company entered into a portfolio management agreement with the AIFM and Lindsell Train. The previous agreements between the Company, Frostrow and Lindsell Train were terminated. The annual management fee arrangements of both Frostrow and Lindsell Train remained unchanged as a result of these new arrangements, save that there are no longer any performance fees payable as part of these new arrangements.

The Company appointed BNY Mellon Trust & Depositary (UK) Limited to act as the Company's depositary.

Further details concerning the appointments under the Directive can be found on pages 25 and 26. As shareholders will realise the Company incurred significant professional costs in meeting the requirements of the Directive which might have been rather more palatable if they had conferred any meaningful benefits to shareholders.

AIFM Directive, US Internal Revenue Code of 1986 ("FATCA") and Proposed Changes to the Company's Memorandum and Articles of Association

Following the implementation of the AIFM Directive and Foreign Account Tax Compliance Act "FATCA" the Board intends to seek shareholder approval at the Annual General Meeting to make various technical changes to the articles to facilitate compliance with these new requirements. A Special Resolution will be proposed at the Annual General Meeting which will, if approved, ratify the adoption of new Articles of Association. The material differences between the current and the proposed Articles of Association are summarised on page 88.

Strategic Report / Chairman's Statement

Outlook

Following a period of disappointing growth and high volatility in 2011 and 2012 the global economy displayed clear signs of recovery during 2013 and 2014 and there is some evidence that this will continue in 2015 albeit rather more patchily. Your Board continues to support fully our 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 will be held at Barber-Surgeons' Hall, Monkwell Square, Wood Street, London EC2Y 5BL on Tuesday, 3 February 2015 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.

Anthony Townsend
Chairman

8 December 2014

Strategic Report / Investment Objective, Strategy and Business Model

Investment Objective

We aim to achieve capital and income growth and to provide shareholders with a total return in excess of that of the FTSE All-Share Index.

Investment Strategy

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 worldwide. Where possible, a minimum position size of 1% of the Company's gross assets is held unless the holding concerned is being built or disposed of.

The portfolio will normally comprise approximately 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 Board believes that the Company's performance over the last 10 years (net asset total return of 238.8% compared to a total return from the Company's benchmark index of 120.2% and an average annual turnover of less than 6%) demonstrates that it is possible to achieve good performance through investing principally in UK equities without buying and selling portfolio securities on a short term basis. The Company continues to perform competitively because the Portfolio Manager concentrates on the strengths and weaknesses of individual companies.

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, investments being selected only after extensive research by the Portfolio Manager. The Portfolio Manager uses a bottom-up stock picking approach and looks to invest in a universe of excellent listed businesses that appear undervalued. It is the Board's long-term objective, as far as possible, to maintain a progressive dividend policy.

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.

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

The Company's gearing policy is that gearing will not exceed 25% of the Company's net assets. In normal market conditions it is expected that the level of gearing will be between 5% and 25% of the Company's net assets.

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.

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.

In accordance with the AIFM Directive the Company has set a maximum leverage limit of 125% for both the 'gross method' and the 'commitment method'. Leverage is defined in the AIFM Directive as any method by which the AIFM increases the exposure of an Alternative Investment Fund ("AIF") it manages whether through borrowing of cash, or leverage embedded in derivative positions. The two methods are largely the same in the context of the Company on the grounds that derivative strategies are not employed by the Portfolio Manager. The overall leverage of an AIF is expressed as a ratio between the exposure of the AIF and its net asset value.

Strategic Report / Investment Objective, Strategy and Business Model

Business Model

The Company has no employees and all of its Directors are non-executive. The Company delegates its day-to-day activities to third parties. The Company and the AIFM have jointly appointed Lindsell Train as Portfolio Manager. Frostrow has been appointed as AIFM, Company Secretary and Administrator.

Lindsell Train was originally appointed as Investment Manager to the Company in December 2000. Lindsell Train has given Mr Nick Train responsibility for managing the Company's portfolio. Mr Train was previously head of Global Equities at M&G PLC and head of Pan-European Equities at GT Management PLC. Mr Train has managed money in the UK equity market since 1983, including the top decile performer GT Income Fund (1985-1998). Lindsell Train is authorised and regulated by the FCA.

Frostrow Capital has been appointed as the AIFM. It is also responsible for company secretarial, administrative, accounting and marketing services to the Company. Frostrow was established in 2007 to provide specialist management, company secretarial, administration and marketing services to investment companies. Frostrow is authorised and regulated by the FCA.

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, dividend policy, share issuance and buy back policy, gearing, share price and discount/premium monitoring and corporate governance matters.

Strategic Report / Discount Control Mechanism ("DCM")

Shareholders in the Company will know that the principal difference between investment trusts and the other most common collective investment vehicles, unit trusts and open ended investment companies ("OEICs"), is that

- to participate in unit trusts and OEICs, investors apply to the fund managers for new units or shares. These are normally issued and redeemed at or near to net asset value per share ("NAV"), whereas
- to participate in an investment trust requires the purchase or sale of the shares in that trust through the stock market.

The shares in an investment trust usually trade at a price closely linked to its NAV, but they seldom if ever trade at exactly the NAV, or at "par" as it is known. Historically the great majority of investment trusts have traded at a discount to NAV, often well into double digits, although there are a select few, usually specialist, trusts that trade at a premium.

There are some investors who find the ability to buy stock in investment trusts at a discount attractive, although they are rarely so enthusiastic if they have to sell at a discount. However, your Directors believe that it is in the best interests of all our shareholders (whether buying, holding or selling) that the Company's shares trade at a price as close to NAV as possible.

The level of discount, or premium, at which investment trust shares trade is very substantially affected by the law of supply and demand; put simply a much sought-after share rarely trades at a significant discount and may even trade at a premium, whereas out of favour shares often move to material discounts.

In an effort to try to eliminate discount volatility, your Directors introduced a discount control mechanism ("DCM") in 2004. Under our DCM, we will normally buy in the Company's shares being offered on the stock market whenever the discount reaches a level of 5% or more and then hold those shares in "treasury". Shares held by a company in treasury are, for accounting purposes, effectively eliminated but, legally and for Stock Exchange purposes, they continue to exist, which means they can later be sold back to the market if conditions permit.

In recent years the Company's successful performance has generated substantial investor interest, which in the absence of the other side of our DCM could have led to our shares moving to a significant premium to NAV. Your Directors consider that limiting the premium is just as important as limiting the discount; no-one likes to pay over the odds for an investment! The other side of our DCM is therefore that whenever there are unsatisfied buying orders for our shares in the market, we issue new shares at a small premium to NAV. This ensures that there is no asset dilution to our existing shareholders, but stops the market price going to a significant and possibly unsustainable premium. We do therefore effectively become a market maker in our own shares and you can see from the chart on page 10 how successful that has been.

These two sides of our DCM are widely to be found elsewhere in the investment trust sector, but there is a third aspect to ours that is rare. I explained above that shares held in treasury continue to exist legally and can be re-sold, but in most cases shareholders will only permit that if they are re-sold at NAV or higher. For many years we have sought and obtained the authority of our shareholders to re-sell shares held in treasury at a discount to NAV, provided that any sale is at a narrower discount to NAV than that prevailing when the shares were bought in. The round trip of buying them in and then selling them out again at a finer discount is always asset-accretive to shareholders, but it is the increased liquidity that this arrangement permits that is the real benefit.

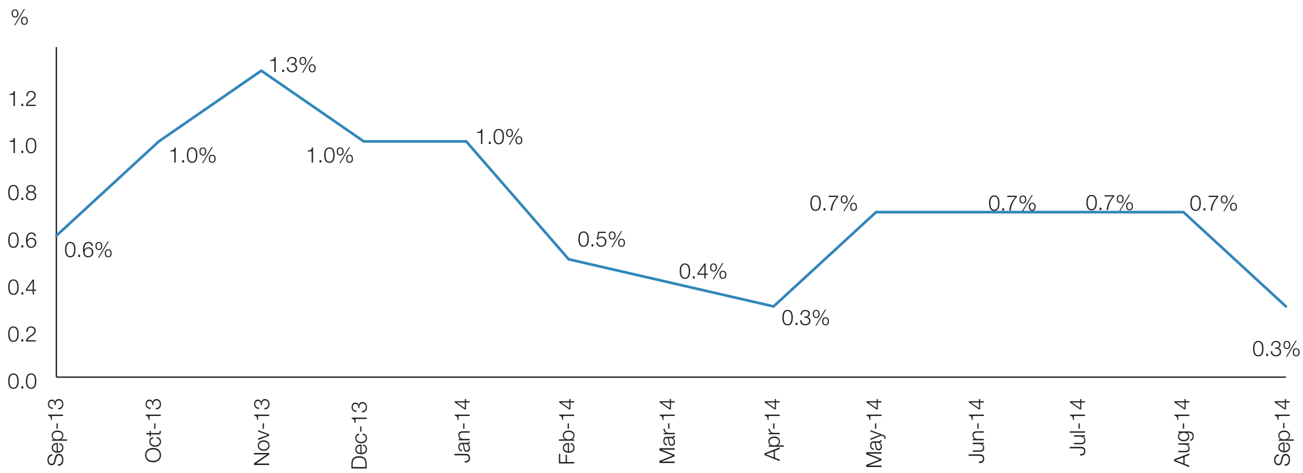
We have not had to use this power for many years, but there was a point some years ago where it was very useful to us in helping us place a large holding of shares in the Company that was too large for the market to digest in one go. We therefore bought part of that holding into treasury and then sold the shares out to the market over the next few months in smaller parcels at a finer discount. The whole operation was a great success and we are therefore very keen to keep this power in our DCM armoury.

It is Resolutions 9, 10, 11 and 12 in the Notice of Annual General Meeting beginning on page 80 that enable us to operate what we consider to have been a very effective DCM in recent years and we strongly recommend that shareholders therefore vote in favour of those resolutions in order to continue it.

Strategic Report / Discount Control Mechanism ("DCM")

The chart below demonstrates the premium that the Company shares traded at during the year relative to NAV per share.

One Year Premium of Share Price to NAV per Share to 30 September 2014



Source: Frostrow Capital LLP and Bloomberg

Premium of the Company's share price to the net asset value per share at 30 September 2014 stood at 0.3%.

During the year the Company's shares traded at an average premium of 0.7% relative to NAV per share.

Strategic Report / Investment Portfolio

Investments as at 30 September 2014

Investments	Fair value 2013 £'000	Purchases £'000	Sales £'000	Capital appreciation/ (depreciation) £'000	Fair value 2014 £'000	% of investments
Unilever	36,463	7,681	–	2,420	46,564	9.0
Diageo	36,844	9,904	–	(3,938)	42,810	8.3
Pearson	33,088	4,807	–	(13)	37,882	7.4
Reed Elsevier	22,020	10,064	–	4,977	37,061	7.2
Heineken **	30,309	2,856	–	1,554	34,719	6.8
London Stock Exchange	21,541	3,814	(737)	7,214	31,832	6.2
Burberry Group	12,207	16,433	–	(494)	28,146	5.5
A.G. Barr	22,811	23	–	3,975	26,809	5.2
Fidessa	21,083	1,139	–	3,446	25,668	5.0
Schroders	24,913	2,054	–	(1,884)	25,083	4.9
Daily Mail & General Trust	21,086	3,313	–	(224)	24,175	4.7
Sage Group	16,243	6,151	–	1,545	23,939	4.7
Rathbone Brothers	18,123	767	–	4,231	23,121	4.5
Hargreaves Lansdown	16,544	3,882	–	(1,186)	19,240	3.7
Greene King	14,616	95	–	(277)	14,434	2.8
Dr Pepper Snapple ^	8,232	976	–	3,902	13,110	2.5
Mondelez International ^	9,775	2,367	–	886	13,028	2.5
Euromoney Institutional Investor	10,606	30	–	(1,208)	9,428	1.8
Thomson Reuters ~	8,770	–	–	360	9,130	1.8
Kraft Foods Group ^	6,170	1,101	–	522	7,793	1.5
Young & Co's Brewery	6,749	252	(26)	616	7,591	1.5
Fuller Smith & Turner	6,335	–	–	(21)	6,314	1.2
The Lindsell Train Investment Trust	3,450	–	–	230	3,680	0.7
Celtic	1,305	574	–	230	2,109	0.4
Frostrow Capital LLP +	650	320	–	90	1,060	0.2
Celtic 6% (cumulative convertible preference) *	64	–	–	8	72	–
	409,997	78,603	(763)	26,961	514,798	100.0

All of the above investments are equities listed in the UK, unless otherwise stated.

* Non-equity – Preference Shares.
^ Listed in the United States.
~ Listed in Canada.
+ Unquoted partnership interest (includes the AIFM investment of £320,000).
** Listed in the Netherlands.

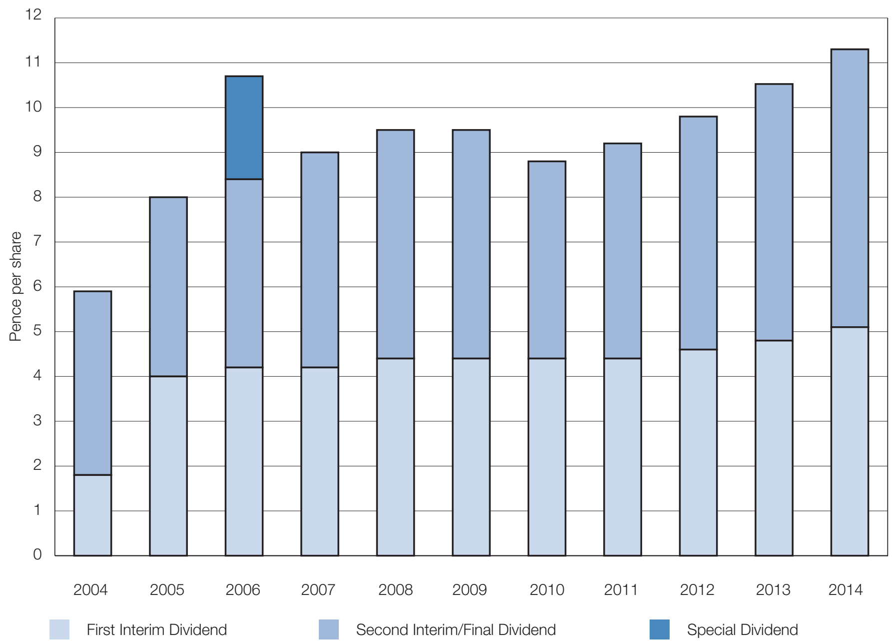
Strategic Report / Performance Summary

Five Year Performance Summary

	30 Sep 2010	30 Sep 2011	30 Sep 2012	30 Sep 2013	30 Sep 2014
Share price	297.8p	308.1p	376.0p	479.0p	509.0p
Share price total return*	+33.1%	+6.5%	+23.6%	+30.5%	+8.6%
Net asset value per share	301.4p	310.3p	370.7p	476.1p	507.7p
Net asset value per share (total return)*	+25.6%	+5.8%	+21.1%	+31.6%	+8.9%
FTSE All-Share Index (total return)**	+12.5%	(4.4)%	+17.3%	+18.9%	+6.1%
Revenue return per share	8.5p	9.7p	10.8p	12.7p	12.6p
Dividends per share	8.8p	9.2p	9.8p	10.5p	11.3p

*Source: Morningstar
**Source: FTSE International Limited ("FTSE")©FTSE 2014†
†See glossary on page 77

Dividend Record



Source: Frostrow Capital LLP

Strategic Report / Contributions to Total Return

for the Year ended 30 September 2014

Investment	Total return £'000	Contribution per share (pence)*
Equities		
London Stock Exchange	7,672	8.4
Reed Elsevier	5,842	6.4
Rathbone Brothers	4,831	5.3
A.G. Barr	4,454	4.9
Fidessa	4,359	4.8
Dr Pepper Snapple	4,169	4.6
Unilever	3,945	4.3
Sage Group	2,245	2.5
Heineken	2,096	2.3
Pearson	1,453	1.6
Mondelez International	1,054	1.1
Young & Co's Brewery	777	0.8
Kraft Foods Group	749	0.8
Thomson Reuters	633	0.7
Daily Mail & General Trust	353	0.4
The Lindsell Train Investment Trust	298	0.3
Greene King	245	0.3
Celtic	230	0.2
Fuller Smith & Turner	85	0.1
Burberry Group	(12)	0.0
Hargreaves Lansdown	(571)	(0.6)
Euromoney Institutional Investor	(996)	(1.1)
Schroders	(1,204)	(1.3)
Diageo	(2,752)	(3.0)
	39,955	**43.8**
Preference shares (franked income)		
Celtic 6% (cumulative convertible preference)	12	0.0
	12	**0.0**
Unquoted		
Frostrow Capital LLP	338	0.4
Total contribution	**40,305**	**44.2**
Expenses and finance charges	(4,231)	(4.6)
Total contribution for the year	**36,074**	**39.6**

*Based on 91,128,356 shares, being the weighted average number of shares in issue during the year ended 30 September 2014.

Strategic Report / Portfolio Manager's Review

Nick Train
Lindsell Train Limited
Portfolio Manager

The biggest company by London-listed market value in your portfolio is Diageo, with a current capitalisation of £44bn. Although this is a major company by any standards, it ranks only 11th largest in the FTSE All-Share Index and is dwarfed by other giant constituents, such as Royal Dutch Shell, £144bn or HSBC, £120bn. Diageo seems even smaller from a global perspective, barely making it into the top 75 members of the MSCI World Equity Index by market value.

We acknowledge, therefore, that whatever else the Company's investment strategy is, it is not currently a means to get exposure to UK or global "mega-caps". By extension, we also acknowledge that in the circumstances of a prolonged period of outperformance by sectors dominated by such big boys we could lag. We're thinking here of Oil, Banks, Telecommunications, Mining, Utilities and Pharmaceuticals. The fact is we currently have zero exposure to these sectors, which combined account for over half of the value of the UK stock market.

By corollary it must be true that given your portfolio is so underweighted to mega-caps, we must also be overweight in mid and small-caps, even though we do not think about portfolio construction in this way. UK market followers know that mid and small were at the vanguard of the rally of the last couple of years and it could be that, willy-nilly, we have been beneficiaries of this investor preference and could be vulnerable to any change in preference.

However, there are two mitigating circumstances – against these possible sources of weaker investment performance from your Company – it is important to convey to shareholders.

First, as regards the exposure to mid and small caps we claim we are invested in different kinds of companies and for different reasons than for many. What we mean is that portfolio investors often make tactical switches in and out of market capitalisation bands when they want to capture anticipated changes in economic activity or changes in other investors' risk tolerance. In short, people tend to buy mid and small caps when they believe economic activity is likely to pick up or when they expect "concept" or sometimes speculative "growth" stocks will be bid up.

Although what we have described above is a perfectly valid way of approaching the investment challenge, it is the antithesis of what we do. In particular we do not own any mid or small caps for their purported leverage to an economic cycle. For instance, in addition to the list of mega-cap sectors to which we have no exposure, we have never had any investments in – Autos Parts, Building Materials, Chemicals, Construction, Electronics, Forestry & Paper, General Retail, House Builders and many other cyclical sectors. The closest to such that we do own are the regional brewers, Fullers, Greene King and Young & Co – however in our eyes they are the exception that proves the rule, because their appeal is precisely that their business is not affected, or not affected much, by the rise and fall of consumer confidence in the UK.

Second – if we don't own much mega-cap and we don't own any mid-cap plays on the economic cycle we know we've begged the obvious questions – What do we actually own and why? I'm going to answer this in a specific and deliberately slightly simplistic way, which I hope will explain our view on the limited relevance of market capitalisation as a factor in our strategic stock selection. I also hope it will encourage you to share our enthusiasm for all the wonderful companies in the portfolio.

We own:

World's #1 Emerging Market FMCG – fast moving consumer goods – Company (Unilever)

World's #1 Spirits and Dark Beer Company (Diageo)

World's #1 International Beer Brand (Heineken)

World's #1 Educational Publisher (Pearson)

World's #2 Index Service Provider (LSE, post Russell)

World's #1 Scientific Publisher (Reed Elsevier)

World's #1 Online Newspaper (MailOnline)

World's #1 Trading and Investment Infrastructure Software Provider (Fidessa)

World's #5 Most Valuable Luxury Fashion Brand (Burberry, according to Interbrand survey)

World's #1 Chocolate Company (Mondelez)

World's #1 Business Information Provider (Thomson Reuters)

Owner of World Leading Investment and Industry Analysis Periodicals- eg Bank Credit Analyst, Metal Bulletin (Euromoney)

In addition we own:

UK's #1 Asset Management Company (Schroders, by market capitalisation)

Strategic Report / Portfolio Manager's Review

UK's #1 Accounting Software Provider (Sage, with valuable European/US position too)

UK's #1 Investment Services Platform (Hargreaves Lansdown)

UK's #1 Independent Private Wealth Manager (Rathbone, by market capitalisation)

UK Leading Pub-Owners/Beer Brewers, including #1 Cask Ale, #1 Premium Cask Ale (Greene King, Fullers, Young & Co)

Scotland's #1 Soft Drink (IRN-BRU)

Scotland's #1 Football Club (Celtic, by market capitalisation only, I hasten to add)

USA's #3 Soft Drinks Company (Dr Pepper)

USA Leading Food Manufacturer – 98% Household Penetration (Kraft)

What we're conveying here can be summarised as "size doesn't matter" – that much. In our opinion your portfolio comprises a collection of exceptional brands and franchises, many so at global level, or if not, strong regional or national champions. What is attractive about them has nothing to do with their market capitalisations. Many of them could be described as small companies, certainly by global standards – but that does not mean that they are not dominant in their own way. So, Pearson is not as big as Apple, in fact it is only 1/40th of the size. Yet, arguably, Apple needs Pearson more than vice versa in order to achieve their separate ambitions in Eductional Technology – as demonstrated by the announcements of joint ventures between the two companies. Burberry is Interbrand's 77th most valuable global brand and, by the way, one of only five UK-listed or owned brands in the 2013 global top 100 (and two of those five belong to one company – Diageo). Meanwhile, Louis Vuitton is Interbrand's 17th most valuable. But so what? Burberry is better at being Burberry than Vuitton could ever be. The British company can never aspire to that timeless French chic, but Burberry too is a unique icon with its Britpop cool. Domestically Young & Co may never be as big as Mitchells & Butlers, but M&B can never own the Marquess of Anglesey in Covent Garden or the White Cross at Richmond, because they are one-of-a-kind assets and Young & Co owns the freeholds.

Biggest is not necessarily best, if it's investment returns you're after. We believe what really matters is the calibre and unique nature of the companies you're invested in. This is what makes money over time. And, to reiterate, we think we own a collection of special companies.

Nick Train
Director
Lindsell Train Limited
Portfolio Manager

8 December 2014

Strategic Report / Investment Theme

There is an important sub-theme at work in our company selection for your portfolio. Currently and for the foreseeable future we expect investment success to hinge on the identification of companies that are beneficiaries of the Internet and on avoidance of those whose business model is at risk from it.

We agree with Jeff Bezos, Amazon's founder: "There is so much stuff that has yet to be invented. There is so much new that is going to happen. People don't have any idea yet how impactful the Internet is going to be and that this is still Day 1 in such a big way."

Don't misunderstand us here – we know we can't identify the future winners out of the myriad of new, small technology and Internet companies. We won't even attempt to do so. However, we do think that we can improve our performance by analysing every company we own, or might own, in the context of this question – "What does the Internet mean for you and are you investing enough in your own digital services or products?"

It is no accident, for instance, that we are not and never have been, invested in Tesco – a company that has a lot of work to do to mitigate the impact of digital shopping on its real estate-intense business. On the other hand in 2014 we have been keen buyers of Burberry – like Tesco another UK retailer – because we are increasingly persuaded that the company's digital marketing is bringing its brand to millions more aspiring customers than "old" advertising models could ever have done. Former Burberry CEO Angela Ahrendts is reported to have claimed that: "Burberry.com is our flagship store". This is radical. If she is right Burberry's sales and its profit margins will go up more than many expect in the next decade. Elsewhere, the investment Hargreaves Lansdown has made in its platform, driven by digital technology, has allowed the company to deepen relationships with its customers and to offer services that would have been inconceivable at, say, the start of my career – admittedly 33 years ago. We are sure that banks in the UK and elsewhere are watching Hargreaves and wondering what its success means for their traditional banking business.

Meanwhile, someone once said that: "No one wants to get digitally drunk". In other words, there are products and services that the Internet cannot disintermediate. For instance, the pleasure of socialising with friends at the pub. Or the taste of Cadbury chocolate. These sorts of products and services stay evergreen and important for your portfolio too.

Nick Train
Director
Lindsell Train Limited
Portfolio Manager

8 December 2014

Strategic Report / Business Review

Key Performance Indicators

The Board continually reviews overall performance. The Company's net asset value per share is announced daily via a regulatory news service and is available online.

At each Board meeting, the Board considers a number of performance measures to assess the Company's success in achieving its investment objective. The key performance indicators (KPI's) are as follows:

Net asset value total return performance

Share price total return performance

Revenue return per share

Share price discount/premium to net asset value per share

Benchmark and peer group performance

The Company has appointed Frostrow Capital as its AIFM in order to comply with the AIFM Directive. The management of the portfolio has in turn been delegated to Lindsell Train. Frostrow Capital is also responsible for providing company secretarial, administration and marketing services to the Company. Each provider is responsible to the Board which is ultimately responsible to the shareholders for performing against the above KPIs.

Net asset value total return performance

The Directors regard the Company's net asset value total return to be a key indicator of value delivered to shareholders over the long term. Total return reflects the net asset value growth of the Company.

During the year under review the Company's net asset value per share return was 8.9% (2013: 31.6%) outperforming the benchmark by 2.8% in absolute terms.

A full description of performance during the year under review and the investment portfolio is contained in the Portfolio Manager's Review commencing on page 14.

Share price total return performance

Share price total return is calculated by taking the change in the capital value of the Company's shares over the year, plus dividends paid to shareholders, expressed as a percentage of the opening value.

The Directors regard the Company's share price total return to be a key indicator of performance. This is monitored closely by the Board.

During the year under review the Company's share price total return was 8.6% (2013: 30.5%). Please see pages 2 and 3 for further information.

Revenue return per share

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

The Revenue return per share is calculated by taking the net revenue on ordinary activities after taxation of £11,467,000 (2013: 9,657,000) and by 91,128,356 (2013: 75,974,098) shares being the weighted average number of shares in issue during the year.

Share discount/premium price to net asset value per share

The Board undertakes a regular review of the level of discount/premium and consideration is given to ways in which 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 control mechanism works can be found on page 9.

Demand for the Company's shares led to the issue of a total of 14,343,655 new shares during the year at a minimum premium of 0.7% 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.

Benchmark and peer group performance

The Company's benchmark is the FTSE All-Share Index (total return) which delivered a return of 6.1% (2013: 18.9%) over the year. This compares to a total return of the Company of 8.9%.

The Board also monitors the Company's net asset value return against its peer group. As at 30 September 2014 the Company ranked fifth out of 11 over one year, second over five years and second over ten years.*

*source: Morningstar

Strategic Report / Business Review

Risk Management

The principal risks identified by the Board and the actions taken to mitigate them are set out below under five headings.

Investment Activity and Strategy	**Shareholder Relations and Corporate Governance**	**Operational**	**Financial**	**Accounting Legal and Regulatory**

A detailed risk matrix is reviewed and updated by the Company's Audit Committee, on behalf of the Board, twice yearly. 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.

Principal Risks and Uncertainties	Mitigation
Investment Activity and Strategy An unsuccessful investment strategy, including asset allocation or level of gearing, may lead to underperformance against the Company's benchmark index and peer companies, and may result in the Company's shares trading on a discount wider than the maximum level set by the Board. The Board may be unable to maintain a progressive dividend policy.	The Board regularly reviews the Company's investment mandate and its long-term investment strategy in relation to market and economic conditions, and the operation of the Company's peers, thereby monitoring whether the Company should continue in its present form. The Portfolio Manager provides an explanation of stock selection decisions and an overall rationale for the make-up of the portfolio. The Portfolio Manager discusses current and potential investment holdings with the Board on a regular basis in addition to new initiatives, which may enhance shareholder returns. The Board sets appropriate investment restrictions and guidelines which are monitored and reported on by the Company's AIFM. Each month the Board receives a monthly review report which monitors the Company's investment performance (both on an absolute basis and against the benchmark and peer group) and its compliance with the investment guidelines. Additional reports and presentations are regularly presented to investors by the Company's AIFM, Portfolio Manager and also by Winterflood Securities, the Company's Corporate Stockbroker. The Board regulary reviews the Company's income forecasts as prepared by the AIFM together with input from the Portfolio Manager. The Board also undertakes a regular review of the level of discount/premium and consideration is given to ways in which share price performance may be enhanced, including the effectiveness of marketing, share issuance and share buy-backs, where appropriate. The Board has implemented a discount control mechanism intended to establish a target level of no more than a 5% discount of share price to the ex income net asset value per share. New shares are issued on at least a 0.7% premium to the higher of the prevailing cum or ex income net asset value per share at the time of issuance. A proportion of the Company's assets are invested in securities denominated in foreign currencies. As the Company's shares are denominated and traded in sterling, the return to shareholders will be affected by changes in the value of sterling relative to those foreign currencies. The Company does not at present hedge against currency exposure. The Board keeps this position under constant review.

Strategic Report / Business Review

Principal Risks and Uncertainties	Mitigation
Shareholder Relations and Corporate Governance Shareholder unrest could arise if there is poor adherence to best practice in corporate governance and which could result in reputational damage to the Company.	The Board receives regular reports on shareholder activity and is kept informed of shareholder sentiment. Regular contact is maintained with major shareholders. Details of the Company's compliance with corporate governance best practice, including information on relations with shareholders, are set out in the Corporate Governance Statement beginning on page 30.
Operational Disruption to, or failure of, accounting, dealing or payments systems or the depositary's records could prevent accurate reporting and monitoring of the Company's financial position.	The Board reviews both the internal control reports and the disaster recovery procedures put in place by its principal service providers on a regular basis and receives annually AAF01 reports from its AIFM, Frostrow, its Portfolio Manager, Lindsell Train and its Registrar, Capita Asset Services. The Board also reviews the SOC 1 Report of its Depositary, BNY Mellon Trust & Depositary (UK) Limited. Further details of the Board's internal controls are set out in the Audit Committee Report beginning on page 43.
Financial The financial risks associated with the Company include market risk (including counter-party risk), interest rate risk, liquidity risk and credit risk.	The Company's Portfolio Manager is responsible for undertaking reviews of the creditworthiness of the counterparties that it uses. The Board regularly reviews the Portfolio Manager's approved list of counterparties. The Company's assets mainly comprise readily realisable liquid securities, which can be sold to meet funding requirements if necessary. Further information on financial instruments and risk, as required by FRS 29, can be found in note 16 to the Financial Statements beginning on page 71.
Accounting, Legal and Regulatory Failure to comply with applicable law and regulations could expose the Company to serious financial loss and reputational damage.	The Board relies on the services of its AIFM and also external advisers to ensure compliance with applicable law and regulations including the Companies Act, the AIFM Rules, the Corporation Tax Act and the UKLA Listing Rules. The Board is aware of changes to the regulatory environment in the year ahead and plans accordingly. The Company's Depositary is responsible for the safekeeping of all custodial assets of the Company, for verifying and maintaining a record of all other assets of the Company and for the collection of income that arises from those assets. It is the duty of the Depositary to take reasonable care to ensure that the Company is managed in accordance with the AIFM Directive, the FUND Sourcebook and the Company's Articles of Association in relation to the calculation of the net asset value per share and the application of income of the Company. The Depositary also has a duty to monitor the Company's compliance with investment restrictions and leverage limits set in its offering documents.

There were no changes to the Company's risk management systems during the year.

Strategic Report / Business Review

Directors

The Directors of the Company, who served during the year, are shown below. Further information on the Directors can be found on page 22. Details of the Directors' remuneration arrangements can be found on pages 46 to 49.

Anthony Townsend (Chairman)
John Allard
Neil Collins
David Hunt (Chairman of the Audit Committee and Senior Independent Director)
Vanessa Renwick

Board Diversity

The Company is supportive of the recommendations of Lord Davies' Report that the performance of corporate boards can be improved by encouraging the appointment of the best people from a range of differing perspectives and backgrounds. The Company recognises the benefits of diversity on the Board, including gender, and takes this into account in its Board appointments. The Company is committed to ensuring that any director search process actively seeks persons with the right qualifications so that appointments can be made, on the basis of merit, against objective criteria from a diverse selection of candidates. To this end the Board will dedicate time to consider diversity during any director search process.

	Male	Female
Directors of the Company	4	1
Employees in other senior executive positions	n/a	n/a
Directors of subsidiary companies not included above	n/a	n/a
Total senior managers other than Directors of the Company	n/a	n/a
Other employees of the group	n/a	n/a

Social, Economic and Environmental Matters

The Directors, through the Company's Portfolio Manager, encourage companies in which investments are made to adhere to best practice with regard to corporate governance. In light of the nature of the Company's business there are no relevant human rights issues and the Company does not have a human rights policy.

The Company recognises that social and environmental issues can have an affect on some of its investee companies.

The Company is an investment trust and so its own direct environmental impact is minimal. The Board of Directors consists of five Directors, all of whom are resident in the United Kingdom. The Board holds its regular meetings in the United Kingdom and has a policy that travel, as far as possible, is minimal, thereby minimising the Company's greenhouse gas emissions. Further details concerning greenhouse gas emissions can be found within the Report of the Directors on page 29.

The Company does not have any employees. Therefore there is no employee information to disclose.

Looking to the Future

The Board concentrates its attention on the Company's investment performance and the Portfolio Manager's investment approach and on factors that may have an affect on this approach. Marketing reports are given to the Board at each Board meeting by the AIFM, which include how the Company will be promoted and details of planned communications with existing and potential shareholders. The Board is regularly updated by the AIFM on wider investment trust industry issues and discussions are held concerning the Company's future development and strategy.

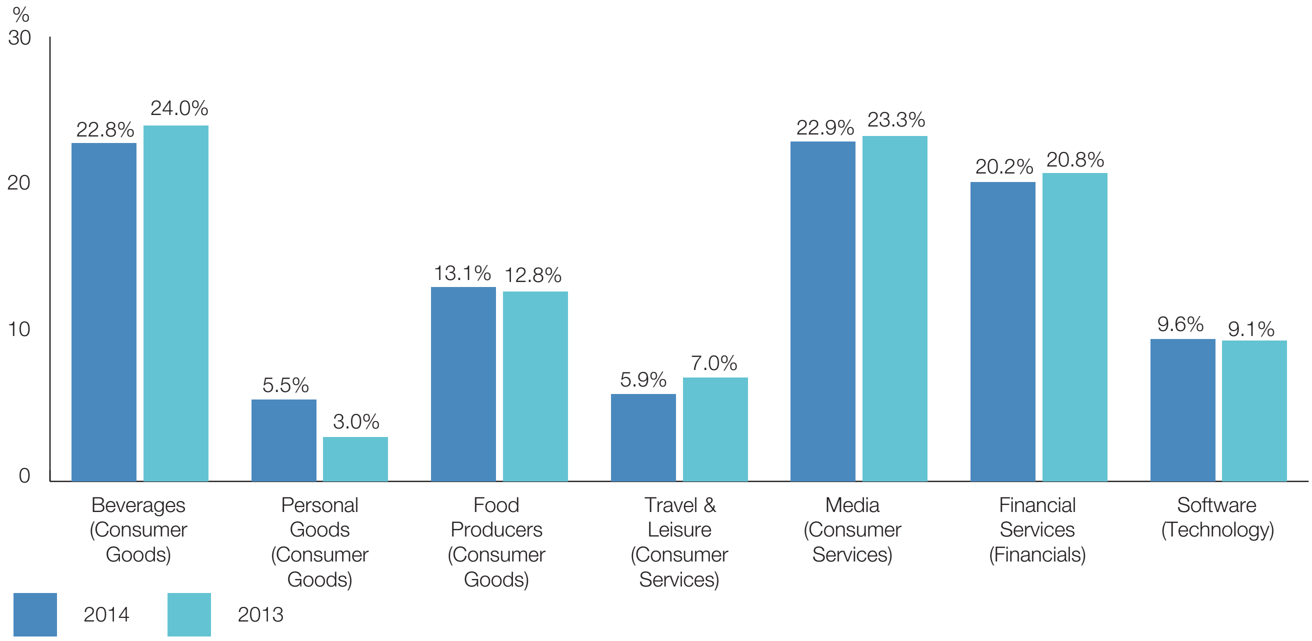
A review of the Company's year, its performance since the year-end and the outlook for the Company can be found in the Chairman's Statement on pages 4 to 6 and in the Portfolio Manager's Review on pages 14 and 15.

The Company's Portfolio Manager believes that the outlook remains positive and that the calibre and nature of the companies held within the portfolio will continue to deliver superior investment returns.

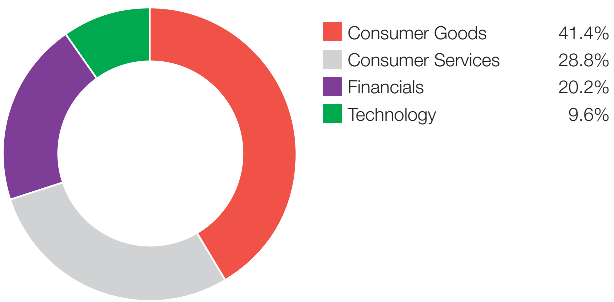
Strategic Report / Portfolio Analysis

Investment as at 30 September 2014

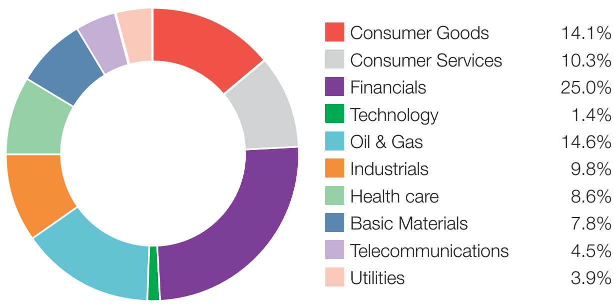
Sector Analysis



Portfolio Sector Weightings
2014



FTSE All Share Sector Weightings*
2014



*Source: FTSE International Limited (“FTSE”) © FTSE 2014

Approval

The Strategic Report was approved by the Board of Directors on 8 December 2014 and signed on its behalf by:

Anthony Townsend
Chairman

8 December 2014

Governance / Board of Directors

Anthony Townsend Chairman

Anthony Townsend, (66), 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. Anthony is also Chairman of Baronsmead VCT 3 plc, British & American Investment Trust PLC, F&C Global Smaller Companies PLC, Miton Worldwide Growth Investment Trust PLC, and Gresham House plc.

John Allard

John Allard, (68), has served on the Board since 11 October 2000. A Director of M&G Investment Management for 16 years, he was an Investment Manager with M&G for over 20 years, specialising in equity income funds. John has been a director of various investment trust companies since 1981.

Neil Collins

Neil Collins, (67), 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. A former columnist for the London Evening Standard and commentator for Reuters, Neil currently writes a column for the Financial Times on Saturdays. Neil is also a director of Templeton Emerging Markets Investment Trust PLC.

David Hunt, FCA

David Hunt, (67), has been a Director since 6 July 2006. A Chartered Accountant, he was formerly a director in the Assurance and Business Services division of Smith & Williamson Limited. Prior to that he was a partner at both Binder Hamlyn and Andersen. David has over 30 years' experience advising quoted companies. He is the Senior Independent Director and Chairman of the Audit Committee. David is also a member of the Audit and Risk Committee of the Church of England Pensions Board.

Vanessa Renwick

Vanessa Renwick, (53), has served on the Board since 11 October 2000. Vanessa has over 20 years' experience in the investment funds industry, having worked for Laing & Cruickshank and UBS Warburg. Vanessa has particular expertise in corporate finance and marketing.

All members of the Board are non-executive. None of the Directors 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.

Governance / Board of Directors

Scheduled Meetings

The table below sets out the number of scheduled Board and Committee meetings held during the year ended 30 September 2014 and the number of meetings attended by each Director.

Type and number of meetings held in the year to 30 September 2014	Board (6)	Audit Committee (4)	Management Engagement Committee (2)
Anthony Townsend	6	4	2
John Allard	6	4	2
Neil Collins	6	4	2
David Hunt	6	4	2
Vanessa Renwick	6	4	2

All of the Directors attended the Annual General Meeting held on Wednesday, 29 January 2014.

In addition to the scheduled Board meetings there were a number of unscheduled Board meetings to consider matters such as the regulations concerning the Alternative Investment Fund Managers Directive, the Company's Prospectus and matters concerning the Board's decision to undertake an audit tender and the subsequent appointment of new auditors.

Governance / Report of the Directors

In accordance with the requirements of the Companies Act 2006 (the "Act") and the UK Listing and Transparency Rules, 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 2014.

The Corporate Governance Statement on pages 30 to 41 forms part of this Report of the Directors.

Disclosures relating to future developments and risk management can be found within the Strategic Report, on pages 16 to 19.

Business and Status of the Company

The Company is registered as a public limited company in Scotland (Registered Number SCO13958) and is an investment company within the terms of Section 833 of the Act. Its shares are listed on 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 Act.

The Company has applied for and been accepted as an approved investment trust under sections 1158 and 1159 of the Corporation Taxes Act 2010 and Part 2 Chapter 1 of Statutory Instrument 2011/2999. This approval relates to accounting periods commencing on or after 1 October 2012. The Directors are of the opinion that the Company has conducted its affairs so as to be able to retain such approval.

It is the Directors' intention that the Company should continue to manage its affairs so as to be a qualifying investment for inclusion in the stocks and shares components of an Individual Savings Account ("ISA") and Junior ISA.

The Company is required to comply with company law, the rules of the UK Listing Authority, UK Financial Reporting Standards, and its Articles of Association.

The Company is a member of the Association of Investment Companies ("AIC").

Throughout the course of the year the Board together with its advisors had been keeping the developments in relation to the Scottish referendum under close review. Whilst it is not currently proposed that the Company change its jurisdiction the Board have undertaken a review of the Company's domicile and the cost implications associated with re registration in England.

Investment Objective

The Company's investment objective is to achieve capital and income growth and to provide shareholders with a total return in excess of that of the FTSE All-Share Index. Further details of the Company's investment strategy can be found within the Strategic Report on page 7.

Investment Policy

The Company invests 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 worldwide. Where possible, a minimum position size of 1% of the Company's gross assets is held unless the holding concerned is being built or disposed of.

The portfolio will normally comprise approximately 30 investments. 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.

Further details concerning the Company's investment policy can be found in the Strategic Report on page 7.

Results and Dividends

The results attributable to shareholders for the year are shown on page 60. Details of the Company's dividend record can be found on pages 12 and 68.

Loan Facility

As at 30 September 2014 the Company is in its first year of its three-year secured fixed term committed revolving credit facility of £30 million with Scotiabank Europe PLC. As at this date a total of £23.1 million was drawn down from this facility (2013: £20.2 million) which equates to net gearing of 4% which is consistent with the Company's gearing policy that the Company's gearing should not exceed 25% of its net assets.

Fixed Asset Investments

The fair value of the Company's investments at 30 September 2014 was £514,798,000 (2013: £409,997,000) showing a gain since acquisition of £199,733,000 (2013: gain £173,510,000). Taking these investments at this valuation, the net assets attributable to each share at 30 September 2014 amounted to 507.7p (2013: 476.1p).

Governance / Report of the Directors

Share Capital

At the Annual General Meeting held on Wednesday, 29 January 2014, authority to allot up to 8,865,156 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 have been issued and the Company held a General Meeting on Monday, 14 July 2014 where shareholder authority was obtained to issue a further 9,605,021 shares on the same basis. A prospectus has also been published in order to obtain admission to the Official List maintained by the UK Listing Authority of any shares issued pursuant to the authority obtained.

During the year, 14,343,655 new shares were issued by the Company at a minimum premium of 0.7% 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 the date of this report, a further 4,245,000 new shares have been issued under the same issuance criteria. No shares were repurchased by the Company during the year.

Capital Structure

As at 30 September 2014 there were 97,480,212 shares of 25p each in issue (2013: 83,136,557) each share having one vote.

There were no shares held in treasury during the year (2013: nil).

Details of the substantial shareholders in the Company are listed on page 28.

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 on pages 86 and 87.

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.

Company Management

The Directors of the Company announced on 21 July 2014 that with effect from 22 July 2014 the Company had adjusted its operational arrangements in order to ensure that it complies with AIFMD. As a consequence of AIFMD the Company appointed Frostrow as the designated Alternative Investment Fund Manager ("AIFM") for the Company on the terms and subject to the conditions of the alternative investment fund management agreement between the Company and Frostrow (the "AIFM Agreement"), which terminated and replaced the then existing management, administrative and secretarial services agreement between the Company and Frostrow (the "Existing Management Agreement"). The AIFM Agreement is based on the Existing Management Agreement and only differs to the extent necessary to ensure that the relationship between the Company and Frostrow is compliant with the requirements of AIFMD, except that the Company and Frostrow voluntarily agreed to delete all provisions relating to the performance fee payable by the Company to Frostrow under the Existing Management Agreement.

Under the AIFMD Lindsell Train, as delegate of the AIFM, continues to be responsible for the management of the Company's portfolio of investments under a new portfolio management agreement between it, the Company and Frostrow (the "Portfolio Management Agreement"). The Portfolio Management Agreement terminated and replaced the then existing Investment Management Agreement between the Company and Lindsell Train (the "Existing IMA"). The Portfolio Management Agreement is based on the Existing IMA and only differs to the extent necessary to ensure that the relationship between the Company, Lindsell Train and Frostrow is compliant with the requirements of AIFMD, except that the Company and Lindsell Train voluntarily agreed to delete all provisions relating to the performance fee payable by the Company to Lindsell Train under the Existing IMA.

The Company also appointed BNY Mellon Trust & Depositary (UK) Limited (the "Depositary") as its depositary in accordance with AIFMD on the terms and subject to the conditions of the depositary agreement between the Company, Frostrow and the Depositary (the "Depositary Agreement"). The Depositary Agreement replaced the existing custody agreement between the Company and the Bank of New York Mellon SA/NV, London branch (the "Global Custodian"). Under the terms of the depositary agreement the Company has agreed to pay the Depositary a fee calculated as a percentage of the Company's gross assets (2 basis points on the first £150 million of gross assets and 1.5 basis points on gross assets in excess of £150 million, subject to a minimum fee of £20,000 per annum, plus any applicable VAT. In accordance with AIFM Rules the Depositary delegates custody of the Company's securities and other investments to the Global Custodian and any other Bank of New York affiliate as it sees fit (meaning any direct or indirect subsidiary of The Bank of New York Mellon). As at the date of this annual report, the applicable sub-custodians

Governance / Report of the Directors

appointed by the Global Custodian 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
Canada	CIBC Mellon Trust Company	Canadian Securities Administrators
United States of America	The Bank of New York, New York	US Securities and Exchange Commission

Portfolio Management Agreement

Under the terms of the Portfolio Management Agreement, Lindsell Train, acting as a delegate of the AIFM, provides discretionary portfolio management services to the Company for a periodic fee at a rate of 0.45% per annum of the Company's market capitalisation calculated monthly and payable monthly in arrears. The Portfolio Management Agreement may be terminated by either party giving notice of not less than 12 months. The Portfolio Manager, under the terms of the portfolio management agreement, 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;
- advising the Company in relation to trends, market movements and other matters which may affect the investment policy of the Company; and
- marketing.

Alternative Investment Fund Managers Agreement

Under the terms of the AIFM Agreement Frostrow receives a periodic fee at a rate of 0.15% per annum of the Company's market capitalisation plus a fixed fee of £70,000 per annum calculated monthly and payable monthly in arrears.

The AIFM Agreement may be terminated by either party on giving 12 months' written notice.

Frostrow, under the terms of the AIFM agreement, provides inter alia the following services:

- risk management and portfolio management services;
- monitoring the compliance by the Portfolio Manager with the Company's investment objective and investment policy and reporting any non-compliance in a timely fashion to the Portfolio Manager and the Board;
- determining the net asset value per share in accordance with the AIFM Rules, any prospectus of the Company and its Articles of Association;
- maintaining professional indemnity insurance at the level required under the AIFM Rules in order to cover potential liability risks arising from professional negligence;
- marketing and shareholder services;
- company secretarial and administrative services including compliance with the AIFMD rules;
- advice and guidance in respect of corporate governance requirements;
- performance measurement reports;
- maintenance of adequate accounting records and management information;
- preparation and despatch of the audited annual financial statements, the unaudited half year report and the interim management statements; and
- attending to general tax affairs where necessary.

Performance Fee

In the year under review, no performance fee was accrued or paid (2013: Nil).

As stated on page 25 both Lindsell Train and Frostrow voluntarily agreed to delete all provisions relating to the performance fee payable by the Company from the previous IMA and the previous Management Agreement (as applicable) with effect from 22 July 2014.

Holding in The Lindsell Train Investment Trust plc and Partnership Interest in Frostrow Capital LLP

In 2001 the Company acquired a holding, equivalent to 5% of the issued share capital, in The Lindsell Train Investment Trust plc, which is managed by Lindsell Train, the Company's Portfolio Manager. The 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 in return for a capital contribution of £150,000 in 2007,

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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 page 11. 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 £500,000 in aggregate. In return, the Company receives a priority return of 9% per annum of 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 2014, Frostrow has drawn down £320,000 from the Company to meet its capital requirements under AIFMD.

Portfolio Manager and AIFM Evaluation and Re-Appointment

The performance of Lindsell Train as Portfolio Manager and Frostrow as AIFM 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 Portfolio Manager and the AIFM 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 the Management Engagement Committee meeting in September 2014 the Board believes that the continuing appointment of the Portfolio Manager and the AIFM, under the terms described on pages 25 and 26 (as applicable), is in the best interests of the Company's shareholders as a whole. In coming to this decision it also took into consideration the following additional reasons:

– the quality and depth of experience allocated by the Portfolio Manager 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; and

– the quality and depth of experience of the management, company secretarial, administrative and marketing team that the AIFM allocates to the management of the Company.

Directors

Directors' Fees

Reports on Directors' Remuneration and also the Directors' Remuneration Policy Report are set out on pages 46 to 49.

Directors' and Officers' Liability Insurance Cover

Directors' and Officers' liability insurance cover was maintained by the Board during the year ended 30 September 2014. It is intended that this policy will continue for the year ended 30 September 2015 and subsequent years.

Directors' Indemnities

During the year and as at the date of this report, indemnities are in force between the Company and each of its Directors under which the Company has agreed to indemnify each Director, to the extent permitted by law, in respect of certain liabilities incurred as a result of carrying out his/her role as a Director of the Company. The Directors are also indemnified against the costs of defending any criminal or civil proceedings or any claim by the Company or a regulator as they are incurred provided that where the defence is unsuccessful the Director must repay those defence costs to the Company. The indemnities are qualifying third party indemnity provisions for the purposes of the Companies Act 2006.

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

Directors' (and Other Senior Individuals) Interests

The beneficial interests in the Company of the Directors and also of Nick Train, the individual with responsibility for managing the Company's portfolio at Lindsell Train and Alastair Smith, Managing Partner at Frostrow, and their connected persons, were as set out below:

	Number of shares held		
	8 December 2014	30 September 2014	30 September 2013
Anthony Townsend	179,468	179,468	179,468
John Allard	30,275	29,331	26,348
Neil Collins	39,486	29,486	23,786
David Hunt	32,000	27,500	23,500
Vanessa Renwick	36,145	36,145	29,080
	317,374	301,930	282,182
Alastair Smith	57,938	57,791	49,507
Nick Train	399,403	379,403	206,873
	457,341	437,194	256,380
Total	**774,715**	**739,124**	**538,562**

None of the Directors were granted or exercised rights over shares during the year.
None of the Directors has any contract (including service contracts) with the Company.
As at 8 December 2014, the latest practicable date before publication of the Annual Report:
Mr Allard had purchased a further 944 shares on 6 October 2014.
Mr Collins had purchased a further 5,000 shares on 8 October 2014 and 5,000 Shares on 14 October 2014.
Mr Hunt had purchased a further 4,500 shares on 6 November 2014.
Mr Train had purchased a further 10,000 Shares on 9 October 2014 and 10,000 Shares on 10 October 2014.
Mr Smith had purchased a further 147 shares on 12 November 2014.

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Substantial Share Interests

The Company was aware of the following substantial interests in the voting rights of the Company as at 30 September 2014 and 30 November 2014, being the latest practicable date before publication of the annual report:

		30 September 2014		30 November 2014	
Shareholders	Registered holder	Number of shares	% of capital	Number of shares	% of capital
Brewin Dolphin	Various Nominee Accounts	11,224,788	11.51	11,335,894	11.18
Alliance Trust Savings	Alliance Trust Savings Nominees	9,876,866	10.13	10,252,913	10.12
Hargreaves Lansdown	Various Nominee Accounts	7,232,591	7.42	7,797,719	7.69
Investec Wealth & Investment	Various Nominee Accounts	6,263,890	6.43	6,699,513	6.61
Rathbones	Various Nominee Accounts	5,842,651	5.99	5,977,302	5.90
Aberdeen Asset Management	Various Nominee Accounts	–	–	4,159,827	4.10
Charles Stanley	Rock Nominees	4,094,242	4.20	4,151,716	4.10
Brewin Dolphin (ND)	Various Nominee Accounts	3,737,570	3.83	3,817,094	3.77

As at 30 September 2014 the Company had 97,480,212 shares in issue. As at 30 November 2014 the Company had 101,350,212 shares in issue.

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, Capita Asset Services, or to the Company directly.

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 relation to non-mainstream investment products 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 authorised investment trust.

Financial Instruments

The Company's financial instruments comprise its portfolio, cash balances, debtors and creditors that arise directly from its operations, such as sales and purchases awaiting settlement and accrued income. The financial risk management and policies arising from its financial instruments are disclosed in note 16 to the Financial Statements.

Audit Tender

As reported in the Company's 2013 Annual Report, Grant Thornton UK LLP had been in post as Auditor for a number of years and the Board, after consideration, agreed that a tender process should take place.

Following the formal tender process held in June 2014, PricewaterhouseCoopers LLP were appointed as Auditor on 19 June 2014 to fill a casual vacancy. It is therefore proposed that on the recommendation of the Audit Committee, PricewaterhouseCoopers LLP be appointed by Shareholders as Auditor of the Company. A resolution for their appointment will be proposed at the forthcoming Annual General Meeting in February 2015.

Please note that further details of the audit tender process can be found within the Audit Committee Report on page 43.

Awareness and Disclosure of Audit Information

So far as each of the Directors is aware, there is no relevant audit information (as defined in the Companies Act) of which the Company's auditors are unaware.

Each of the Directors has taken all the steps that he or she ought to have taken as a Director in order to make himself or herself aware of any relevant audit information (as defined) and to establish that the Company's auditors are aware of that information.

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

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Individual Savings Accounts

The Company's shares are eligible to be held in the stocks and shares component of an ISA or Junior ISA, subject to applicable annual subscription limits (£15,000 for an ISA and £4,000 for a Junior ISA for the 2014/2015 tax year). Investments held in ISAs or Junior ISAs will be free of UK tax on both capital gains and income. The opportunity to invest in Ordinary Shares through an ISA is restricted to certain UK resident individuals aged 18 or over. Junior ISAs are available for UK resident children aged under 18 and born before 1 September 2002 or after 2 January 2011. Sums received by a shareholder on a disposal of ordinary shares held within an ISA or Junior ISA will not count towards the shareholder's annual limit. Individuals wishing to invest in ordinary shares through an ISA should contact their professional advisers regarding their eligibility as should individuals wishing to invest through a Junior ISA for children under 18 years old.

With effect from 1 July 2014 the government announced that ISAs would be reformed into a new simpler product, the New ISA ("NISA") with equal limits for cash, and stocks and shares. The overall ISA limits for 2014/15 are £15,000 which offers the option to save in cash, stocks and shares, or any combination of two.

S.I 2007/1093 C.49 Commencement No2. Order 2007

The following disclosures are made in accordance with S.1 2007/1093 C.49 Commencement No2. Order 2007

Capital structure

The Company's capital structure is composed solely of ordinary shares. Details are given in note 12 to the Financial Statements on page 70.

Voting rights in the Company's shares

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 Annual General Meeting on page 84.

Going Concern

The Directors, having made relevant enquiries, are satisfied that it is appropriate to prepare Financial Statements on the going concern basis as the net assets of the Company consist of liquid securities, all of which, with the exception of the partnership interest in Frostrow Capital LLP, are traded on recognised stock exchanges.

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 for themselves or for the Company.

Charitable Donations

In memory of Mr Giles Warman, who was a Director of the Company from 1988 until his very unexpected death in May 2013 the Company donated £10,000 to the Giles Warman Foundation in November 2014.

Mr Warman was involved in helping young people to find their first job in life, and his friends and family set up the Giles Warman Foundation in his memory.

Further details concerning this donation can be found within the Chairman's Statement on page 5.

Political Donations

The Company has not in the past and does not intend in the future to make political donations.

Global Greenhouse Gas Emissions

The Company has no greenhouse gas emissions to report from its operations, nor does it have responsibility for any other emissions producing sources under Large and Medium sized Companies and Groups (Accounts and Reports) Regulations 2008 (as amended), (including those within our underlying investment portfolio).

Corporate Governance

The Corporate Governance report, which includes the Company's Corporate Governance policies is publically available as part of the company's annual report and can be viewed on the Company's website www.finsburygt.com.

By order of the Board

Frostrow Capital LLP
Company Secretary

8 December 2014

Governance / Corporate Governance

This Statement forms part of the Report of the Directors.

The Board confirms that, with the exception of the matters below, it has in all respects met its obligations under the Listing Rules and the UK Corporate Governance Code throughout the period of this report:

- The role of the Chief Executive (Provision A.2.1 of the UK Corporate Governance Code).
- Director Tenure (Provision B.1.1 of the UK Corporate Governance Code).
- The need for a separate Nomination Committee (Provision B.2.1 of the UK Corporate Governance Code).
- The need for an internal audit function (Provision C.3.6 of the UK Corporate Governance Code).
- The Chairman of the Company continuing in the Chair of Board meetings when Directors' remuneration matters are considered (Provision B.2.1 of the UK Corporate Governance Code).
- Executive Directors Remuneration Provisions D.2.1, D.2.2, D.2.3 and D.2.4 of the UK Corporate Governance Code).

For reasons set out in the AIC Guide and in the preamble to the AIC Code, the Board considers these provisions are not relevant to the position of the Company, being an externally managed investment trust. Therefore with the exception of Director tenure, which is addressed further on page 38, the need for a separate Nomination Committee which is addressed further on page 39 and the need for an internal audit function which is addressed further on page 40, the Company has not reported further in respect of these provisions.

The Principles of the AIC Code

The AIC Code is made up of twenty-one principles split into three sections covering:

- The Board
- Board Meetings and relations with Lindsell Train and Frostrow
- Shareholder Communications

AIC Code Principle	Compliance Statement
The Board 1. The Chairman should be independent.	The Chairman, Anthony Townsend is responsible for the leadership of the Board and for ensuring its effectiveness in all aspects of its role. The Chairman has a seat on the Board of the Company's AIFM by virtue of the Company's minority partnership interest in Frostrow. The Board does not believe that this compromises his independence from the Company . There is a clear division of responsibility between the Chairman, the Directors, the AIFM, the Portfolio Manager and the Company's other third party service providers. The Chairman also continues to be independent of the Portfolio Manager.
2. A majority of the Board should be independent of the AIFM and the Portfolio Manager.	The Board consists of five non-executive Directors, each of whom is independent of the AIFM and of the Portfolio Manager. None of the Board members has been an employee of the Company.
3. Directors should be submitted for re-election at regular intervals. Nomination for re-election should not be assumed but be based on disclosed procedures and continued satisfactory performance.	All Directors will submit themselves for annual re-election by shareholders. The individual performance of each Director standing for re-election is evaluated annually by the remaining members of the Board and, if considered appropriate, a recommendation is made that shareholders vote in favour of their re-election at the Company's Annual General Meeting to be held in February 2015.

Governance / Corporate Governance

AIC Code Principle	Compliance Statement
4. The Board should have a policy on tenure, which is disclosed in the annual report.	The Board considers the structure of the Board and recognises the need for progressive refreshing of the Board. 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 or her ability to act independently and, following formal performance evaluations, believes that each of those Directors is independent in character and judgment and that there are no relationships or circumstances which are likely to affect their judgment. 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 Company's 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 are appointed with the expectation that they will serve for a minimum period of three years subject to shareholder approval. The terms and conditions of the Directors' appointments are set out in letters of engagement which are available for inspection on request at the office of Frostrow, the Company's AIFM, and from the Company Secretary at the Company's Annual General Meeting to be held in February 2015.
5. There should be full disclosure of information about the Board.	The Directors' biographical details, set out on page 22, demonstrate the wide range of skills and experience that they bring to the Board. Details of the Board's Committees and their composition are set out on pages 39 and 40. The Audit Committee membership comprises all of the Directors. The Chairman of the Company is a member of the Audit Committee, but does not chair it. His membership of the Audit Committee is considered appropriate given the Chairman's extensive knowledge of the financial services industry. The Management Engagement Committee is comprised of all Directors. The Chairman of the Company acts as Chairman of this Committee in light of the remit of the Committee.

Governance / Corporate Governance

AIC Code Principle	Compliance Statement
6. The Board should aim to have a balance of skills, experience, length of service and knowledge of the company.	The Board considers annually the skills possessed by the Directors and identifies any skill shortages to be filled by new Directors. When considering new appointments, the Board reviews the skills of the Directors and seeks to add persons with complementary skills or who possess the skills and experience which fill any gaps in the Board's knowledge or experience 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 and recognises the value of diversity in the composition of the Board, when Board positions become available, the Company will ensure that a diverse group of candidates is considered.
7. The Board should undertake a formal and rigorous annual evaluation of its own performance and that of its committees and individual directors.	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 the Senior Independent Director. The review concluded that the Board was working well. The Board is satisfied that the structure, mix of skills and operation of the Board continue to be effective and relevant for the Company.
8. Directors' remuneration should reflect their duties, responsibilities and the value of their time spent.	The Board annually reviews the fees paid to the Directors and compares these with the fees paid by the Company's peer group and the investment trust industry generally, taking into account the level of commitment and responsibility of each Board member. Details of the remuneration arrangements for the Directors of the Company can be found in the Directors' Remuneration Policy Report and Directors' Remuneration Report on pages 46 to 50 and in note 4 to the Financial Statements on page 66. As all of the Directors are non-executive, the Board considers that it is acceptable for the Chairman of the Company to chair meetings when discussing Directors' fees. The Board collectively decides on the level of fees paid to the Chairman.

Governance / Corporate Governance

AIC Code Principle	Compliance Statement
9. The independent directors should take the lead in the appointment of new directors and the process should be disclosed in the annual report.	The Board is comprised of Directors all of whom are independent. Subject to there being no conflicts of interest, all members of the Board are entitled to vote on candidates for the appointment of new Directors and on recommending for shareholders' approval the Directors seeking re-election at the Annual General Meeting.
10. Directors should be offered relevant training and induction.	New appointees to the Board are provided with a full induction programme. The programme covers the Company's investment strategy, policies and practices. The 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 Committees, the Company's corporate governance practices and procedures and the latest financial information. It is the Chairman's responsibility to ensure that the Directors have sufficient knowledge to fulfil their role and Directors are encouraged to participate in training courses where appropriate. The Directors have access to the advice and services of a Company Secretary through its appointed representative which is responsible to the Board for ensuring that Board procedures are followed and that applicable rules and regulations are complied with. The Company Secretary is also responsible for ensuring good information flows between all parties.
11. The Chairman (and the Board) should be brought into the process of structuring a new launch at an early stage.	Principle 11 applies to the launch of new investment companies and is therefore not applicable to the Company.
12. Boards and managers should operate in a supportive, co-operative and open environment.	The Board meets regularly throughout the year and representatives of the Portfolio Manager and the AIFM are in attendance at each meeting and Committee meeting. The Chairman encourages open debate to foster a supportive and co-operative approach for all participants.

Governance / Corporate Governance

AIC Code Principle	Compliance Statement
13. The primary focus at regular Board meetings should be a review of investment performance and associated matters, such as gearing, asset allocation, marketing/investor relations, peer group information and industry issues.	The Board has agreed a schedule of matters specifically reserved for decision by the Board. This includes establishing the investment objectives, strategy and benchmarks, the permitted types or categories of investments, the markets in which transactions may be undertaken, the amount or proportion of the assets that may be invested in any category of investment or in any one investment, and the Company's share issuance and share buy-back policies. The Board, at its regular meetings, undertakes reviews of key investment and financial data, revenue projections and expenses, 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 Audit Committee reviews the Company's risk matrix and the performance and cost of the Company's third party service providers.
14. Boards should give sufficient attention to overall strategy.	The Board is responsible for strategy and has established an annual programme of agenda items under which it reviews the objectives and strategy for the Company at each meeting.
15. The Board should regularly review both the performance of, and the contractual arrangements with, the Portfolio Manager (or executives of a self-managed company).	The Audit Committee reviews annually the performance of the Portfolio Manager and AIFM. The Committee considers the quality, cost and remuneration method of the service provided by the Portfolio Manager and AIFM against their contractual obligations and the Board receives monthly reports on compliance with the investment restrictions which it has set. It also considers the performance analysis provided by the Portfolio Manager and AIFM. The Audit Committee reviews the compliance and control systems of both the Portfolio Manager and AIFM in operation insofar as they relate to the affairs of the Company and the Board will undertake periodic reviews of the arrangements with and the services provided by the Depositary, to ensure that the safeguarding of the Company's assets and security of the shareholders' investment is being maintained.

Governance / Corporate Governance

AIC Code Principle	Compliance Statement
16. The Board should agree policies with the portfolio manager and the manager covering key operational issues.	The Portfolio Management Agreement between the Company, the AFIM and the Portfolio Manager sets out the limits of the Portfolio Manager's authority, beyond which Board approval is required. The Board has also agreed detailed investment guidelines with the Portfolio Manager, which are considered at each Board meeting. A representative of the Portfolio Manager and AIFM attends each meeting of the Board to address questions on specific matters and to seek approval for specific transactions which the Portfolio Manager is required to refer to the Board. The Board has delegated discretion to the Portfolio Manager to exercise voting powers on its behalf, other than for contentious or sensitive matters which are to be referred to the Board for consideration. The Board has reviewed the Portfolio Manager's Stewardship Code and voting policy and the Portfolio Manager reports on the application of the Stewardship Code and voting policy. The Portfolio Manager's Stewardship Code and Voting Policy can be found on the Portfolio Manager's website in the corporate information section. Reports on commissions paid by the Portfolio Manager are submitted to the Board regularly.
17. Boards should monitor the level of the share price discount or premium (if any) and, if desirable, take action to reduce it.	The Board considers any imbalances in the supply of and the demand for the Company's shares in the market and takes appropriate action when considered necessary. The Board considers the discount or premium to net asset value of the Company's share price at each Board meeting and reviews the changes in the level of discount or premium and in the share price since the previous Board meeting and over the previous twelve months. Details of the Company's Discount Control Mechanism can be found on pages 9 and 10. At each meeting the Board reviews a report from the AIFM on marketing and shareholder communication strategies.
18. The Board should monitor and evaluate other service providers.	The Audit Committee reviews, at least annually, the performance of all the Company's third party service providers, including the level and structure of fees payable and the length of the notice period, to ensure that they remain competitive and in the best interests of shareholders. The Committee also reviews reports from the principal service providers on compliance and the internal and financial control systems in operation and relevant independent audit reports thereon, as well as reviewing service providers' anti-bribery and corruption policies to address the provisions of the Bribery Act 2010.

Governance / Corporate Governance

AIC Code Principle	Compliance Statement
19. The Board should regularly monitor the shareholder profile of the company and put in place a system for canvassing shareholder views and for communicating the Board's views to shareholders.	A detailed analysis of the substantial shareholders of the Company is provided to the Directors at each Board meeting. Representatives of the Portfolio Manager and AIFM regularly meet with institutional shareholders and private client asset managers to discuss strategy and 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. Regular reports from the Company's broker are submitted to the Board on investor sentiment and industry issues. Shareholders wishing to communicate with the Chairman, or any other member of the Board, may do so by writing to the Company, for the attention of the Company Secretary at the offices of the AIFM. All shareholders are encouraged to attend the Annual General Meeting, where they are given the opportunity to question the Chairman, the Board and representatives of the Portfolio Manager. The Portfolio Manager will make a presentation to shareholders covering the investment performance and strategy of the Company at the forthcoming Annual General Meeting to be held in February 2015. The Directors welcome the views of all shareholders and place considerable importance on communications with them.
20. The Board should normally take responsibility for, and have a direct involvement in, the content of communications regarding major corporate issues even if the manager is asked to act as spokesman.	All substantive communications regarding any major corporate issues are discussed by the Board taking into account representations from the Portfolio Manager, the AIFM, the Auditor, legal advisers and the Company's stockbroker.

Governance / Corporate Governance

AIC Code Principle	Compliance Statement
21. The Board should ensure that shareholders are provided with sufficient information for them to understand the risk/reward balance to which they are exposed by holding the shares.	The Company places great importance on communication with shareholders and aims to provide them 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-year reports and interim management statements. This is supplemented by the daily publication, through the London Stock Exchange, of the net asset value of the Company's shares. The annual report provides information on the AIFM's and Portfolio Manager's investment performance, portfolio risk and operational and compliance issues. Further details on the risk/reward balance are set out in note 16 to the Financial Statements. Details of the principal risks identified by the Board and the actions taken to mitigate them can be found within the Strategic Report on pages 18 and 19. The Company's website, www.finsburygt.com, is updated with monthly factsheets and provides useful information about the Company including the Company's financial reports, latest prospectus and announcements.

Governance / Corporate Governance

Board Independence, Composition and Tenure

The Board is responsible to shareholders for the overall management of the Company's affairs and currently consists of five non-executive Directors. The Chairman is responsible for the leadership of the Board and ensuring its effectiveness in all aspects of its role. The Directors' biographical details, set out on page 22, demonstrate a breadth of investment, commercial and professional experience. David Hunt is the Senior Independent Director, who can act as a sounding board for the Chairman and as an intermediary for the other Directors if necessary.

The Company's Articles of Association provide that a Director appointed during the year is required to retire and seek election by shareholders at the next Annual General Meeting and that all Directors are required to submit themselves for re-election at least once every three years. While the Company is not a FTSE 350 company the Board has implemented the provisions of the UK Governance Code whereby all Directors of the Company stand for re-election on an annual basis.

All of the Directors are considered independent of the Portfolio Manager and have no relationship or conflicts which are likely to affect their independent judgment. 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 and it does not consider that a Director's tenure necessarily reduces his or her ability to act independently. 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 at the forthcoming Annual General Meeting for the following reasons:

Mr Townsend, who has been Chairman of the Company since January 2008 and a Director since rejoining the Board in February 2005, brings a wealth of experience to the Board through his long City career. He has been in the investment trust industry for over 25 years and was Chairman of the Association of Investment Companies from 2001-2003.

Mr Allard, who has been a Director since December 2000, has extensive experience of the investment management industry and was previously a fund manager with M & G for over 20 years, specialising in equity income stocks. He has detailed knowledge of the markets in which the Company invests and takes a keen interest in all aspects of the Company's portfolio.

Mr Collins joined the Board in January 2008. A financial journalist, he was City Editor of the Daily Telegraph for 19 years and currently writes a weekly column for the Financial Times. He has followed most of the companies in the Company's portfolio for many years and is a passionate advocate of shareholders' interests.

Mr Hunt, who has been a Director since 2006, is Senior Independent Director and Chairman of the Audit Committee. He is a Chartered Accountant with over thirty years' experience at partner level of advising quoted companies with Binder Hamlyn, Andersen and Smith & Williamson; his contribution to the Company's Audit Committee is particularly respected by his colleagues.

Mrs Renwick, who joined the Board in 2000, has over 20 years' experience at Laing & Cruickshank and UBS Warburg in corporate finance and marketing. She has specialist knowledge of investment product distribution throughout UK markets which is of great benefit to the Company.

The Chairman is pleased to report that following a formal performance evaluation, the Directors' performance continues to be effective and they continue to demonstrate commitment to the role.

The Board's Responsibilities

The Board meets regularly and six Board meetings were held during the year to deal with the stewardship of the Company and other matters. There is a formal schedule of matters specifically reserved for decision by the Board; it 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 investment policy which is set out on page 7. It also has responsibility for all corporate strategy issues, dividend policy, share buy-back policy, gearing, share price and discount/premium monitoring and corporate governance matters.

There is an agreed procedure for Directors, in the furtherance of their duties, to take independent professional advice if necessary at the Company's expense. The Directors have access to the advice and services of the Company Secretary, through its appointed representative, who is responsible to the Board for ensuring that Board procedures are followed.

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Conflicts of Interest

Directors have a duty to avoid a situation in which he or she has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the Company's interests (a "situational conflict").

It is the responsibility of each individual Director to avoid an unauthorised conflict situation arising. He or she must request authorisation from the Board as soon as he or she becomes aware of the possibility of a situational conflict arising.

The Board is responsible for considering Directors' requests for authorisation of situational conflicts and for deciding whether they should be authorised. The factors to be considered will include whether the situational conflict could prevent the Director from performing his or her duties, whether it has, or could have, any impact on the Company and whether it could be regarded as likely to affect the judgment and/or actions of the Director in question. When the Board is deciding whether to authorise a conflict or potential conflict, only Directors who have no interest in the matter being considered are able to take the relevant decision, and in taking the decision the Directors must act in a way they consider, in good faith, will be most likely to promote the Company's success. The Directors are able to impose limits or conditions when giving authorisation if they think this is appropriate in the circumstances.

A register of conflicts is maintained by the Company Secretary and is reviewed at each Board meeting, to ensure that any authorised conflicts remain appropriate. Directors are required to confirm at these meetings whether there has been any change to their position.

The Directors must also comply with the statutory rules requiring company directors to declare any interest in an actual or proposed transaction or arrangement with the Company.

Committees of the Board

During the year the Board delegated certain responsibilities and functions to committees. Due to the Company's size and to avoid the need to establish separate committees, the nominations and remuneration function is carried out by the full Board under the Chairmanship of the Chairman of the Company. The Board considers it appropriate for the Chairman of the Company to preside over Director nomination and Directors' remuneration matters due to his independence and also his knowledge and experience of the investment trust industry. The Audit and Management Engagement Committees continue in operation and copies of their full Terms of Reference can be obtained from the Company Secretary, and will be available at the Annual General Meeting and can be found on the Company's website at www.finsburygt.com and via the website of the AIFM at www.frostrow.com.

The Audit Committee is chaired by Mr David Hunt. All Directors of the Company, including the Chairman of the Company, are members of this Committee to enable them to be kept fully informed of any issues that may arise. The Directors believe that Mr Hunt, a Chartered Accountant, has relevant financial knowledge and experience to enable him to chair this Committee effectively.

The Management Engagement Committee is chaired by Mr Anthony Townsend, the Chairman. Again, all Directors of the Company are members of this Committee to enable them to be kept fully informed of any issues that may arise.

Audit Committee

The Company's Audit Committee met on four occasions during the year. It meets representatives of the AIFM and the Portfolio Manager and their Compliance Officers who report as to the proper conduct of business in accordance with the regulatory environment in which both the Company, the AIFM and the Portfolio Manager operate. The Audit Committee also monitors the performance, objectivity and independence of the external Auditor and agrees both the terms of the engagement letter and the fees payable for the audit. In addition, the Committee also reviews the need for non-audit services and authorises such on a case by case basis having given consideration to the cost effectiveness of the services and the independence and objectivity of the auditors. The Committee meets with the external Auditor, without representatives of the AIFM and the Portfolio Manager being present, at least once a year. Further information on the remit of the Audit Committee during the year can be found in the Audit Committee Report beginning on page 43.

Management Engagement Committee

The Management Engagement Committee meets at least once a year. The Management Engagement Committee is responsible for the regular review of the terms of the AIFM Agreement and the Portfolio Management Agreement with, and the performance of, the AIFM and Portfolio Manager and also the Company's other service providers. The Committee last met in September 2014, at which time it was agreed that no amendments to the agreements were required. The agreements were entered into as part of the implementation

Governance / Corporate Governance

of AIFMD in July 2014 and will be reviewed on a periodic basis as necessary.

Internal Audit

The Audit Committee carries out an annual review of the need for an internal audit function. As the Company delegates to third parties its day-to-day operations and has no employees, it has determined that there are no requirements for an internal audit function.

Anti-Bribery and Corruption Policy

A copy of the Company's anti-bribery and corruption policy can be found on its website at www.finsburygt.com. The policy is reviewed regularly by the Audit Committee.

Relationship with Shareholders

The Board, the Portfolio Manager and the AIFM consider maintaining good communications with shareholders and engaging with larger shareholders through meetings and presentations a key priority. Shareholders are being informed by the publication of annual and half year reports which include financial statements. These reports are supplemented by interim management statements, the daily release of the net asset value per share to the London Stock Exchange and the publication of monthly factsheets. All this information including interviews with the Portfolio Manager is available on the Company's website at www.finsburygt,com.

The Board is also keen that the Annual General Meeting ("AGM") be a participative event for all shareholders. The Portfolio Manager makes a presentation and shareholders are encouraged to attend. The Chairmen of the Board and of the Committees attend the AGM and are available to respond to queries and concerns from shareholders. Twenty working days notice of the AGM has been given to shareholders and separate resolutions are proposed in relation to each substantive issue. Shareholders may submit questions for the AGM in advance of the meeting or make general enquiries of the Company via the Company Secretary at the registered office of the Company. The Directors make themselves available after the AGM to meet shareholders.

Where the vote is decided on a show of hands, the proxy votes received are relayed to the meeting and subsequently published on the Company's website. Proxy forms have a 'vote withheld' option. The Notice of Meeting sets out the business of the AGM together with the full text of any special resolutions and begins at page 80.

The Company has made arrangements for investors through the Alliance Savings Scheme to receive all Company communications and have the ability to direct the casting of their votes. The Company has also made arrangements with its registrar for shareholders, who own their shares direct rather than through a nominee or share scheme, to view their account via the internet at www.capitashareportal.com. Other services are also available via this service.

The Board monitors the share register of the Company; it also reviews correspondence from shareholders at each meeting and maintains regular contact with major shareholders. Shareholders who wish to raise matters with a Director may do so by writing to them at the registered office of the Company.

Exercise of Voting Powers

The Board has delegated authority to the Portfolio Manager to vote the shares owned by the Company that are held on its behalf by its Depositary, BNY Mellon Trust & Depositary (UK) Limited. The Board has instructed that the Portfolio Manager submit votes for such shares wherever possible. This accords with current best practice whilst maintaining a primary focus on financial returns. The Portfolio Manager may refer to the Board on any matters of a contentious nature.

Governance / Corporate Governance

Nominee Share Code

Where shares are held in a nominee company name and where the beneficial owner of the shares is unable to vote in person, the Company nevertheless undertakes:

- to provide the nominee company with multiple copies of shareholder communications, so long as an indication of quantities has been provided in advance;
- to allow investors holding shares through a nominee company to attend general meetings, provided the correct authority from the nominee company is available; and
- that investors in the Alliance Trust Savings Scheme ISA are automatically sent shareholder communications, including details of general meetings, together with a form of direction to facilitate voting and to seek authority to attend.

Nominee companies are encouraged to provide the necessary authority to underlying shareholders to attend the Company's general meetings.

By order of the Board

Frostrow Capital LLP
Company Secretary

8 December 2014

Governance / Statement of Directors' Responsibilities

Company law in the United Kingdom requires the Directors to prepare financial statements for each financial year. The Directors are responsible for preparing the Financial Statements in accordance with applicable law and regulations. In preparing these financial statements, the Directors have:

- selected suitable accounting policies and applied them consistently;
- made judgments and estimates that are reasonable and prudent;
- followed applicable UK accounting standards; and
- prepared the financial statements on a going concern basis.

The Directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. Legislation in the United Kingdom governing the preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions.

The Directors are responsible for ensuring that the Report of the Directors and other information included in the Annual Report is prepared in accordance with company law in the United Kingdom. They are also responsible for ensuring that the annual report includes information required by the Listing Rules of the Financial Conduct Authority.

The Financial Statements are published on the Company's website (website address: www.finsburygt.com) and via the website of the AIFM (website address: 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 Auditor does not involve consideration of the maintenance and integrity of these websites and, accordingly, the Auditor accepts 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 United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in their jurisdiction.

Responsibility Statement of the Directors in Respect of the Annual Financial Report

The Directors, whose details can be found on page 22, confirm to the best of their knowledge that:

- the Financial Statements, within this Annual Report, have been prepared in accordance with applicable accounting standards, give a true and fair view of the assets, liabilities, financial position and the profit for the year ended 30 September 2014;
- the Strategic Report and the Report of the Directors include a fair review of the information required by 4.1.8R to 4.1.11R of the FCA's Disclosure and Transparency Rules and 3.3.5R of the Fund Sourcebook of the FCA Handbook; and
- the annual report and financial statements taken as a whole are fair, balanced and understandable and provide the information necessary to assess the Company's performance, business model and strategy.

On behalf of the Board

Anthony Townsend
Chairman

8 December 2014

Governance / Audit Committee Report

for the year ended 30 September 2014

The Committee, which comprises of all the Directors, meets at least three times during the year. Attendance by each Director is shown in the table on page 23.

Responsibilities

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

1. **To review the Company's half year and final financial statements** together with announcements and other filings relating to the financial performance of the Company and issues of the Company's shares. In particular, the Committee considered whether the financial statements are fair, balanced and understandable, allowing shareholders to more easily assess the Company's strategy, investment policy, business model and financial performance.
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 again reviewed the appropriateness of the Company's anti-bribery and corruption policy. During the year the Committee reviewed the internal controls in place at the Company's AIFM, Frostrow, its Portfolio Manager, Lindsell Train, its Registrar, Capita Asset Services and its Depositary, BNY Mellon Trust & Depositary (UK) Limited. Further information concerning risk management can be found within the Strategic Report on pages 18 and 19.
3. **To recommend the appointment of external Auditor** and agreeing the scope of their work and their remuneration, reviewing their independence and the effectiveness of the audit process.
4. **To consider any non-audit work to be carried out by the Auditor.** Other than their review of the half-year report and tax compliance services, the external auditor carried out no other non-audit work during the year.
5. **To consider the need for an internal audit function.** Since the Company delegates its day-to-day operations to third parties and has no employees, the Committee has determined there is no requirement for such a function.

The Committee's Terms of Reference are available for review on the Company's website at www.finsburygt.com

Meetings and business

The Committee met four times during the year.

The following matters were dealt with at these meetings:

October 2013:

– Approval of the Auditor engagement letter and review of their plan for the 2013 audit.

December 2013:

– Consideration and review of the preliminary results
– Consideration and approval of the annual report and financial statements
– Review of risk management
– Review of the Company's anti-bribery and corruption policy and the measures put in place by the Company's service providers
– Audit tender

April 2014:

– Review of the Committee's Terms of Reference
– Consideration and approval of the half year report
– Review of risk management and internal controls of its key providers
– Review of the AIFM's internal control framework

September 2014:

– Approval of the Auditor engagement letter and review of their plan for the 2014 audit

Governance / Audit Committee Report

Financial Statements

The Financial Statements, and the annual report as a whole, are the responsibility of the Board. The Directors' Responsibilities Statement is contained on page 42. The Board looks to the Audit Committee to advise them in relation to the Financial Statements both as regards their form and content, issues which might arise and on any specific areas requiring judgment.

Significant Reporting Matters

The Committee considered certain significant issues in relation to the Financial Statements. These issues, and how they were addressed, were:

Accounting Policies

The current accounting policies, as set out on pages 64 to 66, have been applied consistently throughout the last two years. In light of no unusual transactions during the year or other possible reasons, the Committee has found no reason to change the policies.

The Committee recognises that the introduction of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' in 2015 may have implications for the Company's accounting policies and as a result is carrying out a review of the existing policies.

Going Concern

The Committee is satisfied that it is appropriate for the Board to prepare the financial statements on the going concern basis. The Financial Statements for the year ended 30 September 2014 can be found on pages 60 to 75.

Recognition of Revenue from Investments

The Committee wished to receive assurance that all dividends receivable, including special dividends, had been accounted for correctly. They received the necessary confirmation.

Valuation of the Company's Partnership Interest in Frostrow Capital LLP

The Committee reviewed the consistently applied valuation methodology of the Company's partnership interest in Frostrow Capital LLP. The proposed valuation, based upon a discounted multiple of revenue, was accepted. Further details of this valuation can be found in note 19 of the Financial Statements on page 75.

Valuation of the Company's Investments

The Committee Review the valuation and existence of investments every six months.

Internal Controls

In accordance with the provision C2 and C3 of the UK Corporate Governance Code, risk assessment and the review of internal controls are undertaken by the Board in the context of the Company's overall investment objective. The review covers the key business, operational, compliance and financial risks facing the Company. The Company has outsourced all its activities and has obtained assurances and information from its various service providers relating to their internal systems and controls to enable the Board to make an appropriate risk and control assessment. The Audit Committee reviews the internal controls of its key service providers and necessary steps will be taken should their view of internal controls identify any significant failings or weakness.

In accordance with guidance issued to directors of listed companies, the Directors confirm that they have carried out a review of the effectiveness of the system of risk management and internal financial control during the year and that:

a) The Board has in place an ongoing procedure for identifying, evaluating and managing significant risks faced by the Company, which were in place for the year under review and up to 8 December 2014. This procedure is regularly reviewed by the Board and accords with the Turnbull guidance and Listing Rule 9.8; and

b) As mentioned above the Board are responsible for the Company's system of internal controls and for reviewing its effectiveness and that it is designed to manage the risk of failure to achieve business objectives. This can only provide reasonable not absolute assurance against material misstatement or loss.

External auditor

Meetings:

This year the nature and scope of the audit together with PricewaterhouseCoopers LLP's audit plan were presented to the Committee by the Audit Partner, Mr Alex Bertolotti and his Audit Manager on 22 September 2014 and further considered without the auditors being present.

As Chairman of the Committee, I met the Audit Partner, Mr Bertolotti, and his Audit Manager on 26 November 2014 to discuss the outcome of the audit and the draft 2014 annual report and Financial Statements. The Committee then met PricewaterhouseCoopers LLP on 4 December 2014 to review the outcome of the audit and to discuss the limited issues that arose.

Governance / Audit Committee Report

Independence and Effectiveness:

In order to fulfil the Committee's responsibility regarding the independence of the auditor, we reviewed:

– the senior audit personnel in the audit plan for the year,

– the auditor's arrangements concerning any conflicts of interest,

– the extent of any non-audit services, and

– the statement by the auditor that they remain independent within the meaning of the regulations and their professional standards.

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

– the auditor's fulfilment of the agreed audit plan,

– the report arising from the audit itself, and

– feedback from the AIFM.

The Committee is satisfied with the auditor's independence and the effectiveness of the audit process, together with the degree of diligence and professional scepticism brought to bear.

Appointment of New Auditor

It had been noted by the Committee that the Company's previous Auditor, Grant Thornton UK LLP and its predecessor firm, had been in office for many years, during which time no audit tender had taken place. Whilst the Audit Partner had changed periodically in accordance with professional and regulatory standards to protect independence and objectivity, in accordance with best practice it was felt appropriate to undertake a formal audit tender.

Following a formal tender process, the Directors appointed PricewaterhouseCoopers LLP as Auditor of the Company to fill a casual vacancy commencing with the 2013/14 financial year. As resigning Auditor Grant Thornton UK LLP provided the Company with a Statement of Circumstances confirming that it would resign as Auditor of the Company following its unsuccessful participation in the audit tender process. A copy of the Statement of Circumstances, circulated to all Shareholders on 19 June 2014, and can be found on the Company's website www.finsburygt.com it is available upon request from the Company Secretary.

Grant Thornton UK LLP resigned with effect from 19 June 2014. Having satisfied themselves of the appropriateness of PricewaterhouseCoopers LLP following the tender process and in accordance with the Companies Act 2006, shareholder approval concerning the appointment of a new Auditor and the authority to fix their remuneration will be sought at the forthcoming Annual General Meeting to be held on Tuesday, 3 February 2015.

PricewaterhouseCoopers LLP carried out the audit for the year ended 30 September 2014 and were considered to be independent by the Board. The Directors wish to record their appreciation of the audit services provided by Grant Thornton UK LLP to the Company.

Full details of the resolution appointing PricewaterhouseCoopers LLP as Auditors can be found within the Notice of Meeting on page 80.

David Hunt, FCA
Chairman of the Audit Committee

8 December 2014

Governance / Directors' Remuneration Report

Statement from the Chairman

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 law requires the Company's Auditor to audit certain of the disclosures provided in this report. Where disclosures have been audited, they are indicated as such and the auditor's opinion is included in their report to shareholders on pages 55 to 59. The Remuneration Policy Report on page 50 forms part of this report.

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 the most recent review, held on 22 September 2014, it was agreed to increase the fees paid to the Directors by 5% with effect from 1 October 2014 (the last increase having taken effect from 1 October 2013) as follows: Chairman £33,000, Chairman of the Audit Committee and Senior Independent Director £25,250 and £22,000 for each other Director.

In the year to 30 September 2013, the Directors' fees were paid at the following annual rates: Mr Anthony Townsend (Chairman) £30,000, Mr John Allard £20,000, Mr Neil Collins £20,000, Mr David Hunt £23,000 and Mrs Vanessa Renwick £20,000.

From 1 October 2013, the Directors Fees were paid at the following annual rates: Mr Anthony Townsend (Chairman) £31,500, Mr John Allard £21,000, Mr Neil Collins £21,000, Mr David Hunt £24,150 and Mrs Vanessa Renwick £21,000.

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

Directors' Fees

The Directors, as at the date of this report, and who all served throughout the year, received the fees listed in the table below. These exclude any employers' national insurance contributions, if applicable. No other forms of remuneration were received by the Directors and so fees represent the total remuneration of each Director.

No payments were made to former directors of the Company during the financial year ending 30 September 2014 (2013: £13,000 in respect of a former director Mr Giles Warman).

Directors' Emoluments for the Year (audited)

The Directors who served during the year received the following emoluments in the form of fees:

	Date of Appointment to the Board	Fees 2014	Fees 2013
Anthony Townsend (Chairman)	1 February 2005	£31,500	£30,000
John Allard	11 October 2000	£21,000	£20,000
Neil Collins	30 January 2008	£21,000	£20,000
David Hunt*	6 July 2006	£24,150	£23,000
Vanessa Renwick	11 October 2000	£21,000	£20,000
Giles Warman**	29 December 1988	n/a	£13,000
		£118,650	£126,000

* Chairman of the Audit Committee and Senior Independent Director
**Passed away on 24 May 2013

Governance / Directors' Remuneration Report

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

At the Annual General Meeting held in January 2014 the results in respect of the resolutions to approve the Directors' Remuneration Report and Policy were as follows:

Directors' Remuneration Report

	Percentage of votes cast For	Percentage of votes cast Against	Number of votes withheld
	99.89	0.11	7,658

Directors' Remuneration Policy

	Percentage of votes cast For	Percentage of votes cast Against	Number of votes withheld
	99.87	0.13	12,856

Further details concerning Director Remuneration can be found in the Corporate Governance section on page 32.

A copy of the Directors' Remuneration Policy may be inspected by shareholders by either contacting the Company Secretary or visiting the Company's website at www.finsburygt.com.

Sums paid to Third Parties

None of the fees referred to in the above table were paid to any third party in respect of the services provided by any of the Directors.

Other Benefits

Taxable Benefits – Article 125 of the Company's Articles of Association provides that Directors are entitled to be reimbursed for reasonable expenses incurred by them in connection with the performance of their duties and attendance at Board and General Meetings.

Pensions related benefits – Article 139 permits the Company to provide pension or similar benefits for Directors of the Company. However, no Director is entitled to any pension or similar benefits.

Loss of office

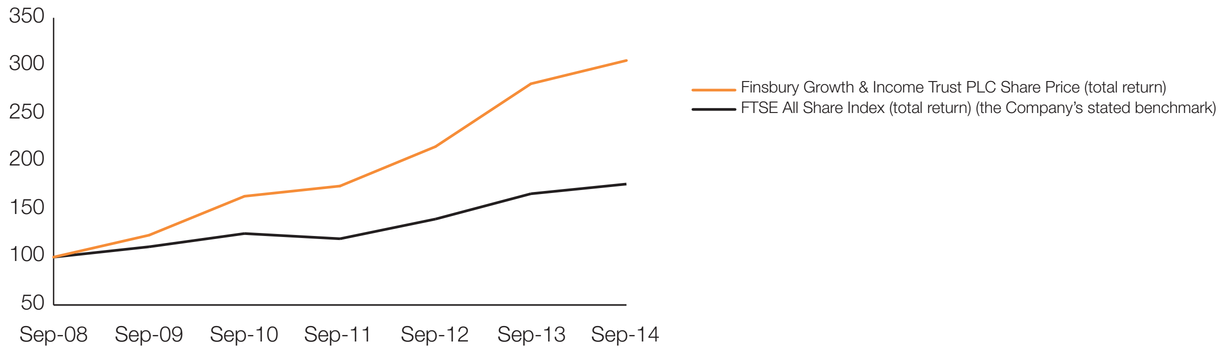
Directors do not have service contracts with the Company but are engaged under Letters of Appointment. These specifically exclude any entitlement to compensation upon leaving office for whatever reason.

Share Price Return

Share price versus the FTSE All-Share Index. The chart on the following page 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 year.

Governance / Directors' Remuneration Report

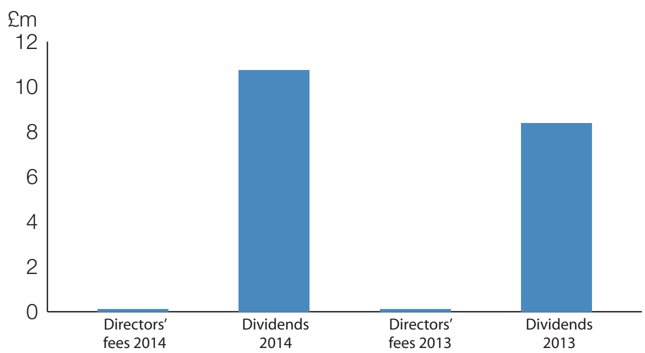
Shareholder Total Return for the Six Years to 30 September 2014



Rebased to 100 as at 30 September 2008

The bar chart below shows the comparative cost of Directors' fees compared with the level of dividend distribution for 2013 and 2014.

Relative Cost of Directors' Remuneration for the Year ended 30 September 2014



Source: Frostrow Capital LLP

Directors' Interests in Ordinary Shares (audited*)

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

	Number of shares held		
	8 December 2014	30 September 2014*	30 September 2013*
Anthony Townsend	179,468	179,468	179,468
John Allard	30,275	29,331	26,348
Neil Collins	39,486	29,486	23,786
David Hunt	32,000	27,500	23,500
Vanessa Renwick	36,145	36,145	29,080
Total	317,374	301,930	282,182

None of the Directors were granted or exercised rights over shares during the year. None of the Directors has any contract (including service contracts) with the Company.

As at 8 December 2014, the latest practicable date before publication of the annual report, Mr Allard had purchased a further 944 shares on 6 October 2014. Mr Collins had purchased a further 5,000 shares on 8 October 2014 and 5,000 shares on 14 October 2014. Mr Hunt had purchased a further 4,500 shares on 6 November 2014.

Governance / Directors' Remuneration Report

There are no provisions included within the Company's Articles of Association which require Directors to hold qualifying Shares in the Company.

Annual Statement

On behalf of the Board I confirm that this Remuneration Policy, set out on page 50 and Remuneration Report summarises, as applicable, for the year to 30 September 2014:

(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
8 December 2014

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 2015 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. The current and projected Directors' fees for 2015 are shown in the following table. The Company does not have any employees.

Directors' Fees Current and Projected

	Date of Appointment to the Board	Fees 2015	Fees 2014
Anthony Townsend	1 February 2005	£33,000	£31,500
John Allard	11 October 2000	£22,000	£21,000
Neil Collins	30 January 2008	£22,000	£21,000
David Hunt*	6 July 2006	£25,250	£24,150
Vanessa Renwick	11 October 2000	£22,000	£21,000
		£124,250	£118,650

*Chairman of the Audit Committee and Senior Independent Director

No change is expected to the current level of Directors fees until at least October 2015. Any new Director being appointed to the Board that has not been appointed as either Chairman of the Board or as the Senior Independent Director will, under the current level of fees receive £22,000.

Directors' Remuneration Year Ended 30 September 2014

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.

No communications have been received from shareholders regarding Directors' remuneration.

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 granted by shareholders at the Annual General Meeting held in January 2014.

Governance / AIFMD Related Disclosure

Under the AIFM Rules the AIFM is required to make certain disclosures to prospective investors prior to their investment in the Company, in accordance with Article 23 AIFMD and 3.2.2R and 3.2.3R of the FUND Sourcebook to the FCA Handbook. Each of these disclosures or an explanation of where they may be found in this Annual Report or elsewhere is set out in this disclosure. In the period from 22 July 2014 to 30 September 2014, there have been no material changes to this information.

Investment Strategy and Leverage

A description of the investment strategy and objectives of the Company, the types of assets in which the Company may invest, the techniques it may employ, any applicable investment restrictions, the circumstances in which it may use leverage, the types and sources of leverage permitted and the associated risks, any restrictions on the use of leverage and the maximum level of leverage which the AIFM and Portfolio Manager is entitled to employ on behalf of the Company and the procedures by which the Company may change its investments strategy or the investment policy can be found on page 7 under the heading "Investment Strategy".

Key Risks

The key risks associated with the investment strategy, objectives and techniques of the Company and with the use of leverage by the Company are contained on pages 18 to 19 under the heading "Risk Management".

Contractual Relationship with the Company

A description of the main legal implications of the contractual relationship entered into for the purpose of investment in the Company, including information on jurisdiction and applicable law, is contained in the Company's prospectus (a copy of which can be viewed on the Company's website www.finsburygt.com). The agreement between the Company's shareholders and the Company is governed by English law and, by purchasing shares, investors agree that the Courts of England have exclusive jurisdiction to settle any disputes. All communications in connection with the purchase of the Company's shares will be in English. A foreign judgment obtained in an EU member state may be recognised and enforced in England pursuant to Council Regulation (EC) 44/2001 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters. A judgment which has been certified as a European Enforcement Order pursuant to Regulation (EC) 805/2004 may also be recognised and enforced in England.

Details of Service Providers

Details of the AIFM, Depositary, Auditor and other service providers, their duties to the Company and investors' rights (exercised through the Company) can be found on pages 25 and 26 under the heading "Company Management") and on page 45 under the heading "Appointment of New Auditor".

Professional Liability Risk

A description of how the AIFM complies with its obligations under the AIFM Rules relating to professional liability risk can be found on page 26 of this annual report under the heading "Alternative Investment Fund Management Agreement").

Management Functions Delegated by AIFM

A description of management functions delegated by the AIFM, safe-keeping functions delegated by the depositary and the identity of such delegates can be found on page 26 under the heading "Portfolio Management Agreement". The AIFM does not consider that any conflicts of interest arise from the delegation of its portfolio management function to Lindsell Train, or from the delegation of the Depositary's safekeeping function to the Global Custodian.

Valuation of Company's assets

The Company's portfolio of assets are valued on each dealing day. All instructions to issue or cancel ordinary shares given for a prior dealing day are assumed to have been carried out (and any cash paid or received).

The valuation is based on the following:

(a) Cash and amounts held in current and deposit accounts and in other time-related deposits are valued at their nominal value.

(b) All transferable securities are valued at fair value:

 (i) fair value for quoted investments is deemed to be bid market prices, or last traded price, depending on the convention of the exchange on which they are quoted; and

 (ii) unquoted investments are valued by the Directors using primary valuation techniques such as discounted multiple of revenue.

(c) All other property contained within the Company's portfolio of assets is priced at a value which, in the opinion of the AIFM, represents a fair and reasonable price.

Governance / AIFMD Related Disclosure

(d) If there are any outstanding agreements to purchase or sell any of the Company's portfolio of assets which are incomplete, then the valuation assumes completion of the agreement.

(e) Added to the valuation are:

(i) any accrued and anticipated tax repayments of the Company;

(ii) any money due to the Company because of ordinary shares issued prior to the relevant dealing day;

(iii) income due and attributed to the Company but not received; and

(iv) any other credit of the Company due to be received by the Company.

Amounts which are de minimis may be omitted from the valuation.

(f) Deducted from the valuation are:

(i) any anticipated tax liabilities of the Company;

(ii) any money due to be paid out by the Company because of ordinary shares bought back by the Company prior to the valuation;

(iii) the principal amount and any accrued but unpaid interest on any borrowings; and

(iv) any other liabilities of the Company, with periodic items accruing on a daily basis.

Amounts which are de minimis may be omitted from the valuation.

All of the Company's investments, save for Frostrow are listed and are valued at the closing bid prices or last traded price. Valuations of NAV per share are suspended only in any circumstances in which the underlying data necessary to value the investments of the Company cannot readily or without undue expenditure be obtained. Any such suspension is announced to a Regulatory Information Service.

Liquidity Risk Management

The AIFM maintains a liquidity management policy to monitor the liquidity risk of the Company. Shareholders have no right to redeem their ordinary shares from the Company but may trade their ordinary shares on the secondary market. However, there is no guarantee that there is a liquid market in the ordinary shares.

Further details regarding the risk management process and liquidity management is available from the AIFM, on request.

Fees

A description of fees, charges and expenses and of the maximum amounts thereof (to the extent that this can be assessed) which are borne by the Company and thus indirectly by investors can be found on pages 25 to 26 under the heading "Company Management". In addition to these management, administration and secretarial fees, the Company will pay all other fees, charges and expenses incurred in the operation of its business including, without limitation:

- brokerage and other transaction charges and taxes;
- Directors' fees and expenses;
- fees and expenses for custodial, registrar, legal, auditing and other professional services;
- any borrowing costs;
- the ongoing costs of maintaining the listing of the ordinary shares and their continued admission to trading on the London Stock Exchange;
- directors and officers insurance premiums;
- promotional expenses (including membership of any industry bodies, including the AIC, and marketing initiatives approved by the Board); and
- costs of printing the Company's financial reports and posting them to shareholders.

Shareholders do not bear any fees, charges and expenses directly, other than any fees, charges and expenses incurred as a consequence of acquiring, transferring, redeeming or otherwise selling ordinary shares.

Remuneration of AIFM Staff

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.

Governance / AIFMD Related Disclosure

Fair Treatment of Investors

The AIFM has procedures, arrangements and policies in place to ensure compliance with the principles more particularly described in the AIFM Rules relating to the fair treatment of investors. The principles of treating investors fairly include, but are not limited to:

- acting in the best interests of the Company and of the shareholders;
- ensuring that the investment decisions taken for the account of the Company are executed in accordance with the Company's investment policy and objective and risk profile;
- ensuring that the interests of any group of shareholders are not placed above the interests of any other group of shareholders;
- ensuring that fair, correct and transparent pricing models and valuation systems are used for the Company;
- preventing undue costs being charged to the Company and shareholders;
- taking all reasonable steps to avoid conflicts of interests and, when they cannot be avoided, identifying, managing, monitoring and, where applicable, disclosing those conflicts of interest to prevent them from adversely affecting the interests of Shareholders; and
- recognising and dealing with complaints fairly.

The AIFM maintains and operates organisational, procedural and administrative arrangements and implements policies and procedures designed to manage actual and potential conflicts of interest. In addition, as its ordinary shares are admitted to the Official List, the Company is required to comply with, among other things, the FCA's Listing Rules and Disclosure and Transparency Rules and the Takeover Code, all of which operate to ensure a fair treatment of investors. As at the date of this annual report, no investor has obtained preferential treatment or the right to obtain preferential treatment.

Procedure and Conditions for the Issuance of Ordinary Shares

The Company's ordinary shares are admitted to the Official List of the UKLA and to trading on the main market of the London Stock Exchange. Accordingly, the Company's ordinary shares may be purchased and sold on the main market of the London Stock Exchange.

The procedure and conditions for the issue of ordinary shares is contained in the Company's published prospectus.

While the Company will typically have shareholder authority to buy back shares, shareholders do not have the right to have their shares purchased by the Company.

Net Asset Value

The Net Asset Value of the Company's ordinary shares is published daily by the AIFM via a Regulatory Information Service announcement.

Historical performance

Historical financial information demonstrating the Company's historical performance can be found on page 12. Copies of the Company's audited accounts for the three financial years ended 30 September 2014 are available for inspection at the address of Frostrow and can be viewed on the Company's website at www.finsburygt.com.

Prime Brokerage

No Prime Broker is engaged by the Company.

Transfer and reuse of the Company's Assets

The Depositary may not use or re-use the Company's securities or other investments without the prior consent of the Company.

Discharge of Depositary Liability

The Depositary has not contractually discharged itself of liability in accordance with Regulation 30 of The Alternative Investment Fund Managers Regulations (SI 2013/1773).

Periodic Disclosures

None of the Company's assets are subject to special arrangements arising from their illiquid nature.

No new arrangements have been implemented in order to manage the liquidity of the Company in the period running from 22 July 2014 to 30 September 2014.

The maximum level of leverage has not changed in the period running from 22 July 2014 to 30 September 2014, nor has the any right of re-use of collateral or any guarantee granted under the leveraging arrangement arisen during this period. The total amount of leverage employed by the Company was 104% as at 30 September 2014.

Governance / Depositary Report to the Directors of Finsbury Growth & Income Trust PLC

The Directors
Finsbury Growth & Income Trust PLC
50 Lothian Road
Festival Square
Edinburgh
EH3 9WJ

RE: Finsbury Growth & Income Trust PLC

Dear Sir or Madam,

Having been appointed Depositary with effect from the 22nd of July 2014 we can provide the following confirmation of our responsibilities from that date.

The Depositary is responsible for the safekeeping of all custodial assets of the Company, for verifying and maintaining a record of all other assets of the Company and for the collection of income that arises from those assets. It is the duty of the Depositary to take reasonable care to ensure that the Company is managed in accordance with the Alternative Investment Fund Managers Directive (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. The Depositary also has a duty to monitor the Company's compliance with investment restrictions and leverage limits set in its offering documents.

Having carried out such procedures as we consider necessary to discharge our responsibilities as Depositary of the Company, it is our opinion, based on the information available to us and the explanations provided, that in all material respects the Company, acting through the Alternative Investment Fund Manager (AIFM) has been managed in accordance with AIFMD, the FUND sourcebook, the Instrument of Incorporation of the Company in relation to the calculation of the net asset value per share, the application of income of the Company; and with investment restrictions and leverage limits set in its offering documents.

Yours faithfully,

Director
BNY Mellon Trust & Depositary (UK) Limited

8 December 2014

Governance / Independent Auditors' Report to the Members of Finsbury Growth & Income Trust PLC

Report on the financial statements

Our opinion

In our opinion, Finsbury Growth & Income Trust PLC's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 30 September 2014 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

What we have audited

Finsbury Growth & Income Trust PLC's financial statements comprise:

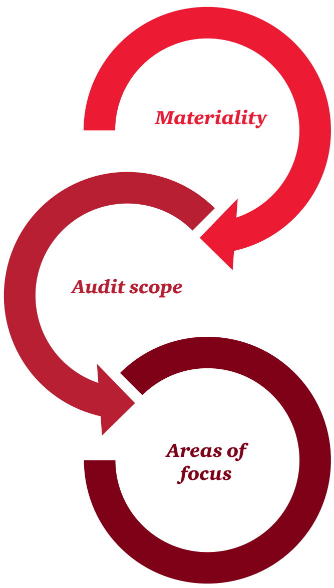
- the Balance Sheet as at 30 September 2014;
- the Income Statement for the year then ended;
- the Cash Flow Statement for the year then ended;
- the Reconciliation of Movements in Shareholders' Funds for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

Certain required disclosures have been presented elsewhere in the Annual Report, rather than in the notes to the financial statements. These are cross-referenced from the financial statements and are identified as audited.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Our audit approach

Overview



Materiality

- Overall materiality: £4.9 million which represents 1% of net assets.

Audit scope

- The company is a standalone Investment Trust Company and engages Frostrow Capital LLP (the 'AIFM') to manage its assets.
- We conducted our audit of the financial statements at the offices of the AIFM and at Phoenix Administration Services Limited ('Phoenix') who the AIFM has engaged to provide certain accounting, administrative and valuation functions to the AIFM of the Company.
- 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.

Areas of focus

- Revenue
- Valuation and existence of investments

Governance / Independent Auditors' Report to the Members of Finsbury Growth & Income Trust PLC

The scope of our audit and our areas of focus

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)").

We designed our audit by determining materiality and assessing the risks of material misstatement in the financial statements. As in all of our audits, we also addressed the risk of management override of internal controls, including evaluating whether there is evidence of bias by the directors that may represent a risk of material misstatement due to fraud.

The risks of material misstatement that had the greatest effect on our audit, including the allocation of our resources and effort, are identified as "areas of focus" in the table below together with an explanation of how we tailored our audit to address these specific areas. This is not a complete list of all risks identified by our audit.

Area of focus	How our audit addressed the area of focus
Revenue *Refer to page 44 (Audit Committee Report), page 64 (Accounting Policies) and page 66 (notes).* 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 'AIC SORP'). This is because incomplete or inaccurate revenue could have a material impact on the company's net asset value and dividend cover.	We assessed the accounting policy for revenue 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 as set out in note 1(c) on page 64 of the Financial Statements. We understood and assessed the design and implementation of key controls surrounding revenue recognition. In addition, we tested dividend receipts by agreeing the dividend rates from a sample of 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 by a sample of investment holdings in the portfolio. We tested the allocation and presentation of dividend income between the income and capital return columns of the Income Statement in line with the requirements set out in the AIC SORP. We then tested the validity of income and capital special dividends to independent third party sources.
Valuation and existence of investments *Refer to page 44 (Audit Committee Report), page 64 (Accounting Policies) and page 69 (notes).* The investment portfolio at the year-end principally comprised listed equity investments valued at £514m. We focused on the valuation and existence of investments because investments represent the principal element of the net asset value as disclosed on the Balance Sheet in the financial statements.	We tested the valuation of the listed 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 for investments to an independent custodian confirmation from BNY Mellon.

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 types of investments within the company, the involvement of the AIFM and Phoenix, the accounting processes and controls, and the industry in which the company operates.

The AIFM outsources certain accounting, administrative and valuation functions to Phoenix.

Governance / Independent Auditors' Report to the Members of Finsbury Growth & Income Trust PLC

As part of our risk assessment, we assessed the control environment in place at both the AIFM and Phoenix to the extent relevant to our audit. This assessment involved obtaining and reading the relevant control reports, issued by the independent auditor of the AIFM and Phoenix in accordance with generally accepted assurance standards for such work, to gain an understanding of both the AIFM's and Phoenix's control environment and to consider the operating and accounting structure at both the AIFM and Phoenix. Following this assessment, we applied professional judgement to determine the extent of testing required over each balance in the financial statements.

Materiality

The scope of our audit is 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 and to evaluate the effect of misstatements, both individually and 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	£4.9 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 £247,000 as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Going concern

Under the Listing Rules we are required to review the directors' statement, set out on page 29, in relation to going concern. We have nothing to report having performed our review.

As noted in the directors' statement, the directors have concluded that it is appropriate to prepare the company's financial statements using the going concern basis of accounting. The going concern basis presumes that the company has adequate resources to remain in operation, and that the directors intend it to do so, for at least one year from the date the financial statements were signed. As part of our audit we have concluded that the directors' use of the going concern basis is appropriate.

However, because not all future events or conditions can be predicted, these statements are not a guarantee as to the company's ability to continue as a going concern.

Other required reporting

Consistency of other information

Companies Act 2006 opinion

In our opinion the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Governance / Independent Auditors' Report to the Members of Finsbury Growth & Income Trust PLC

ISAs (UK & Ireland) reporting

Under ISAs (UK & Ireland) we are required to report to you if, in our opinion:

• information in the Annual Report is: – materially inconsistent with the information in the audited financial statements; or – apparently materially incorrect based on, or materially inconsistent with, our knowledge of the company acquired in the course of performing our audit; or – otherwise misleading.	We have no exceptions to report arising from this responsibility.
• the statement given by the directors on page 42, in accordance with provision C.1.1 of the UK Corporate Governance Code ("the Code"), that they consider the Annual Report taken as a whole to be fair, balanced and understandable and provides the information necessary for members to assess the company's performance, business model and strategy is materially inconsistent with our knowledge of the company acquired in the course of performing our audit.	We have no exceptions to report arising from this responsibility.
• the section of the Annual Report on page 44, as required by provision C.3.8 of the Code, describing the work of the Audit Committee does not appropriately address matters communicated by us to the Audit Committee.	We have no exceptions to report arising from this responsibility.

Adequacy of accounting records and information and explanations received

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, or returns adequate for our audit have not been received from branches not visited by us; 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.

Directors' remuneration

Directors' Remuneration Report – Companies Act 2006 opinion

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

Other Companies Act 2006 reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Corporate governance statement

Under the Listing Rules we are required to review the part of the Corporate Governance Statement relating to the company's compliance with nine provisions of the UK Corporate Governance Code. We have nothing to report having performed our review.

Governance / Independent Auditors' Report to the Members of Finsbury Growth & Income Trust PLC

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 42, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and ISAs (UK & Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

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.

What an audit of financial statements involves

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through understanding the control environment at the AIFM and Phoenix, and substantive procedures.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Alex Bertolotti (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
8 December 2014

Financial Statements / Income Statement

for the year ended 30 September 2014

	Notes	2014 Revenue £'000	2014 Capital £'000	2014 Total £'000	2013 Revenue £'000	2013 Capital £'000	2013 Total £'000
Gains on investments designated at fair value through profit or loss	9	–	26,961	26,961	–	77,323	77,323
Exchange difference		–	(17)	(17)	–	(36)	(36)
Income	2	13,570	–	13,570	11,300	–	11,300
AIFM and Portfolio management fees	3	(987)	(2,005)	(2,992)	(735)	(1,493)	(2,228)
Other expenses	4	(739)	(26)	(765)	(603)	–	(603)
Return on ordinary activities before finance charges and taxation		11,844	24,913	36,757	9,962	75,794	85,756
Finance charges	5	(151)	(306)	(457)	(121)	(244)	(365)
Return on ordinary activities before taxation		11,693	24,607	36,300	9,841	75,550	85,391
Taxation on ordinary activities	6	(226)	–	(226)	(184)	–	(184)
Return on ordinary activities after taxation		11,467	24,607	36,074	9,657	75,550	85,207
Basic and diluted return per share	7	12.6p	27.0p	39.6p	12.7p	99.4p	112.1p

The "Total" column of this statement represents the Company's profit and loss account.

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.

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 64 to 75 of this annual report form part of these Financial Statements.

Financial Statements / Reconciliation of Movements in Shareholders' Funds

for the year ended 30 September 2014

	Ordinary Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Special reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
At 1 October 2013	20,784	146,465	3,453	12,424	204,235	8,478	395,839
Net return from ordinary activities	–	–	–	–	24,607	11,467	36,074
Second interim dividend (5.7p per share) for the year ended 30 September 2013	–	–	–	–	–	(4,748)	(4,748)
First interim dividend (5.1p per share) for the year ended 30 September 2014	–	–	–	–	–	(4,659)	(4,659)
Issue of shares	3,586	68,949	–	–	–	–	72,535
Cost of share issuance	–	(110)	–	–	–	–	(110)
Year ended 30 September 2014	**24,370**	**215,304**	**3,453**	**12,424**	**228,842**	**10,538**	**494,931**

	Ordinary share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Special reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
At 1 October 2012	17,142	86,458	3,453	12,424	128,685	6,047	254,209
Net return from ordinary activities	–	–	–	–	75,550	9,657	85,207
Second interim dividend (5.2p per share) for the year ended 30 September 2012	–	–	–	–	–	(3,579)	(3,579)
First interim dividend (4.8p per share) for the year ended 30 September 2013	–	–	–	–	–	(3,647)	(3,647)
Issue of shares	3,642	60,121	–	–	–	–	63,763
Cost of share issuance	–	(114)	–	–	–	–	(114)
Year ended 30 September 2013	**20,784**	**146,465**	**3,453**	**12,424**	**204,235**	**8,478**	**395,839**

The notes on pages 64 to 75 form part of these Financial Statements.

Financial Statements / Balance Sheet

as at 30 September 2014

	Notes	2014 £'000	2013 £'000
Fixed assets			
Investments designated at fair value through profit or loss	9	514,798	409,997
Current assets			
Debtors	10	2,339	1,348
Cash at bank		2,029	5,943
		4,368	7,291
Current liabilities			
Creditors: amounts falling due within one year		(1,135)	(1,249)
Bank loan	11 & 16	–	(20,200)
	11	(1,135)	(21,449)
Net current assets/(liabilities)		3,233	(14,158)
Total assets less current liabilities		518,031	395,839
Creditors: amounts falling due after one year			
Bank loan	16	(23,100)	–
Net assets		494,931	395,839
Capital and reserves			
Share capital	12	24,370	20,784
Share premium account		215,304	146,465
Capital redemption reserve		3,453	3,453
Special reserve		12,424	12,424
Capital reserve	13	228,842	204,235
Revenue reserve		10,538	8,478
Total shareholders' funds		494,931	395,839
Net asset value per share – basic and diluted	14	507.7p	476.1p

The Financial Statements on pages 60 to 75 were approved by the Board of Directors on 8 December 2014 and were signed on its behalf by:

Anthony Townsend
Chairman

The notes on pages 64 to 75 form part of these Financial Statements.

Company Registration Number 13958 (Registered in Scotland)

Financial Statements / Cash Flow Statement

for the year ended 30 September 2014

		2014 £'000	2013 £'000
Net cash inflow from operating activities	17	9,346	8,262
Net cash outflow from servicing of finance – interest paid		(551)	(359)
Financial investment			
Purchase of investments		(78,662)	(76,004)
Sale of investments		763	9,368
Net cash outflow from financial investment		(77,899)	(66,636)
Equity dividends paid		(9,407)	(7,226)
Net cash outflow before financing		(78,511)	(65,959)
Financing			
Shares issued		71,824	64,878
Drawdown of loans		2,900	4,950
Cost of share issuance		(110)	(114)
Net cash inflow from financing		74,614	69,714
(Decrease)/increase in cash	18	(3,897)	3,755
Reconciliation of net cash flow to movement in net debt			
(Decrease)/increase in cash resulting from cashflows		(3,897)	3,755
Increase in debt		(2,900)	(4,950)
Exchange movements		(17)	(36)
Movement in net debt		(6,814)	(1,231)
Net debt at 1 October 2013		(14,257)	(13,026)
Net debt at 30 September 2014	18	(21,071)	(14,257)

The notes on pages 64 to 75 form part of these Financial Statements.

Financial Statements / Notes to the Financial Statements

1. Accounting Policies

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 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 and dated January 2009 and the Companies Act 2006.

The Financial Statements have been prepared on a going concern basis. The Directors believe this is appropriate as the Company's net assets consist almost entirely of liquid securities which are quoted on recognised stock exchanges.

(b) Investments

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 designated 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.

Unquoted investments are valued by the Directors using primary valuation techniques such as discounted multiple of revenue, in accordance with IPEVCA guidelines.

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 "gains or losses on investments designated at fair value through profit or loss".

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 capital column of the Income Statement. The total of such expenses, showing the total amounts included in disposals and acquisitions are disclosed in note 9 on page 69, as recommended by the SORP.

(c) Investment Income

Dividends receivable on equity shares are recognised on the ex-dividend date.

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.

LLP profit share is recognised in the financial statements when the entitlement to the income is established.

(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 Reconciliation of Movements in Shareholders' Funds.

Financial Statements / Notes to the Financial Statements

1. Accounting Policies continued

(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 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 investment management fee, management fee and finance costs are taken to the capital reserve;

(3) performance fees are charged 100% to capital. With effect from 22 July 2014 the AIFM and Portfolio Manager voluntarily agreed to delete all provisions relating to the performance fee payable under the existing AIFM and Portfolio Management Agreements.

(f) Taxation

The payment of taxation is deferred or accelerated because of timing differences between the treatment of certain items for accounting and taxation purposes. Full provision for deferred taxation is made under the liability method, without discounting, on all timing differences that have arisen, but not reversed by the balance sheet date, unless such provision is not permitted by Financial Reporting Standard 19.

Any tax relief obtained in respect of management and investment management fees, finance costs and other capital expenses charged or allocated to the capital column of the Income Statement is reflected in the Capital Reserve and a corresponding amount is charged against the revenue column of the Income Statement. The tax relief is the amount by which corporation tax payable is reduced as a result of these capital expenses.

(g) Foreign currency

Transactions recorded in overseas currencies during the year are translated into sterling at the appropriate daily exchange rates. Assets and liabilities denominated in overseas currencies at the balance sheet date are translated into sterling at the exchange rate ruling at that date.

(h) Nature and purpose of reserves

Special reserve

The special reserve arose following Court approval in July 2002 to transfer £13.16 million from the share premium account. This reserve is distributable and has historically been used to fund any share buy-backs by the Company.

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; and
- expenses which are capital in nature as disclosed in note I(e).

Revenue reserve

This reserve reflects all income and expenditure which are recognised in the revenue column of the income statement.

Financial Statements / Notes to the Financial Statements

1. Accounting Policies continued

(i) Cash at bank

Cash at bank comprises cash in hand and on demand deposits.

2. Income

	2014 £'000	2013 £'000
Income from investments		
Franked investment income		
– dividends	11,617	9,739
Unfranked investment income		
– limited liability partnership – profit-share	240	138
– limited liability partnership – interest on AIFM capital contribution	8	–
– overseas dividends	1,705	1,423
Total income	13,570	11,300

3. AIFM and Portfolio Management Fees

	Revenue £'000	Capital £'000	2014 Total £'000	Revenue £'000	Capital £'000	2013 Total £'000
AIFM fee	254	516	770	192	389	581
Portfolio management fee	693	1,407	2,100	505	1,026	1,531
VAT on AIFM fees*	40	82	122	38	78	116
Total fees	987	2,005	2,992	735	1,493	2,228

*With effect from 22 July 2014 no VAT has been charged on the AIFM fees.

4. Other Expenses

	Revenue £'000	Capital £'000	2014 Total £'000	Revenue £'000	Capital £'000	2013 Total £'000
Directors' fees	119	–	119	126	–	126
Fees payable to the Company's auditor – statutory annual audit	24	–	24	24	–	24
Fees payable to the Company's auditor – audit related assurance services	4	–	4	4	–	4
Fees payable to the Company's auditor – taxation compliance services	3	–	3	3	–	3
Stock listing fees	115	–	115	54	–	54
Printing	52	–	52	57	–	57
Bank custody, and depositary fees	79	–	79	47	–	47
Marketing costs	44	–	44	41	–	41
Legal and professional fees	79	26	105	24	–	24
Other expenses	220	–	220	223	–	223
Total expenses	739	26	765	603	–	603

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

Details of the amounts paid to Directors are included in the Directors' Remuneration Report on pages 46 to 49.

Financial Statements / Notes to the Financial Statements

5. Finance Charges

	Revenue £'000	Capital £'000	2014 Total £'000	Revenue £'000	Capital £'000	2013 Total £'000
On bank loans wholly repayable within five years	131	267	398	114	231	345
Arrangement fees	10	20	30	–	–	–
Loan facility expenses	10	19	29	7	13	20
	151	306	457	121	244	365

6. Taxation on Ordinary Activities

(a) Analysis of charge in the year

	Revenue £'000	Capital £'000	2014 Total £'000	Revenue £'000	Capital £'000	2013 Total £'000
Irrecoverable overseas tax	226	–	226	184	–	184

(b) Factors affecting current tax charge for year

The tax assessed for the year is lower than the standard rate of corporation tax in the UK of 22.0% (2013: 23.5%)

The differences are explained below:

	Revenue £'000	Capital £'000	2014 Total £'000	Revenue £'000	Capital £'000	2013 Total £'000
Return on ordinary activities before taxation	11,693	24,607	36,300	9,841	75,550	85,391
Return on ordinary activities multiplied by corporation tax of 22.0%^ (2013: 23.5%)	2,572	5,414	7,986	2,313	17,754	20,067
Effects of:						
Overseas tax	256	–	256	229	–	229
Overseas tax recoverable	(30)	–	(30)	(45)	–	(45)
Franked investment income not subject to corporation tax – UK dividend income	(2,556)	–	(2,556)	(2,288)	–	(2,288)
Overseas dividends not taxable	(375)	–	(375)	(334)	–	(334)
Excess expenses unutilised	359	–	359	309	–	309
Amounts charged to capital	–	513	513	–	409	409
Expenses not deductible for tax purposes	–	4	4	–	8	8
Capital return not subject to tax*	–	(5,931)	(5,931)	–	(18,171)	(18,171)
Current tax charge for the year (note 6(a))	226	–	226	184	–	184

^ An average rate of 22% was applicable for the year ended 30 September 2014 due to the corporation tax rate being reduced from 23% to 21%.

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

(c) Provision for deferred taxation

No provision for deferred taxation has been made in the current or prior year.

At 30 September 2014, the Company has not recognised a deferred tax asset of £9,393,000 (2013: £8,976,000) arising principally as a result of excess management and loan expenses. It is not anticipated that this asset will be utilised in the foreseeable future.

Deferred tax is not provided on unrealised capital gains or losses arising on investments because the Company meets and intends to continue meeting the conditions for approval as an investment trust.

Financial Statements / Notes to the Financial Statements

7. Return per Share

	Revenue pence	Capital pence	2014 Total pence	Revenue pence	Capital pence	2013 Total pence
Return per share	12.6p	27.0p	39.6p	12.7p	99.4p	112.1p

The total return per share is based on the total return attributable to equity shareholders of £36,074,000 (2013: £85,207,000), and on 91,128,356 (2013: 75,974,098) shares, being the weighted average number of shares in issue during the year.

Revenue return per share is based on the net revenue on ordinary activities after taxation of £11,467,000 (2013: £9,657,000).

Capital return per share is based on the net capital profit for the year of £24,607,000 (2013: £75,550,000).

8. Dividends

	Ex-Dividend Date	Register Date	Payment Date	2014 £'000	2013 £'000
2014:					
First interim dividend of 5.1p per share (2013: 4.8p)	2 April 2014	4 April 2014	6 May 2014	4,659	3,647
Second interim dividend of 6.2p per share (2013: 5.7p)	9 October 2014	10 October 2014	10 November 2014	6,086	4,748

The second interim dividend of 6.2p per share (2013: 5.7p) 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.

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

	2014 £'000
Revenue available for distribution by way of dividend for the year	11,467
2014: First interim dividend of 5.1p per share paid on 6 May 2014	(4,659)
2014: Second interim dividend of 6.2p per share paid on 10 November 2014	(6,086)
Net addition to revenue reserves	722

Financial Statements / Notes to the Financial Statements

9. Investments

Analysis of portfolio movements

	2014 £'000	2013 £'000
Opening book cost	236,487	166,629
Opening investment holding gains	173,510	100,286
Valuation at 1 October 2013	409,997	266,915
Movements in the year:		
Purchases at cost	78,603	75,127
Sales		
– Proceeds	(763)	(9,368)
– Gain on sales	738	4,099
Net movement in investment holding gains	26,223	73,224
Valuation at 30 September 2014	514,798	409,997
Closing book cost	315,065	236,487
Investment holding gains at 30 September 2014	199,733	173,510
Valuation at 30 September 2014	514,798	409,997

Investment holding gains

	2014 £'000	2013 £'000
Gains based on historical cost	738	4,099
Net movement in investment holding gains in the year	26,223	73,224
Gains on investments during the year	26,961	77,323

Purchase transaction costs for the year to 30 September 2014 were £461,000 (2013: £448,000). These comprise of stamp duty costs of £344,000 (2013: £309,000) and commission of £117,000 (2013: £139,000). Sales transaction costs for the year to 30 September 2014 were £1,000 (2013: £19,000). These comprise mainly commission. These transaction costs are included within the gains/(losses) on investments within the Income Statement.

10. Debtors

	2014 £'000	2013 £'000
Prepayments and accrued income	1,144	864
Amount due from broker in respect of shares issued by the Company	1,195	484
	2,339	1,348

11. Creditors: amounts falling due within one year

	2014 £'000	2013 £'000
Bank loan with Scotiabank Europe PLC	–	20,200
Amounts due to brokers	752	811
Other creditors and accruals	383	438
	1,135	21,449

Financial Statements / Notes to the Financial Statements

12. Share capital

	2014 £'000	2013 £'000
Allotted, issued and fully paid:		
97,480,212 (2013: 83,136,557) ordinary shares of 25p each	24,370	20,784

During the year 14,343,655 new shares were issued for consideration of £72,535,000 being an average price of 505.7p per share. At the year end there was a debtor of £1,195,000 (2013: £484,000) in relation to shares issued but not settled until after the year-end. At the year-end the Company held no shares in treasury (2013: Nil).

13. Capital Reserve

	Capital reserves realised £'000	Capital reserve investment holding gains unrealised £'000	Total £'000
At 1 October 2013	30,725	173,510	204,235
Transfer on disposal of investments	–	–	–
Net gains on investments	738	26,223	26,961
Expenses charged to capital	(2,337)	–	(2,337)
Foreign currency exchange difference	(17)	–	(17)
At 30 September 2014	29,109	199,733	228,842

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

14. Net Asset Value per Share

The net asset value per share is based on net assets of £494,931,000 (2013: £395,839,000) and on 97,480,212 (2013: 83,136,557) (excluding treasury shares) shares in issue at the year end. As at 30 September 2014 the Company held no shares in treasury (2013: Nil).

15. Related Parties

The following are considered to be related parties:

- Lindsell Train Limited
- The Directors of the Company
- Frostrow Capital LLP

Details of the relationship between the Company and Lindsell Train Limited are disclosed in the Report of the Directors on pages 25 to 26. During the year ended 30 September 2014, Lindsell Train Limited earned £2,100,000 (2013: £1,531,000) in respect of portfolio management fees, of which £186,000 (2013: £150,000) was outstanding at the year end.

The Company has an investment in The Lindsell Train Investment Trust plc with a book cost of £1,000,000 (2013: £1,000,000) and a fair value of £3,680,000 as at 30 September 2014 (2013: £3,450,000). The Lindsell Train Investment Trust plc is managed by the Company's Portfolio Manager. All material related party transactions have been disclosed in notes 3 and 4 on page 66. Details of the remuneration of all Directors can be found on pages 46 to 50. Details of the Directors' interests in the capital of the Company can be found on page 48. Details of the Company's investment in Frostrow Capital LLP, the AIFM, and income received from the partnership are set out in note 16 on page 74 and note 2 on page 66 respectively.

Financial Statements / Notes to the Financial Statements

16. 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 pages 7 and 8. 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 profits available for distribution.

The Company's financial instruments comprise mainly of equity investments, cash balances, borrowings and 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 18 and 19.

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 2014, the fair value of the Company's assets exposed to market price risk was £514,798,000 (2013: £409,997,000) (see page 11). If the fair value of the Company's investments at the balance sheet date increased or decreased by 20%, while all other variables remained constant, the capital return and net assets attributable to shareholders for the year ended 30 September 2014 would have increased or decreased by £102,960,000 or 105.6p per share (2013: £81,999,000 or 98.6p per share).

No derivatives or hedging instruments are 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 2014 was through its three year £30,000,000 secured multicurrency committed revolving credit facility with Scotiabank Europe PLC. Borrowings varied throughout the year as part of the Board's endorsed policy. Borrowings at the year end amounted to £23,100,000 (2013: £20,200,000) at an interest rate of 1.86% (LIBOR plus 1.30%).

If the above level of borrowing was maintained for a year a 1% increase/decrease in LIBOR would decrease/increase the revenue return by £76,000, would decrease/increase the capital return by £155,000, and would decrease/increase the net assets by £231,000 (2013: decrease/increase the revenue return by £67,000, decrease/increase the capital return by £135,000 and decrease/increase the net assets by £202,000).

The weighted average interest rate, during the year, on borrowings under the above mentioned revolving credit facility was 1.84% (2013: 1.89%).

Financial Statements / Notes to the Financial Statements

16. Risk Management continued

At the year-end, the Company's financial assets and liabilities exposed to interest rate risk were as follows:

	2014 within one year £'000	2014 more than one year £'000	2013 within one year £'000	2013 more than one year £'000
Exposure to floating rates:				
Cash at bank	2,029	–	5,943	–
Creditors: amount falling due within one year				
– borrowings under the loan facility	–	–	20,200	–
Creditors: amount falling due after one year				
– borrowings under the loan facility	–	23,100	–	–
Exposure to fixed rates:				
Investments designated at fair value through profit or loss#	392	–	64	–

#Comprises holdings in Celtic 6% cumulative convertible preference and Frostrow AIFM Investment (2013: Celtic 6% cumulative convertible preference) as set out on page 11.

Currency risk

The Financial Statements are presented in sterling, which is the functional currency and presentational currency of the Company. At 30 September 2014, the Company's investments, with the exception of five, were priced in sterling. The five exceptions, Thomson Reuters, listed in Canada, Heineken, listed in the Netherlands, and Dr Pepper Snapple, Kraft Foods Group and Mondelez International, all listed in the United States, represent 15.1% of the portfolio (see page 11).

The Portfolio Manager and AIFM 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.

At 30 September 2014 the Company held £33,931,000 (2013: £24,177,000) of investments denominated in U.S. dollars and £9,130,000 (2013: £8,770,000) in Canadian dollars and £34,719,000 (2013: £30,309,000) Euros.

The following table details the sensitivity of the Company's capital or revenue return after taxation for the year to a % increase and decrease in sterling against foreign currency, after applying the average rate of volatility of the currency over the year. The average rate of volatility for each currency over the year: U.S. dollars 1.6% increase and decrease (2013: 2.2%), Canadian dollars 2.8% (2013: 1.4%) and Euros 2.0% (2013: 2.3%).

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

	2014 US$ £'000	2014 Canadian$ £'000	2014 Euro £'000	2013 US$ £'000	2013 Canadian$ £'000	2013 Euro £'000
Increase in revenue return	2	–	1	2	–	–
Increase in capital return	550	266	701	537	121	703
Total return after tax/increase in shareholders' funds	552	266	702	539	121	703

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

	2014 US$ £'000	2014 Canadian$ £'000	2014 Euro £'000	2013 US$ £'000	2013 Canadian$ £'000	2013 Euro £'000
Decrease in revenue return	(2)	–	(1)	(2)	–	–
Decrease in capital return	(533)	(251)	(674)	(514)	(117)	(671)
Total return after tax/decrease in shareholders' funds	(535)	(251)	(675)	(516)	(117)	(671)

Financial Statements / Notes to the Financial Statements

16. Risk Management continued

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 disposals 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 Portfolio Manager and the AIFM.
– 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 Aa3 (Moodys) and A+ (S&P).

Scotiabank Europe PLC, the provider of the Company's loan facility, has a first fixed and floating charge over the assets of the Company as security against any funds drawn down by the Company under the loan facility.

The Company is in its first year of its three-year secured fixed term multicurrency revolving credit facility of £30 million.

As at 30 September 2014, the exposure to credit risk was £4,440,000 (2013: £7,355,000), comprising:

	2014 £'000	2013 £'000
Fixed assets:		
Non-equity investments (preference shares)	72	64
Current assets:		
Other receivables (amounts due from brokers, dividends and interest receivable)	2,339	1,348
Cash at bank	2,029	5,943
Total exposure to credit risk	4,440	7,355

Liquidity Risk of Investments

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

Liquidity risk is not significant as the majority of the Company's assets are investments in quoted equities and other quoted securities that are readily realisable, and are significantly in excess of its financial liabilities.

Fair value of financial assets and financial liabilities

Financial assets and financial liabilities are either carried in the balance sheet 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 – valued using quoted prices unadjusted in active markets for identical assets or liabilities.
- Level 2 – valued by reference to valuation techniques using observable inputs for the asset or liability other than quoted prices included within Level 1.
- Level 3 – valued by reference to valuation techniques using inputs that are not based on observable market data for the asset or liability.

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

Financial Statements / Notes to the Financial Statements

16. Risk Management continued

Financial assets at fair value through profit or loss at 30 September 2014	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Equity investments	513,666	–	–	513,666
Partnership interest (Frostrow Capital LLP)	–	–	740	740
AIFM loan Investment (Frostrow Capital LLP)	–	–	320	320
Preference share investments	72	–	–	72
	513,738	–	1,060	514,798

Financial assets at fair value through profit or loss at 30 September 2013	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Equity investments	409,283	–	–	409,283
Partnership interest (Frostrow Capital LLP)	–	–	650	650
Preference share investments	64	–	–	64
	409,347	–	650	409,997

The valuation techniques used by the Company are explained in note 1 to the accounting policies.

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

	2014 £'000	2013 £'000
Opening fair value	650	470
AIFM loan investment (Frostrow Capital LLP)	320	–
Total gains included in gains on investments in the Income Statement – on assets held at the end of the year	90	180
Closing fair value	1,060	650

Capital management objectives, policies and procedures

The structure of the Company's capital is described in note 12 to the financial statements and details of the Company's reserves are shown in the Reconciliation of Movements in Shareholders' Funds on page 61. Details of the Company's net debt, representing 4.0% (2013: 3.6%) of net assets, can be found on the Balance Sheet on page 62.

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 capital and debt.

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

- the level of gearing, set at limits in normal market conditions, between 5% and 25% of 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; and
- the extent to which revenue reserves should be retained or utilised.

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.

Financial Statements / Notes to the Financial Statements

17. Reconciliation of Net Return Before Finance Charges and Taxation to Net Cash Inflow from Operating Activities

	2014 £'000	2013 £'000
Total return before finance charges and taxation	36,757	85,756
Less: capital return before finance charges and taxation	(24,913)	(75,794)
Net revenue before finance charges and taxation	11,844	9,962
Increase in accrued income and prepayments	(266)	(129)
Increase in creditors	39	96
Taxation – irrecoverable overseas tax paid	(240)	(174)
Investment management and management fees charged to capital	(2,005)	(1,493)
Other expenses charged to capital	(26)	–
Net cash inflow from operating activities	9,346	8,262

18. Analysis of Changes in Net Debt

	At 1 October 2013 £'000	Cashflow £'000	Exchange movement £'000	At 30 September 2014 £'000
Cash at bank	5,943	(3,897)	(17)	2,029
Loan facility	(20,200)	(2,900)	–	(23,100)
Net debt	(14,257)	(6,797)	(17)	(21,071)

19. Substantial Interests

The Company holds interests in 3% or more of any class of capital in the following entities:

Company or Limited Liability Partnership	Shares held	Fair value £'000	% of issued share capital or Limited Liability Partnership interest
A.G. Barr	4,345,102	26,809	3.7
Celtic	2,850,033	2,109	3.1
Frostrow Capital LLP (unquoted)	–	1,060	10.0
The Lindsell Train Investment Trust*	10,000	3,680	5.0
Young & Co's Brewery	1,047,000	7,591	5.5

*Also managed by Lindsell Train Limited who receive an portfolio management fee of 0.65% per annum of the Company's adjusted market capitalisation.

Further Information / Shareholder Information

Financial Calendar

30 September	Financial Year End
December	Final Results Announced
31 March	Half Year End
May	Half Year Results Announced
February	Annual General Meeting

Annual General Meeting

The Annual General Meeting of Finsbury Growth & Income Trust PLC will be held at the Barber Surgeons' Hall, Monkwell Square, Wood Street, London EC2Y 5BL on Tuesday, 3 February 2015 at 12 noon.

Share Prices

The Company's ordinary shares are listed on the London Stock Exchange under 'Investment Companies'. The price is given daily in the Financial Times and other newspapers.

Change of Address

Communications with shareholders are mailed to the address held on the share register. In the event of a change of address or other amendment this should be notified to the Company's Registrars, Capita Asset Services, under the signature of the registered holder.

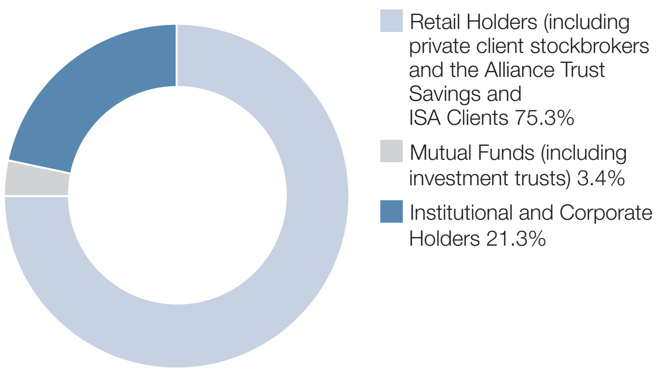
Daily Net Asset Value

The daily net asset value of the Company's shares can be obtained on the Company's website at www.finsburygt.com and is published daily via the London Stock Exchange.

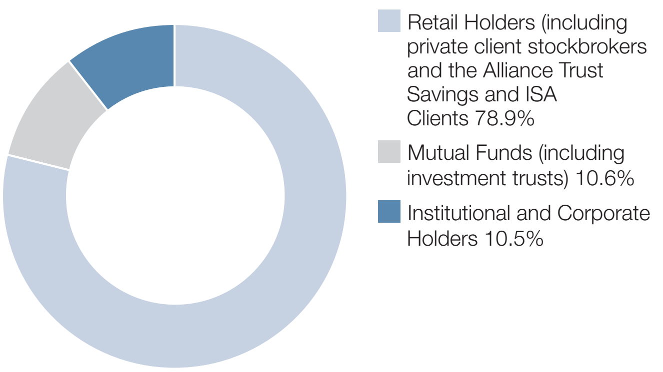
Profile of the Company's Ownership

% of Ordinary Shares held at 30 September

2014



2013



Source: Richard Davies Investor Relations (rdir).

Further Information / Glossary of Terms

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). There is a one-year transition period within which alternative funds must comply with the provisions of the Directive.

AIFM Rules
AIFMD and all applicable rules and regulations implementing AIFMD in the UK, including without prejudice to the generality of the foregoing the Alternative Investment Fund Managers Regulations 2013 (SI2013/1773) and all relevant provisions of the FCA Handbook.

Discount or Premium
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.

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Gearing
The gearing figure reflects the amount of prior charges actively invested, and not held in cash/cash equivalents, expressed as a percentage of Shareholders' funds.

Leverage
The AIFM Directive (the "Directive") has introduced the obligation on the Company and its AIFM in relation to leverage as defined by the Directive. The Directive leverage definition is slightly different to the Association of Investment Companies method of calculating gearing and is as follows; any method by which the AIFM increases the exposure of an AIFM it manages whether through borrowing of cash or securities, or leverage embedded in derivative positions.

There are two methods for calculating leverage under the Directive – the Gross Method and the Commitment Method. The process for calculating exposure under each methodology is largely the same, except where certain conditions are met, the Commitment Method enables instruments to be netted off to reflect 'netting' or 'hedging' arrangements and the entity exposure is effectively reduced.

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.

Net Asset Value Total Return
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.

Ongoing Charges
Ongoing charges are calculated by taking the Company's annualised expenses, excluding exceptional items, and expressing them as a percentage of the average net asset value of the Company over the year.

Share Price Total Return
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.

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

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 below:

AJ Bell Youinvest	http://www.youinvest.co.uk/
Alliance Trust Savings	http://www.alliancetrustsavings.co.uk/
Barclays Stockbrokers	https://www.barclaysstockbrokers.co.uk/Pages/index.aspx
Charles Stanley Direct	https://www.charles-stanley-direct.co.uk/
Club Finance	http://www.clubfinance.co.uk/
Fast Trade	http://www.fastrade.co.uk/wps/portal
FundsDirect	http://www.fundsdirect.co.uk/Default.asp
Halifax Share Dealing	http://www.halifax.co.uk/Sharedealing/
Hargreaves Lansdown	http://www.hl.co.uk/
HSBC	https://investments.hsbc.co.uk/
iDealing	http://www.idealing.com/
IG Index	http://www.igindex.co.uk/
Interactive Investor	http://www.iii.co.uk/
IWEB	http://www.iweb-sharedealing.co.uk/share-dealing-home.asp
James Brearley	http://www.jbrearley.co.uk/Marketing/index.aspx
Natwest Stockbrokers	http://www.natweststockbrokers.com/nw/products-and-services/share-dealing.ashx
Saga Share Direct	https://www.sagasharedirect.co.uk/
Selftrade	http://www.selftrade.co.uk/
The Share Centre	https://www.share.com/
Saxo Capital Markets	http://uk.saxomarkets.com/
TD Direct Investing	http://www.tddirectinvesting.co.uk/

Capita Asset Services – Share Dealing Service

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

Type of trade	Online	Telephone
Share certificates	1.25% of the value of the deal	1.5% of the value of the deal
Costs*	(Minimum £30.00, max £150.00)	(Minimum £40.00, max £195.00)

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, shareholder reference number, full postcode and your date of birth. Your shareholder reference number can be found on your latest statement or certificate where it will appear as either a 'folio number' or 'investor code'. 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.

The maximum deal size for online trades is £25,000. Deals over this amount can be done over the telephone and rates will be advised at the time of dealing.

For further information on this service please contact: www.capitadeal.com (online dealing) or 0871 664 0364† (telephone dealing).

If calling from outside of the UK please dial +44 (0) 203 367 2686

† Calls cost 10p per minute plus network extras and may be recorded for training purposes. Lines are open from 8.00 a.m. to 4.30 p.m. Monday to Friday.

*These are correct at the time of printing and may be subject to change. Please visit www.capitadeal.com for the current costs.

Further Information / How to Invest

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, all 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.

Notice of the Annual General Meeting

Notice is hereby given that the Annual General Meeting of Finsbury Growth & Income Trust PLC will be held at Barber-Surgeons' Hall, Monkwell Square, Wood Street, London EC2Y 5BL on Tuesday, 3 February 2015 at 12 noon, for the following purposes:

Ordinary Business

1. To receive and consider the audited Financial Statements and the Report of the Directors for the year ended 30 September 2014.
2. To re-elect Anthony Townsend as a Director of the Company.
3. To re-elect John Allard as a Director of the Company.
4. To re-elect Neil Collins as a Director of the Company.
5. To re-elect David Hunt as a Director of the Company.
6. To re-elect Vanessa Renwick as a Director of the Company.
7. To receive and approve the Directors' Remuneration Report for the year ended 30 September 2014.
8. To appoint PricewaterhouseCoopers LLP as Auditors to the Company and to authorise the Directors to determine their remuneration

Auditors have to be appointed at each general meeting at which the Annual Report and Financial Statements are presented to shareholders. On the recommendation of the Audit Committee, the Board are proposing to appoint PricewaterhouseCoopers LLP as Auditors to the Company following a formal tender process and the subsequent resignation of Grant Thornton UK LLP with effect from 19 June 2014. PricewaterhouseCoopers LLP were appointed to fill a casual vacancy with effect from 19 June 2014.

Accordingly, shareholder approval is now sought to appoint PricewaterhouseCoopers LLP as Auditors of the Company and to authorise the Directors to determine their remuneration. As resigning Auditors, Grant Thornton UK LLP provided the Company with a 'Statement of Circumstances' confirming that it resigned as Auditors of the Company following the tender process. A copy of the 'Statement of Circumstances' was circulated to Shareholders on 19 June 2014 it can be obtained from the Company's website, or from the Company Secretary upon request.

Special Business

To consider, and if thought fit, pass the following resolutions of which resolutions 10, 11, 12, 13 and 14 are proposed as special resolutions:

Authority to Allot Shares

9. THAT in substitution of all existing authorities the Directors be and are hereby generally and unconditionally authorised in accordance with Section 551 of the Companies Act 2006 (the 'Act') to exercise all powers of the Company to allot relevant securities (within the meaning of Section 551 of the Act) up to a maximum aggregate nominal amount of £2,543,130 being 10% of the issued share capital at 8 December 2014 and representing 10,172,521 shares of 25p each in the Company (or, if changed, the number representing 10% of the issued share capital of the Company at the date at which this resolution is passed) provided that this authority share expire at the conclusion of the Annual General Meeting of the Company to be held in 2016 or 15 months from the date of passing this resolution, whichever is the earlier, unless previously revoked, varied or renewed, by the Company in general meeting and provided that the Company shall be entitled to make, prior to the expiry of such authority, an offer or agreement which would or might require relevant securities to be allotted after such expiry and the Directors may allot relevant securities pursuant to such offer or agreement as if the authority conferred hereby had not expired.

Notice of the Annual General Meeting

Disapplication of Pre-emption Rights

10. THAT in substitution of all existing powers (but in addition to any power conferred on them by resolution 11 set out in the notice convening the Annual General Meeting at which this resolution is proposed ("Notice of Annual General Meeting")) the Directors be and are hereby generally empowered pursuant to Section 570 of the Companies Act 2006 (the "Act") to allot equity securities (within the meaning of Section 560 of the Act) for cash pursuant to the authority conferred on them by resolution 9 set out in the Notice of Annual General Meeting or otherwise as if Section 561(1) of the Act did not apply to any such allotment:

(a) pursuant to an offer of equity securities open for acceptance for a period fixed by the Directors where the equity securities respectively attributable to the interests of holders of shares of 25p each in the Company ("Shares") are proportionate (as nearly as may be) to the respective numbers of Shares held by them but subject to such exclusions or other arrangements in connection with the issue as the Directors may consider necessary, appropriate or expedient to deal with equity securities representing fractional entitlements or to deal with legal or practical problems arising in any overseas territory, the requirements of any regulatory body or stock exchange, or any other matter whatsoever; and

(b) provided that (otherwise than pursuant to sub-paragraph (a) above) this power shall be limited to the allotment of equity securities up to an aggregate nominal value of £2,543,130, being 10% of the issued share capital of the Company as at 8 December 2014 and representing 10,172,521 shares or, if changed, the number representing 10% of the issued share capital of the Company at the date of the meeting at which this resolution is passed, and provided further that (i) the number of equity securities to which this power applies shall be reduced from time to time by the number of treasury shares which are sold pursuant to any power conferred on the Directors by resolution 11 set out in the Notice of Annual General Meeting and (ii) no allotment of equity securities shall be made under this power which would result in Shares being issued at a price which is less than the higher of the Company's cum or ex income net asset value per Share as at the latest practicable date before such allotment of equity securities as determined by the Directors in their reasonable discretion,

and such power shall expire at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution or 15 months from the date of passing this resolution, whichever is earlier, unless previously revoked, varied or renewed by the Company in general meeting and provided that the Company shall be entitled to make, prior to the expiry of such authority, an offer or agreement which would or might otherwise require equity securities to be allotted after such expiry and the Directors may allot equity securities pursuant to such offer or agreement as if the power conferred hereby had not expired.

Treasury Shares

11. THAT in substitution of all existing powers (but in addition to any power conferred on them by resolution 10 set out in the Notice of Annual General Meeting) the Directors be and are hereby generally empowered pursuant to Section 570 of the Companies Act 2006 (the "Act") to sell relevant shares (within the meaning of Section 560 of the Act) if, immediately before the sale, such shares are held by the Company as treasury shares (as defined in Section 724 of the Act ("treasury shares")), for cash as if Section 561(1) of the Act did not apply to any such sale provided that:

(a) where any treasury shares are sold pursuant to this power at a discount to the then prevailing net asset value of ordinary shares of 25p each in the Company ("Shares"), such discount must be (i) lower than the discount to the net asset value per Share at which the Company acquired the Shares which it then holds in treasury and (ii) not greater than 5% to the prevailing net asset value per Share at the latest practicable time before such sale (and for this purpose the Directors shall be entitled to determine in their reasonable discretion the discount to their net asset value at which such Shares were acquired by the Company and the net asset value per Share at the latest practicable time before such Shares are sold pursuant to this power); and

Notice of the Annual General Meeting

(b) this power shall be limited to the sale of relevant shares having an aggregate nominal value of £2,543,130, being 10% of the issued share capital of the Company as at 8 December 2014 and representing 10,172,521 Shares or, if changed, the number representing 10% of the issued share capital of the Company at the date of the meeting at which this resolution is passed, and provided further that the number of relevant shares to which power applies shall be reduced from time to time by the number of Shares which are allotted for cash as if Section 561(1) of the Act did not apply pursuant to the power conferred on the Directors by resolution 10 set out in the Notice of Annual General Meeting,

and such power shall expire at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution or 15 months from the date of passing this resolution, whichever is earlier, unless previously revoked, varied or renewed by the Company in general meeting and provided that the Company shall be entitled to make, prior to the expiry of such authority, an offer or agreement which would or might otherwise require treasury shares to be sold after such expiry and the Directors may sell treasury shares pursuant to such offer or agreement as if the power conferred hereby had not expired.

Authority to Repurchase Shares

12. THAT the Company be and is hereby generally and unconditionally authorised in accordance with Section 701 of the Companies Act 2006 (the "Act") to make one or more market purchases (within the meaning of Section 693(4) of the Act) of ordinary shares of 25 pence each in the capital of the Company ("Shares") (either for retention as treasury shares for future reissue, resale, transfer or cancellation) provided that:

(i) the maximum aggregate number of Shares authorised to be purchased is 15,248,609 or, if changed, the number representing 14.99% of the issued share capital of the Company at the date of the meeting at which this resolution is proposed;

(ii) the minimum price (exclusive of expenses) which may be paid for a Share is 25 pence;

(iii) the maximum price (exclusive of expenses) which may be paid for a Share is an amount equal to the greater of (i) 105% of the average of the middle market quotations for a Share as derived from the Daily Official List of the London Stock Exchange for the five business days immediately preceding the day on which that Share is purchased and (ii) the higher of the last independent trade in shares and the highest then current independent bid for shares on the London Stock Exchange as stipulated in Article 5(1) of Regulation No. 2233/2003 of the European Commission (Commission Regulation of 22 December 2003 implementing the Market Abuse Directive as regards exemption for buyback programmes and stabilisation of financial instruments);

(iv) this authority shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2016 or, if earlier, on the expiry of 15 months from the date of the passing of this resolution unless such authority is renewed prior to such time; and

(v) the Company may make a contract to purchase Shares under this authority before the expiry of the authority which will or may be executed wholly or partly after the expiration of such authority, and may make a purchase of Shares in pursuance of any such contract.

Adoption of New Articles of Association

13. THAT the Articles of Association set out in the document produced to the meeting and signed by the Chairman of the meeting for the purposes of identification be and are hereby approved and adopted as the Articles of Association of the Company in substitution for and to the exclusion of the existing Articles of Association of the Company.

Full explanatory notes of principal changes to the Articles of Association are set out on page 88.

Notice of the Annual General Meeting

General Meetings

14. THAT as permitted by the EU Shareholders' Rights Directive (2007/36/EC) any General Meeting of the Company (other than the Annual General Meeting of the Company) shall be called by notice of at least 14 clear days in accordance with the provisions of the Articles of Association of the Company provided that the authority shall expire on the conclusion of the next Annual General Meeting of the Company, or, if earlier, on the expiry 15 months from the date of the passing of the resolution.

By order of the Board

Frostrow Capital LLP
Company Secretary
8 December 2014

Registered office:
50 Lothian Road
Festival Square
Edinburgh EH3 9WJ

Notice of the Annual General Meeting

Notes

1. Members are entitled to appoint a proxy to exercise all or any of their rights to attend and to speak and vote on their behalf at the meeting. A shareholder may appoint more than one proxy in relation to the meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. A proxy need not be a shareholder of the Company. A proxy form which may be used to make such appointment and give proxy instructions accompanies this notice.

2. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolutions. If no voting indication is given, a proxy may vote or abstain from voting at his/her discretion. A proxy may vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the meeting.

3. To be valid any proxy form or other instrument appointing a proxy must be completed and signed and received by post or (during normal business hours only) by hand at Capita Asset Services, PXS1, 34 Beckenham Road, Beckenham, Kent BR3 4ZF no later than 12 noon on Friday, 30 January 2015.

4. In the case of a member which is a company, the instrument appointing a proxy must be executed under its seal or signed on its behalf by a duly authorised officer or attorney or other person authorised to sign. Any power of attorney or other authority under which the instrument is signed (or a certified copy of it) must be included with the instrument.

5. The return of a completed proxy form, other such instrument or any CREST Proxy Instruction (as described below) will not prevent a shareholder attending the meeting and voting in person if he/she wishes to do so.

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

7. The statement of the rights of shareholders in relation to the appointment of proxies in paragraph 1 above does not apply to Nominated Persons. The rights described in that paragraph can only be exercised by shareholders of the Company.

8. Pursuant to regulation 41 of the Uncertificated Securities Regulations 2001, only shareholders registered on the register of members of the Company (the "Register of Members") at 5.30 p.m. on Friday, 30 January 2015 (or, in the event of any adjournment, on the date which is two days before the time of the adjourned meeting) will be entitled to attend and vote or be represented at the meeting in respect of shares registered in their name at that time. Changes to the Register of Members after that time will be disregarded in determining the rights of any person to attend and vote at the meeting.

9. As at 8 December 2014 (being the last business day prior to the publication of this notice) the Company's issued share capital consists of 101,725,212 ordinary shares, carrying one vote each. Therefore, the total voting rights in the Company as at 8 December 2014 are 101,725,212.

10. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

11. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with the specifications of Euroclear UK and Ireland Limited ("CRESTCo"), and must contain the information required for such instruction, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID RA10) no later than 48 hours before the time appointed for holding the meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Application Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

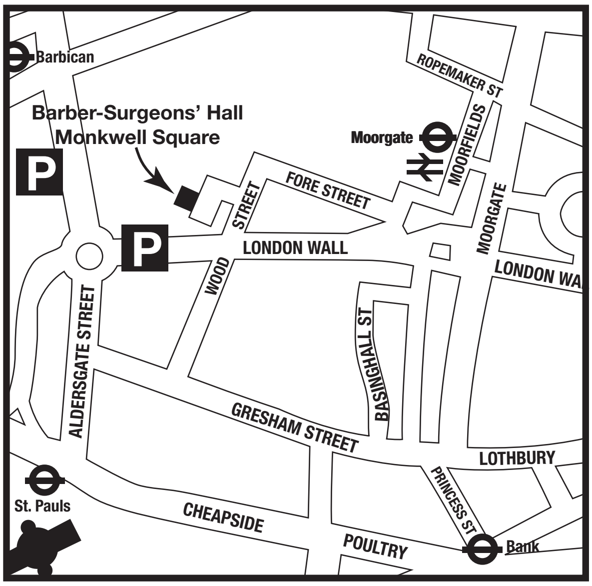
12. CREST members and, where applicable, their CREST sponsors or voting service providers, should note that CRESTCo does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions.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

Notice of the Annual General Meeting

13. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
14. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Register of Members in respect of the joint holding (the first named being the most senior).
15. Members who wish to change their proxy instructions should submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also applies in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.
16. Members who have appointed a proxy using the hard-copy proxy form and who wish to change the instructions using another hard-copy form, should contact Capita Asset Services on 0871 664 0300 (calls cost 10p per minute plus network extras).
17. If a member submits more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.
18. In order to revoke a proxy instruction, members will need to inform the Company. Members should send a signed hard copy notice clearly stating their intention to revoke a proxy appointment to Capita Asset Services, PXS1, 34 Beckenham Road, Beckenham, Kent BR3 4ZF.
19. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power of attorney) must be included with the revocation notice. If a member attempts to revoke its proxy appointment but the revocation is received after the time for receipt of proxy appointments (see above) then, subject to paragraph 4, the proxy appointment will remain valid.

LOCATION OF THE ANNUAL GENERAL MEETING

Barber-Surgeons' Hall, Monkwell Square, Wood Street, London EC2Y 5BL
on Tuesday, 3 February, 2015 at 12 noon



Explanatory Notes to the Resolutions

Resolution 1 – To receive the Annual Report and Financial Statements

The Annual Report and Financial Statements for the year ended 30 September 2014 will be presented to the AGM. These accounts accompanied this Notice of Meeting and shareholders will be given an opportunity at the meeting to ask questions.

Resolutions 2 to 6 – Re-election of Directors

Resolutions 2 to 6 deal with the re-election of each Director. Biographies of each of the Directors can be found on page 22.

The Board has confirmed, following a performance review, that the Directors standing for re-election continue to perform effectively.

Resolution 7 – Remuneration Report

The Report on Directors' Remuneration is set out in full in the Annual Report on pages 46 to 50.

Resolution 8 – Appointment of auditors

Resolution 8 relates to the appointment of PricewaterhouseCoopers LLP as the Company's independent auditors to hold office until the next Annual General Meeting of the Company and also authorises the Directors to set their remuneration.

Full details of the audit tender process can be found in the Audit Committee Report on page 45.

Resolutions 9 to 11

Ordinary Resolution No. 9 in the Notice of Annual General Meeting will renew the authority to allot the unissued share capital up to an aggregate nominal amount of £2,543,130 (equivalent to 10,172,521 shares, or 10% of the Company's existing issued share capital on 8 December 2014, being the nearest practicable date prior to the signing of this Report). Such authority will expire on the date of the next Annual General Meeting or after a period of 15 months from the date of the passing of the resolution, whichever is earlier. This means that the authority will have to be renewed at the next Annual General Meeting.

When shares are to be allotted for cash, Section 551 of the Companies Act 2006 (the "Act") provides that existing shareholders have pre-emption rights and that the new shares must be offered first to such shareholders in proportion to their existing holding of shares. However, shareholders can, by special resolution, authorise the Directors to allot shares otherwise than by a pro rata issue to existing shareholders. Special Resolution No. 10 will, if passed, give the Directors power to allot for cash equity securities up to 10% of the Company's existing share capital on 8 December 2014 (reduced by any treasury shares sold by the Company pursuant to Resolution No. 11, as described below), as if Section 551 of the Act does not apply. This is the same nominal amount of share capital which the Directors are seeking the authority to allot pursuant to Resolution No. 9. This authority will also expire on the date of the next Annual General Meeting or after a period of 15 months, whichever is earlier. This authority will not be used in connection with a rights issue by the Company.

Under Section 724 of the Companies Act 2006 ('s724') the Company is permitted to buy back and hold shares in treasury and then sell them at a later date for cash, rather than cancelling them. It is a requirement of s724 that such sale be on a pre-emptive, pro rata, basis to existing shareholders unless shareholders agree by special resolution to disapply such pre-emption rights. Accordingly, in addition to giving the Directors power to allot unissued share capital on a non pre-emptive basis pursuant to Resolution No. 10, Special Resolution No. 11, if passed, will give the Directors authority to sell shares held in treasury on a non pre-emptive basis. The benefit of the ability to hold treasury shares is that such shares may be resold. This should give Company greater flexibility in managing its share capital, and improve liquidity in its shares. Any re-sale of treasury shares would only take place at a narrower discount to the ex-income net asset value per share than that at which they had been bought into treasury, and in any event at a discount no greater than 5% to the prevailing ex-income net asset value per share, and this is reflected in the text of Resolution No. 11. It is also the intention of the Board that sales from treasury would only take place when the Board believes that to do so would assist in the provision of liquidity to the market. The number of treasury shares which may be sold pursuant to this authority is limited to 10% of the Company's existing share capital on 8 December 2014 (reduced by any equity securities allotted for cash on a non-pro rata basis pursuant to Resolution No. 11, as described above). This authority will also expire on the date of the next Annual General Meeting or after a period of 15 months, whichever is earlier.

The Directors intend to use the authority given by Resolutions Nos. 9, 10 and 11 to allot shares and disapply pre-emption rights only in circumstances where this will be clearly beneficial to shareholders as a whole. The issue proceeds would be available for

Explanatory Notes to the Resolutions

investment in line with the Company's investment policy. No issue of shares will be made which would effectively alter the control of the Company without the prior approval of shareholders in general meeting.

Resolution 12

The Directors wish to renew the authority given by shareholders at the previous Annual General Meeting. The principal aim of a share buy-back facility is to enhance shareholder value by acquiring shares at a discount to net asset value, as and when the Directors consider this to be appropriate. The purchase of shares, when they are trading at a discount to net asset value per share, should result in an increase in the net asset value per share for the remaining shareholders. This authority, if conferred, will only be exercised if to do so would result in an increase in the net asset value per share for the remaining shareholders and if it is in the best interests of shareholders generally. Any purchase of shares will be made within guidelines established from time to time by the Board. It is proposed to seek shareholder authority to renew this facility for another year at the Annual General Meeting.

Under the current Listing Rules, the maximum price that may be paid on the exercise of this authority must not exceed the higher of (i) 105% of the average of the middle market quotations for the shares over the five business days immediately preceding the date of purchase and (ii) the higher of the last independent trade and the highest current independent bid on the trading venue where the purchase is carried out. The minimum price which may be paid is 25p per share. Shares which are purchased under this authority will either be cancelled or held as treasury shares.

Special Resolution No. 12 in the Notice of Annual General Meeting will renew the authority to purchase in the market a maximum of 14.99% of shares in issue on 8 December 2014, being the nearest practicable date prior to the signing of this Report, (amounting to 15,248,609 shares). Such authority will expire on the date of the next Annual General Meeting or after a period of 15 months from the date of passing of the resolution, whichever is earlier. This means in effect that the authority will have to be renewed at the next Annual General Meeting or earlier if the authority has been exhausted.

Resolution 13 – Amendment to Articles of Association

It is proposed to make certain changes to the Company's Articles of Association in order to, among other things, reflect changes prompted by the introduction of the EU Alternative Investment Fund Managers Directive. Full explanatory notes of Principal Changes to the Articles of Association are set out on page 88.

Resolution 14

Special Resolution No. 14 seeks shareholder approval for the Company to hold General Meetings (other than the Annual General Meeting) at 14 clear days' notice.

Recommendation

The Board considers that the resolutions relating to the above 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 above resolutions to be proposed at the forthcoming Annual General Meeting as the Directors intend to do in respect of their own beneficial holdings totalling 317,374 shares.

Explanatory Notes of Principal Changes to the Company's Articles of Association

Set out below is a summary of the main differences between the current and the proposed new Articles of Association (the "Articles"). The principal changes in the new Articles to be adopted at the Annual General Meeting to be held on Tuesday, 3 February 2015 relate to:

AIFMD

The AIFMD is a European-wide directive aimed at providing oversight and transparency of non-UCITS funds managed, domiciled and/or distributed in the European Economic Area and was to be transposed into the laws of Member States on 22 July 2013. Since the Company constitutes an alternative investment fund and therefore falls within the scope of the AIFMD, the Articles of Association have been amended in order to provide the Board with the ability to prescribe, vary or revoke the Company's management and governance rules that the Company must comply with, to enable the Company and any alternative investment fund manager that it may appoint from time to time to conduct portfolio management and risk management on its behalf, to comply with or for the purposes of the AIFMD and the AIFM Rules. In particular, the Articles have been amended so that the Board may authorise a depositary appointed by the Company on the terms and conditions prescribed in the AIFM Rules, together with any further requirements that may be prescribed by the Board, to discharge itself of liability, where the Company holds assets in a country other than the United Kingdom, and the law of that country does not satisfy certain delegation requirements that are specified in the AIFM Rules.

FATCA

Sections 1471 to 1474 of the US Internal Revenue Code 1986 ("FATCA") imposes a system of information reporting and a withholding tax on "withholdable" payments made by US persons and others to certain entities including foreign financial institutions such as the Company that do not meet specific information reporting requirements. On 1 September 2013 the UK International Tax Compliance (United States of America) Regulations 2013 (the "Regulations") entered into force. The Regulations were made to implement the agreement between the US and the UK that enables UK financial institutions to meet their FATCA obligations without having to enter into an agreement directly with the US Internal Revenue Service. The Articles of Association have been amended in order to provide the Company with the ability to require shareholders to co-operate with it in ensuring that the Company is able to comply with its obligations under the Regulations in order to avoid being deemed to be a "Nonparticipating Financial Institution" for the purposes of FATCA and any other similar exchange of information regime and consequently having to pay withholding tax to the IRS or other applicable tax authority. The Articles of Association have also been amended to ensure that the Company will not be liable for any monies that become subject to a deduction or withholding relating to FATCA or any other similar exchange of information regime, as such liability would be to the detriment of the Company's shareholders as a whole. The amendments to the Company's Articles of Association will enable the Company to require the Company's shareholders to forfeit their shares in the event that such shareholders may cause the Company to make or become subject to FATCA and any other similar exchange of information regime or suffer any other detriment under FATCA or such similar regimes, or if such shareholders do not comply with their obligations to co-operate with the Company's efforts to comply with FATCA or any other similar exchange of information regime as more particularly described above.

A copy of the current Articles and of the proposed new Articles marked up to show the proposed amendments will be available for inspection at the offices of Frostrow Capital LLP during normal business hours and will be available for inspection at the Annual General Meeting.

Company Information

Directors
Anthony Townsend, (Chairman)
John Allard
Neil Collins
David Hunt, FCA
Vanessa Renwick

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

Website
www.finsburygt.com

Company Registration Number
13958 (Registered in Scotland)

The Company is an investment company as defined under Section 833 of the Companies Act 2006.

Portfolio Manager
Lindsell Train Limited
Cayzer House,
30 Buckingham Gate,
London SW1E 6NN
Telephone: 0207 802 4700
Website: www.lindselltrain.com
Authorised and regulated by the Financial Conduct Authority.

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.

If you have an enquiry about the Company or if you would like to receive a copy of the Company's monthly fact sheet by e-mail, please contact Frostrow Capital using the above e-mail address.

Registrars
Capita Asset Services
The Registry,
34 Beckenham Road,
Beckenham,
Kent BR3 4TU
Telephone (in UK): 0871 664 0300†
Telephone (from overseas): +44 208 639 3399
Facsimile: + 44 (0) 1484 600911
E-Mail: shareholderenquiries@capita.co.uk
Website: www.capitaassetservices.com

Please contact the Registrars if you have a query about a certificated holding in the Company's shares.

†Calls cost 10p per minute plus network charges and may be recorded for training purposes.Lines are open from 8.30 a.m. to 5.30 p.m. Monday to Friday.

Depositary
BNY Mellon Trust & Depositary (UK) Limited
BNY Mellon Centre
160 Queen Victoria Street,
London EC4V 4LA
Website: www.bnymellon.com

Lending Banker
Scotiabank Europe PLC
201 Bishopsgate, 6th Floor
London EC2M 3NS

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

Stockbrokers
Winterflood Investment Trusts
The Atrium Building,
Cannon Bridge,
25 Dowgate Hill
London EC4R 2GA

Share Price Listings
The price of your shares can be found in various publications including the Financial Times, The Daily Telegraph, The Times and The Scotsman.
The Company's net asset value per share is announced daily on the TrustNet website at www.trustnet.com.

Identification Codes

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

Foreign Account Tax Compliance Act ("FATCA")
IRS Registration Number (GIIN):
QH4BH0.99999.SL.826

Disability Act

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, Capita 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.

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The Association of
Investment Companies

A member of the Association of Investment Companies

Winner:

- Shares Awards 2014, Best Investment Trust.
- Investment Week, Investment Trust of the Year 2010, 2011 and 2013, UK Income Category.
- Money Week, Investment Trust of the Year 2011, UK Growth & Income Category
- Moneywise, Investment Trust of the Year 2011 and 2014, UK Growth & Income Category
- FE Trustnet FE Alpha Manager Rating 2014 (Nick Train)

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