Troy Income & Growth Trust plc

Annual Report and Accounts

for the year ended 30 September 2013

TROY

INCOME & GROWTH TRUST PLC

Contents

Financial Calendar

23 January 2014	Annual General Meeting
31 January 2014	First interim dividend 2013/2014 payable
25 April 2014	Second interim dividend 2013/2014 payable
May 2014	Interim results announced
May 2014	Interim Report published
25 July 2014	Third interim dividend 2013/2014 payable
31 October 2014	Fourth interim dividend 2013/2014 payable

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Corporate Summary

Investment Objective

The Company's investment objective from 17 September 2009 is to provide shareholders with an attractive income yield and the prospect of income and capital growth through investing in a portfolio of predominantly UK equities.

Capital Structure

The Company's issued share capital as at 30 September 2013 consisted of 242,057,445 Ordinary shares of 25p each and at 29 November 2013 there were 238,007,445 Ordinary shares in issue and 4,050,000 Ordinary shares held in treasury.

Dividends

Dividends on the Ordinary shares are payable quarterly at the end of January, April, July and October. The Board and Troy Asset Management Limited ("Troy" or the "Manager") expect that the investment policy of the Company can generate an income yield that is higher than the dividend yield on the FTSE All-Share Index and also be able to grow the dividend over time.

Continuation Vote

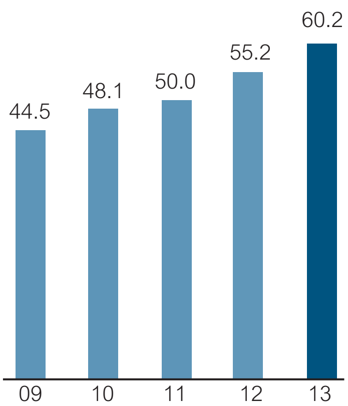
A continuation vote was passed at the AGM on 14 January 2010 and as a result of this the Company's next continuation vote will be held at the Company's AGM on 23 January 2014. If this vote is passed a continuation vote will be held at each fifth AGM thereafter.

Financial Highlights

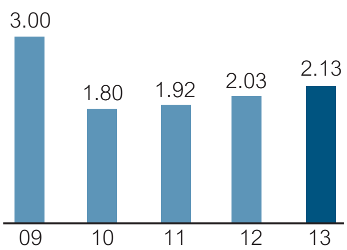
	2013	2012
Net asset value total return	**+12.4%**	+15.5%
Share price total return	**+11.2%**	+18.0%
FTSE All-Share Index total return	**+18.9%**	+17.2%
Dividends per share	**+4.9%**	+5.6%
Dividend yield *	**3.5%**	3.6%
FTSE All-Share Index yield	**3.4%**	3.6%

* Dividends per share as a percentage of share price at 30 September.

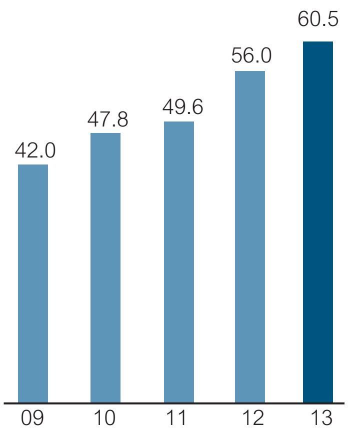
Net Asset Value per Ordinary share
At 30 September – pence



Dividends per Ordinary share
pence



Share price per Ordinary share
At 30 September – pence



Financial Highlights (continued)

	30 September 2013	30 September 2012	% change
Total investments	£141,239,000	£118,440,000	+19.2
Shareholders' funds	£145,778,000	£124,525,000	+17.1
Market capitalisation	£146,445,000	£126,383,000	+15.9
Net asset value per share	60.22p	55.18p	+9.1
Share price (mid market)	60.50p	56.00p	+8.0
Premium to NAV	0.5%	1.5%	
Total gearing	0.0%	0.0%	
Ongoing charges[1]	1.06%	1.27%	
Dividends and earnings			
Revenue return per share[2]	2.21p	2.16p	+2.3
Dividends per share[3]	2.125p	2.025p	+4.9
Dividend cover	1.04	1.07	
Revenue reserves[4]	£3,569,000	£2,371,000	

1 Excludes non-recurring credit of £42,000 (2012 – £0).

2 Measures the revenue earnings for the year divided by the weighted average number of Ordinary shares in issue (see Income Statement).

3 The figures for dividends per share reflect the years in which they were earned (see note 7 on page 40).

4 The revenue reserve figure does not take account of the fourth interim dividend amounting to £1,331,000 (2012 – fifth interim £282,000).

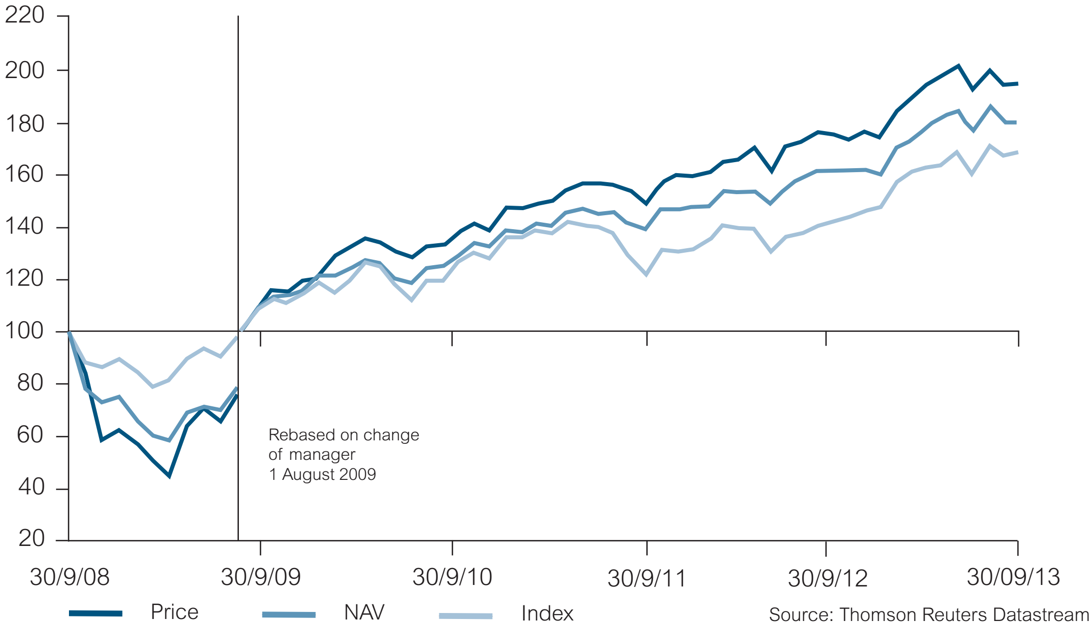
Performance

Total Return

	Year ended 30 September 2013	3 years ended 30 September 2013	From change of Manager 50 months ended 30 September 2013
Share price	+11.2%	+41.4%	+95.3%
Net asset value per share	+12.4%	+40.0%	+78.8%
FTSE All-Share Index	+18.9%	+33.4%	+69.2%

Total Return of NAV and Share Price vs FTSE All-Share Index

Five years to 30 September 2013 (rebased to 100 at 30/09/08 and 01/08/09)



Performance

Ten Year Financial Record

Year to 30 September	2004*	2005	2006	2007	2008	2009	2010	2011	2012	2013
Revenue available for ordinary dividends (£'000)	2,294	3,210	4,650	6,331	6,790	3,957	2,104	2,220	3,245	5,194
Per share										
Net revenue return (p)	4.94	5.24	5.32	5.43	5.58	3.26	1.80	1.95	2.16	2.21
Net dividends paid/proposed (p)	4.85	4.85	5.05	5.20	5.30	3.00	1.80	1.92	2.03	2.13
Total return (p)	11.97	20.12	16.16	5.24	(33.04)	(7.44)	5.74	3.63	7.04	6.66
Net asset value per share										
Basic (p)	64.55	80.38	92.58	94.37	56.04	44.47	48.06	50.00	55.18	60.22
Shareholders' funds (£m)	31.61	63.42	87.01	115.08	68.04	53.99	53.81	63.23	124.53	145.78

* 2004 figures restated following the introduction of International Reporting Standards ('IFRS').

Cumulative Performance from Change of Manager

(% of 31 July 2009 value)

As at	31.07.09	30.09.09	30.09.10	30.09.11	30.09.12	30.09.13
NAV	100.0	112.9	122.0	126.9	140.1	152.9
Share price performance	100.0	115.9	131.7	136.9	154.5	166.9
FTSE All-Share Index performance	100.0	112.0	121.8	112.8	127.4	146.3
NAV total return†	100.0	112.9	127.7	137.8	159.1	178.8
Share price total return†	100.0	115.9	138.1	148.9	175.6	195.3
FTSE All-Share Index total return†	100.0	112.8	126.9	121.3	142.3	169.2

† Total return figures are based on reinvestment of net income

Cumulative Performance

(% of 30 September 2003 value)

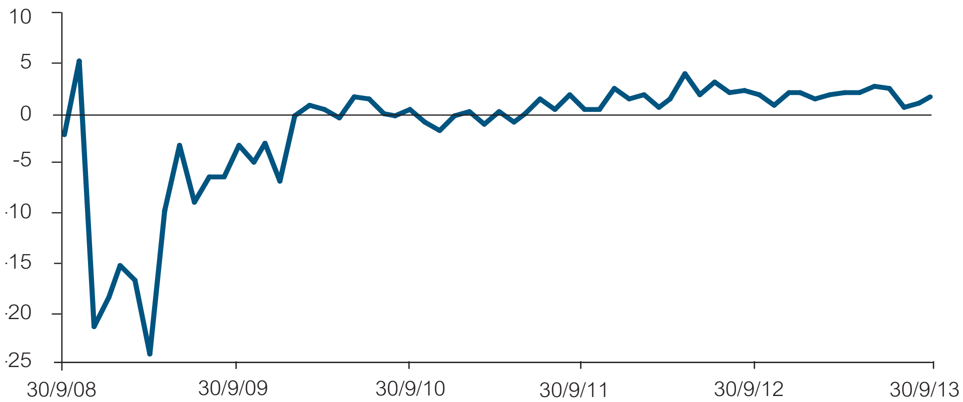
As at 30 September	2003	2004*	2005	2006	2007	2008	2009	2010	2011	2012	2013
NAV	100.0	112.9	137.7	158.6	161.6	96.0	76.1	82.3	85.6	94.5	103.1
Share price performance	100.0	103.5	130.2	152.5	143.5	83.1	65.9	74.9	77.9	87.8	94.9
FTSE All-Share Index performance	100.0	112.0	135.4	150.4	163.6	122.5	129.9	141.4	130.9	147.9	169.8
NAV total return†	100.0	124.1	162.1	198.2	212.7	134.8	118.4	133.9	144.5	166.8	187.5
Share price total return†	100.0	113.3	152.1	188.6	186.7	116.0	102.6	122.3	131.8	155.5	172.9
FTSE All-Share Index total return†	100.0	115.7	144.5	165.7	185.9	144.5	160.2	180.1	172.3	202.0	240.2

* 2004 figures restated following the introduction of International Reporting Standards ("IFRS").

† Total return figures are based on reinvestment of net income.

Share Price Premium/(Discount) to NAV

Five years to 30 September 2013



Source: Thomson Reuters Datastream

Chairman's Statement

The objective of the Company is to provide an attractive income yield and the prospect of income and capital growth through investing in a portfolio of predominantly UK equities.

The performance for the year to 30 September 2013 shows a NAV total return per share of +12.4% and a share price total return of +11.2%. This compares with the total return from the FTSE All-Share Index of +18.9%. The total dividends declared for the year were 2.125p, an increase of 4.9% over the previous year. We expect, given the conservative and low volatility style of our portfolio, to lag somewhat in strongly rising markets but to fare relatively better in less bullish markets. Despite this and while we have continued to meet our investment objective there is some disappointment that we are further behind the FTSE All-Share Index than we might have hoped. The Manager's Review on pages 5 to 7 gives a more detailed analysis of the performance.

The Board focuses also on longer term performance and it is useful to record that over the three year period to 30 September 2013 the NAV total return per share was +40.0% and the share price total return was +41.4% compared with the FTSE All-Share Index total return of +33.4%.

I am pleased also to relate that the Company continues to grow through the issue of new shares with 16,373,000 being issued in the year and none bought in. Our discount control policy continues to provide excellent liquidity and the increase in the size of the Company helps improve our cost ratio; the on-going charges represented 1.06% of shareholders' funds during the year, down from 1.27% in the previous year.

Economic Background

The difficult investment background has been well rehearsed. Despite stronger signs now of advanced economies emerging from recession, the likes of China and India are experiencing significant slowdown. The fuel provided to markets by asset purchases or quantitive easing is still in operation but the phasing out process and the implications of this are less clear. The spectre of inflation and the expected eventual increase in interest rates provide challenging scenarios for investment. After the strong run in share prices in recent years it is perhaps unsurprising that the market looks directionless at present. Our Manager points to the fact that much of the improvement in share prices has arisen from the expansion in earnings multiples as opposed to the underlying earnings growth. Our portfolio is chosen for long term growth and as such we believe that it is well invested to continue to meet our objectives.

Dividend

It is the Board's intention, barring unforeseen circumstances, at least to maintain a quarterly dividend rate of 0.55p per share for the full year to 30 September 2014.

Continuation Vote

Pursuant to the Company's Articles of Association an ordinary resolution proposing the continuation of the Company will be proposed at the AGM and the Board is recommending that shareholders vote in favour.

Board Changes

Jann Brown joined the Board in January and we have welcomed her input particularly in her role as Chairman of the Audit Committee.

I will be retiring at the AGM in January after 18 years on the Board. It has been a challenging and interesting period. I am delighted that the Company is in good shape for the future.

I am very pleased that David Warnock has accepted the Board's invitation to succeed me and I wish him and the Company continued success.

R G Hanna

Chairman

29 November 2013

Manager's Review

Background

When we reported to shareholders twelve months ago, equity markets had enjoyed a strong period of performance. We highlighted that these returns had been substantially driven by the continuing stimulus to the global economy which central bankers felt was needed to avoid a deflationary slump. The past twelve months have again seen UK equities rise with the FTSE All-Share Index producing a total return of +18.9% and the FTSE 350 Higher Yield Index a total return of +16.8%. Other asset classes fared less well – the return on cash remained a meagre +0.4% (therefore negative in real terms) while a sharp rise in gilt yields meant that the return from the FTSE UK Gilts All Stocks Index was -3.0%. The divergence of performance between bonds and equities is an indication that markets are beginning to price in the inflationary risk associated with the monetary base expansion as a consequence of Quantitative Easing.

The strength of equities has been driven by a number of factors. The demand for income has led to a shift away from cash and fixed income where yields are minimal, and thus far, investors have been prepared to accept the increased volatility of equities in return for additional income. Another factor has been clear signs of recovery in the US and, more recently, UK economies. However, the recovery remains weak by historic standards and vulnerable to setbacks such as the recent US government shutdown.

The divergence between corporate earnings and stock price performance in the UK market has been material over the past eighteen months. The trailing p/e of the FTSE All-Share Index non-financials is 15.7x and the dividend yield is 3.4%. This reflects either anticipation of a strong rise in earnings or high valuations which cannot be sustained indefinitely. There is also the possibility that prices continue to trade sideways for some time while earnings assume a slow but steady upward trend. In our view significant potential economic headwinds will make it hard for corporate earnings to make significant progress over the next twelve months. The slowdown in China and emerging economies, the rising cost of finance and the current strength of sterling are all examples of the factors which could act as a brake on earnings and profits growth.

Performance & Investment Strategy

Your Company delivered a Net Asset Value ("NAV") total return of +12.4% and a share price total return of +11.2% over the year. This compares with the FTSE All-Share Index return of +18.9%. The full year dividend of 2.125p represented a 4.9% increase on the previous year's dividend.

We have often emphasised to investors that our defensive strategy can lead us to underperform in ebullient markets and this is indeed true of our performance over the last twelve months. Many of the defensive stocks that performed so well in 2011-12 have lagged in 2013 as more cyclical and economically sensitive stocks and sectors have led the way. Despite the defensive bias this is a gap which requires further explanation.

Stocks in the consumer staples sector have underperformed as consumer spending remains under pressure despite a pickup in GDP growth. Those companies exposed to emerging markets, such as Unilever and Nestlé, have suffered more than most but the quality of these franchises is so great that we are happy to see what we believe to be temporary setbacks as buying opportunities. This divergence, however, does not alter our long-term view that consumer goods companies with strong brand names, broad geographic diversification and a prudent attitude towards capital allocation can continue to grow their earnings and return cash to shareholders year after year. Moreover, companies with robust brand portfolios have the ability to pass on price inflation to consumers. Whilst inflation has been benign in 2013, we are conscious that the continuation of easy monetary policy by governments around the world is increasing the supply of money much faster than economic output.

We will never purchase what we regard as overvalued cyclical shares purely to chase short-term investment performance. Our objective is to deliver high quality, consistent absolute returns to our investors throughout the investment cycle while avoiding the extremes of volatility that equity markets can inflict on investors. That can mean that there are periods when performance may look dull but we would emphasise that the pursuit of low absolute volatility will result in a wider range of relative performance at both peaks and troughs of the market.

Manager's Review (continued)

Portfolio Changes

The Company's strategy and asset allocation have remained constant and the portfolio of investments has remained largely unchanged over the year.

Conscious that liquidity flows into equities have caused many of our equities to re-rate, we have kept an eye on those that are most fully valued. Close Brothers, after a period of strong performance, was one such stock. Whilst confident in the strength of the bank and securities operation, we had always been worried that the underperforming asset management arm would be difficult to turn around. We believed that the yield of 4.5% in December 2012 was pricing in a less than certain positive outcome for this part of the business and we therefore sold out of our holding.

Likewise, in January, we believed that Diageo, trading on a forward PE multiple of over 20x, was excessively valued. With analysts forecasting double-digit earnings growth, despite a slowdown evident in Diageo's principal emerging markets, we became cautious of such optimism. We therefore trimmed this holding from 3.4% of the portfolio to 1.4%.

In January we also began to reduce the holding in PayPoint, after the share price had nearly trebled since purchase, and reinvested the proceeds into W H Smith. The senior management team at W H Smith continues to exhibit relentless capital allocation discipline and focus on costs. This has driven higher returns in a difficult retail environment. Margin improvement, buybacks and a shift in the store portfolio towards the less cyclical travel business have enabled earnings to grow at 13% per annum over the past five years. The shares have generated a total return of 37% since purchase.

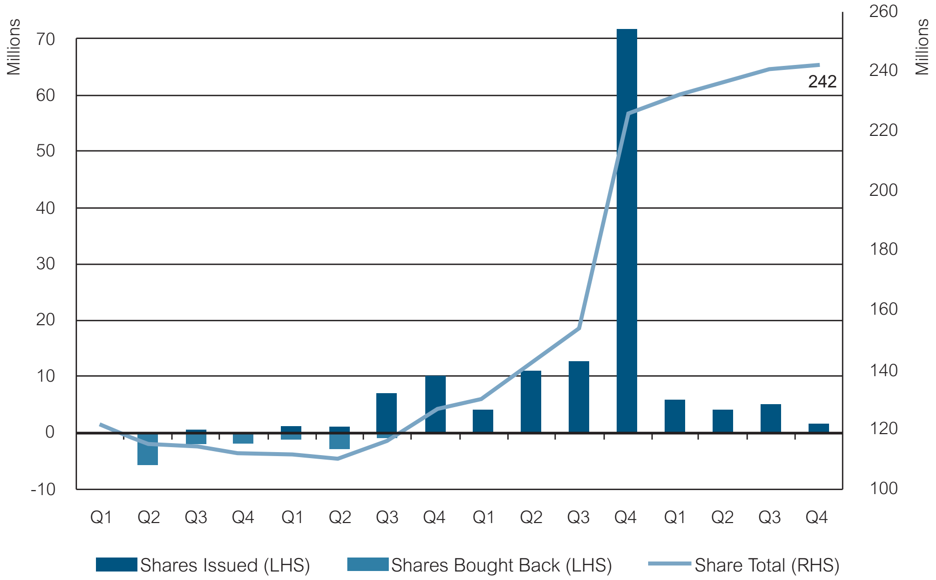
In May we initiated a holding in BSkyB, after BT's announcement of its intention to compete against Sky Sports' franchise, and to allow its customers free access to selected premiership football, caused a pullback in Sky's shares to below 800p. We believed that this bad news had distracted the market from the strength of the Sky franchise and provided an attractive entry point. Sky delivers its services to nearly 40% of UK households which gives the company unparalleled purchasing power when bidding for high quality, high value content, whether it be Premier League football or the rights to show recently released blockbuster films. This dominant market position and a track record of adapting to new competitive threats should enable the company to survive this latest challenge. Moreover, its modest 14x PE and 3.7% yield provided an attractive entry point.

Discount Control Mechanism

During the course of its reporting year the Company's shares traded at a small premium over NAV for the vast majority of days, demonstrating the price stability generated by the discount control mechanism ("DCM"). This allowed the Company to issue just over 16 million new shares without shareholders suffering any value dilution. In fact, the overall enhancement to your Company's NAV by repurchasing shares at a discount and issuing at a premium has been well over £500,000 net of costs since January 2010, which equates to over 1% of the NAV when Troy became Manager of the Company.

The number of shares has almost exactly doubled to 242 million since the discount control mechanism was activated in January 2010 and as a result the Company is now considerably more liquid. Most importantly costs have been significantly reduced and on-going charges have fallen from over 1.4% of shareholders funds in September 2009 to 1.06% at the end of September 2013. The chart below shows the movement in shares in issue since the activation of the DCM.

Troy Income & Growth Trust
Quarterly Buyback and Issuance (from 1st October 2009 to 30th September 2013)



Investment Outlook

We are faced with the likelihood that either equities will de-rate or earnings will recover, closing the gap between current stock market prices and their fundamental values. As investors in equities, we remain ever wary of the possibility that prices will fall to meet earnings. We have therefore been reducing our exposure to those companies with the most extended valuations.

The possibility of an earnings recovery seems more plausible now than it did a year ago. We are seeing signs of life in the real economy, namely stronger housing data from both the US and UK along with indications of a consumer-led recovery. July saw the biggest real increase in UK retail sales for two years and unemployment fell from 7.8% to 7.7% in August. Despite the growth in overall employment numbers, average earnings continue to lag inflation and this, combined with rising energy bills, will hold back the consumer recovery in the UK.

We remain sensitive to the fragility of these positive economic signals and the real possibility of market disruption as a result of external shocks. In the meantime, we continue to hold companies which have proved able to increase their income distribution to shareholders in spite of stalling earnings. Indeed, the income stream from dividend paying UK companies has grown circa 20% over the last 24 months. This is at least partially because many of the sectors that pay higher dividends enjoy a stability and predictability of underlying earnings growth not replicated across the wider economy, and in many cases are further supported by historically strong balance sheets. The companies we continue to invest in are those which offer such long-term visibility in the face of short-term uncertainty.

Troy Asset Management Limited

29 November 2013

Troy Asset Management is an independent fund management company aiming to generate absolute returns for investors over the long term. It manages approximately £5.1 billion of assets including four open-ended investment funds: the Trojan Fund, the Trojan Income Fund, the Trojan Capital Fund and the Spectrum Fund; and two investment trusts: Troy Income & Growth Trust plc and Personal Assets Trust plc. Our investors include private individuals, charities, pension funds, trusts and endowments.

Investment Portfolio

As at 30 September 2013

	Valuation 2013 £'000	Total portfolio %
Vodafone	5,885	4.2
British American Tobacco	5,078	3.6
HSBC Holdings	5,052	3.6
Schroders	4,959	3.5
Royal Dutch Shell	4,832	3.4
GlaxoSmithKline	4,828	3.4
Reynolds American	4,825	3.4
Centrica	4,620	3.3
Reckitt Benckiser Group	4,520	3.2
Astrazeneca	4,437	3.1
Ten largest investments	**49,036**	**34.7**
Pennon Group	4,366	3.1
BP	4,203	3.0
Experian	4,061	2.9
National Grid	4,054	2.9
Unilever	3,976	2.8
Sage Group	3,807	2.7
Jardine Lloyd Thompson	3,766	2.7
Pearson	3,765	2.7
Imperial Tobacco	3,751	2.6
Amlin	3,561	2.5
Twenty largest investments	**88,346**	**62.6**
Provident Financial	3,390	2.4
SSE	3,316	2.3
Severn Trent	2,906	2.1
Compass Group	2,822	2.0
Coca-Cola	2,668	1.9
British Sky Broadcasting Group	2,610	1.8
BG Group	2,534	1.8
W H Smith	2,475	1.8
Nestle	2,374	1.7
Londonmetric Property	2,215	1.6
Thirty largest investments	**115,656**	**82.0**
Microsoft	2,125	1.5
Rathbone Brothers	2,124	1.5
Dairy Crest	2,045	1.4
Diageo	1,965	1.4
ICAP	1,933	1.4
3i Infrastructure	1,844	1.3
Land Securities Group	1,837	1.3
Primary Health Properties	1,780	1.3
Inmarsat	1,702	1.2
Newmont Mining	1,689	1.1

As at 30 September 2013

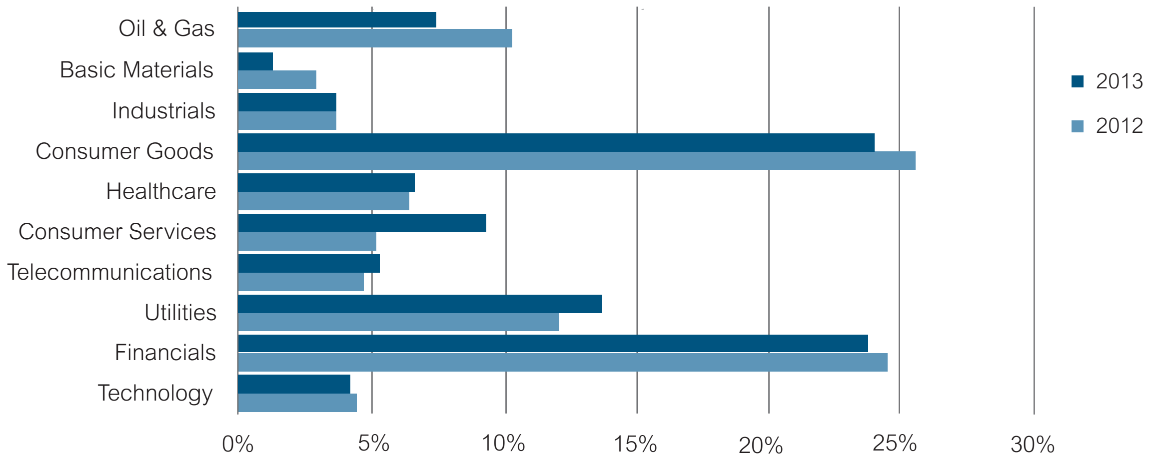
	Valuation 2013 £'000	Total portfolio %
Greggs	1,525	1.1
Associated British Foods	1,362	1.0
Altria Group	1,163	0.8
Paypoint	1,074	0.7
Standard Chartered	1,037	0.7
Total ordinary shares	**140,861**	**99.7**
Preference shares		
Co-operative Bank 9.25%	378	0.3
Total investments	**141,239**	**100**

Distribution of Assets and Liabilities

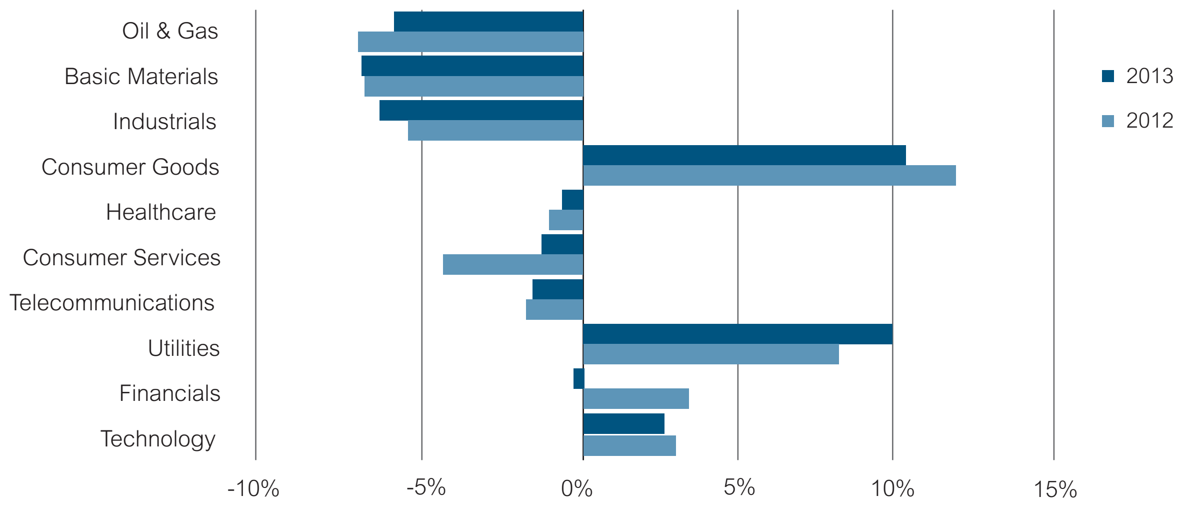
As at 30 September 2013

	Valuation at 30 September 2012 £'000	%	Purchases £'000	Sales £'000	Appreciation/ (depreciation) £'000	Valuation at 30 September 2013 £'000	%
Listed investments							
Ordinary shares	116,267	93.4	21,615	(9,263)	12,242	140,861	96.6
Other fixed interest	2,173	1.7	–	(710)	(1,085)	378	0.3
	118,440	95.1	21,615	(9,973)	11,157	141,239	96.9
Current assets	7,245	5.8				4,927	3.4
Current liabilities	(1,160)	(0.9)				(388)	(0.3)
Net assets	**124,525**	**100.0**				**145,778**	**100.00**
Net asset value per share	**55.18p**					**60.22p**	

Analysis of Listed Equity Portfolio

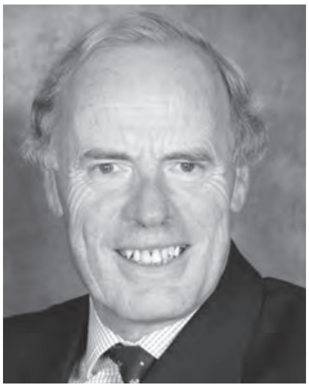


Troy Income & Growth Trust Weightings Relative to the FTSE All-Share Index



Your Board of Directors

The Directors, all of whom are non-executive and independent of the Manager, supervise the management of Troy Income & Growth Trust plc and represent the interests of shareholders.



Ronald G Hanna C.A.

Status: Independent Non-Executive Director – Chairman

Length of Service: 18 years.

Experience and other public company directorships: Non-executive Chairman of A G Barr plc and Chairman of Bowleven plc. Formerly Chief Executive of Bett Brothers plc. Formerly a Director of St. Andrew Trust plc.

Last re-elected to the Board: 18 January 2013.

Committee membership: Audit Committee, Nominations Committee (Chairman).

Remuneration for the financial year: £24,500.

Employment by the Manager: None.

Other connections with Company or Manager: None.

Shared Directorships with any other Company Directors: Bowleven plc.

Shareholding in Company: 214,149 Ordinary shares.

Kevin Hart B.Sc (Hons)

Status: Independent Non-Executive Director.

Length of Service: 10 years.

Experience and other public company directorships: Chief Executive of Bowleven plc. Formerly Group Finance Director of Cairn Energy plc. Former Senior Associate Director of Deutsche Morgan Grenfell Limited and a former Director of Energy Services Hub Limited.

Last re-elected to the Board: 18 January 2013.

Committee membership: Audit Committee, Nominations Committee.

Remuneration for the financial year: £16,250.

Employment by the Manager: None.

Other connections with Company or Manager: None.

Shared Directorships with any other Company Directors: Bowleven plc.

Shareholding in Company: 32,258 Ordinary shares.

David Warnock
B.Comm (Hons), C.Dip.A.F.

Status: Independent Non-Executive Director.

Length of Service: 3 years.

Experience and other public company directorships: Non-executive Director of British Polythene Industries PLC and Standard Life European Private Equity Trust PLC. Former partner in investment managers Aberforth Partners LLP.

Last elected to the Board: 18 January 2013.

Committee membership: Audit Committee, Nominations Committee.

Remuneration for the financial year: £16,250.

Employment by the Manager: None.

Other connections with Company or Manager: None.

Shared Directorships with any other Company Directors: None.

Shareholding in Company: 400,000 Ordinary shares.

Jann Brown
M.A.(Hons), C.A., C.T.A.

Status: Independent Non-Executive Director.

Length of Service: 11 months.

Experience and other public company directorships: Managing Director and Chief Financial Officer of Cairn Energy PLC. Former Senior Independent Director of Hansen Transmissions International N.V.

Appointed to the Board: 18 January 2013.

Committee membership: Audit Committee, Nominations Committee.

Remuneration for the financial year: £13,086.

Employment by the Manager: None.

Other connections with Company or Manager: None.

Shared Directorships with any other Company Directors: None.

Shareholding in Company: none.

Strategic Report

Strategy

As noted in the Chairman's Statement the Company's objective is to provide an attractive income yield and the prospect of income and capital growth through investing in a portfolio of predominantly UK equities.

Business Model

The Company carries on business as an investment trust. Investment trusts are collective investment vehicles, constituted as closed-ended public limited companies.

The Company is managed by a board of non-executive directors and they are responsible for the overall stewardship of the Company, including investment objectives and strategy, investment policy, gearing, dividends, corporate governance procedures and risk management. (Biographies of the Directors can be found on pages 11 and 12.) The management of the Company's investments is delegated to an independent investment manager and the day to day administration of the Company's records is delegated to an independent administration company

The Board has contractually delegated the management of the investment portfolio to the Manager, Troy Asset Management Ltd ("Troy") who follow the investment objective and policy in implementing that mandate. The administration has been delegated to Personal Assets Trust Administration Company Ltd. A summary of the terms of the Management and Administration Agreements is contained in the Directors' Report on pages 17.

Investment Objective and Policy

Following shareholder approval at an extraordinary general meeting held on 17 September 2009, the Company's investment objective is to provide shareholders with an attractive income yield and the prospect of income and capital growth through investing in a portfolio of predominantly UK equities.

Equities are selected for their inclusion within the portfolio solely on the basis of the strength of the investment case with the focus being on long term income growth along with capital preservation.

Asset classes other than equities will be purchased from time to time and will vary as opportunities are identified and will include convertibles, preference shares, fixed income securities and corporate bonds. Investments will be made when prospective returns appear to be superior to those from equity markets or are considered likely to exceed the Company's cost of capital including any borrowing costs. However, non-equity securities will not constitute the majority of the portfolio. The Company may also use derivatives for the purpose of efficient portfolio management, including reducing, transferring or eliminating investment risk in its investments and protection against currency risk, to exploit an investment opportunity and to achieve an overall return.

There are no pre-defined maximum or minimum exposure levels for asset classes but these exposures are reported to, and monitored by, the Board in order to ensure that adequate diversification is achieved. The Company is permitted to hold up to 15 per cent of gross assets in non-UK investments.

The Company does from time to time invest in other UK listed investment companies but the Company will not invest more than 15 per cent of gross assets in other listed investment companies.

The portfolio will be relatively concentrated and the number of individual holdings in equities and funds will vary over time but, in order to diversify risk, will typically be between 30 and 50. The Board monitors the aggregate exposure to any one equity across the whole investment portfolio.

While there is a comparative index for the purpose of measuring performance over material periods, no attention is paid to the composition of this index when constructing the portfolio and the composition of the portfolio is likely to vary substantially from that of the index.

The Company may utilise gearing in a tactical and flexible manner to enhance returns to shareholders. As an investment trust, the Company is able to borrow money and does so when the Board and the Manager have sufficient conviction that the assets funded by borrowed monies will generate a return in excess of the cost of borrowing. Such gearing may be in the form of bank borrowings or through derivative instruments which provide a geared exposure to equity markets. Gearing levels are discussed by the Board and the Manager at every Board meeting and monitored between meetings and adjusted accordingly with regard to the outlook. No gearing was in place at the year end, however the Board currently intends that if it did decide to utilise gearing the aggregate borrowings of the Company will be up to 15 per cent of net assets immediately following drawdown, with a maximum level of aggregate borrowings of 25 per cent of net assets immediately following drawdown. The Board will, however, retain flexibility to increase or decrease the level of the Company's gearing to take account of changing market circumstances and in pursuit of the Company's investment policy.

Investment Strategy

To facilitate the achievement of the Company's objective the day to day management of the Company's assets have been delegated to the Manager. Troy is an independent fund management company aiming to generate absolute returns for investors over the longer term. Troy seeks to preserve and build investors' wealth by constructing conservative portfolios for the long term which demonstrate lower than average volatility.

Although not part of the investment policy the following guidelines have been adopted by the Company in seeking to achieve its objective:

- It is intended that the Company will generally remain fully invested but the Company will retain the ability to hold cash or cash equivalents from time to time. Troy's commitment to capital preservation means that the level of cash held in portfolios which it manages has always been an active investment decision.
- Various guidelines to limit the portfolio exposure have been set by the Board in conjunction with the Manager. These (which may be varied only with the permission of the Board) include:
  - Overseas investments not to exceed 15% of gross assets;
  - UK equity portfolio to comprise between 30 and 50 individual holdings;
  - No more than 6% of gross assets in any one FTSE 100 stock;
  - No more than 3% of gross assets in any one FTSE Mid 250 stock;
  - No more than 2% of gross assets in any one FTSE small cap or AIM stock;
  - No more than 20% of gross assets in any one FTSE Industry Sector.
- A discount policy was introduced with effect from the conclusion of the AGM held on 14 January 2010. This policy is to ensure that the Ordinary shares trade at close to net asset value through a combination of share buy-backs and the issue of new Ordinary shares at a premium to net asset value where demand exceeds supply. Further details of the operation of this policy are contained in the Director's report on page 18.

Monitoring Performance – Key Performance Indicators

At each Board meeting the Directors consider a number of performance indicators to assess the Company's success in achieving its objectives, which include absolute and relative performance compared to market indices and the peer group. The key performance indicators ("KPIs") are established industry measures, and are as follows:

- net asset value total return
- share price total return
- the premium/discount at which the shares trade
- expenses and the ongoing charges ratio
- liquidity and dividend cover

Key performance indicators are shown in the financial highlights on pages 1 and 2 with historic performance data on pages 2 and 3.

Performance and Future Development

A review of the business performance, market background, investment activity and portfolio during the year under review, together with the investment outlook, are provided in the Chairman's Statement and the Manager's Review on pages 4 to 7.

Details of the Company's investments can be found on pages 8 and 9 with the distribution of assets and liabilities on page 10.

Risk Management

The Directors are responsible for supervising the overall management of the Company, whilst the day-to-day management of the Company's assets has been delegated to the Manager. Portfolio exposure has been limited by the guidelines which are detailed within the Investment Strategy section above.

The principal risks facing the Company relate to the Company's investment activities and these risks include the following:

- performance and market risk
- resource risk
- operational risk

An explanation of these principal risks and how they are managed are set out below, with disclosures of financial risk set out in note 15 on page 44.

- Performance and market risk – The Board is responsible for deciding the investment strategy to fulfil the Company's objective and monitoring the performance of the Manager. An inappropriate strategy may lead to underperformance against the appropriate benchmark. To manage this risk the Manager provides an explanation of significant stock selection decisions and the rationale for the composition of the investment portfolio. The Board monitors and maintains an adequate spread of investments in order to minimise the risks or factors specific to particular sectors, based on the diversification requirements inherent in the Company's investment policy. The Board also receives and reviews regular reports showing an analysis of the Company's performance against the FTSE All-Share Index (total return) and its peer group.
- Resource risk – Like most other investment trusts, the Company has no employees. The Company therefore relies on services provided by third parties, including, in particular, the Manager, to whom responsibility for the management of the Company has been delegated under an investment management agreement (the "Agreement") (further details of which are set out on page 17). The terms of the Agreement cover the necessary duties and conditions expected of the Manager. The Board reviews the performance of the Manager on a regular basis and their compliance with the Agreement on an annual basis.
- Operational risk – As the Company relies upon the services provided by third parties it is dependent upon the control systems of the Manager and the Company's other service providers. The security, for example, of the Company's assets, dealing procedures, accounting records and maintenance of regulatory and legal requirements, depend on the effective operation of these systems. These are regularly tested and monitored.

Other risks faced by the Company include the following:

- breach of regulatory rules which could lead to the suspension of the Company's London Stock Exchange listing, financial penalties or a qualified audit report.
- breach of Section 1159 of the Corporation Tax Act 2010 which could lead to the Company being subject to tax on capital gains.

Social, Community, Employee Responsibilities and Environmental Policy

The Directors recognise that their first duty is to act in the best financial interests of the Company's shareholders and to achieve good financial returns against acceptable levels of risk, in accordance with the objectives of the Company.

In asking the Company's Manager to deliver against these objectives, they have also requested that the Manager take into account the broader social, ethical and environmental issues of companies within the Company's portfolio, acknowledging that companies failing to manage these issues adequately run a long term risk to the sustainability of their businesses.

More specifically, they expect companies to demonstrate ethical conduct, effective management of their stakeholder relationships, responsible management and mitigation of social and environmental impacts, as well as due regard for wider societal issues.

As an investment trust with its current structure the Company has no direct social, community, employee or environmental responsibilities of its own.

The Company has no greenhouse gas emissions to report from its operations for the year ended 30 September 2013, nor does it have responsibility for any other emissions producing sources under the Companies Act 2006 (Strategic Report and Directors' Reports) Regulations 2013 (including those within the underlying investment portfolio).

At 30 September 2013 there were three male Directors and one female Director. The Company has no employees so does not require to report further on gender diversity.

By Order of the Board

Steven Cowie C.A.
Secretary

29 November 2013

Directors' Report

Status of the Company

The Company, which was incorporated in 1988 (Registration No. SC 111955), has received approval as an investment trust by HM Revenue & Customs for all accounting periods up to and including 30 September 2012. It has also received approval from HM Revenue & Customs as an investment trust company under Sections 1158 and 1159 of the Corporation Tax Act 2010 from 1 October 2012 and has since conducted its affairs so as to enable it to retain such approved status.

Results and Dividends

The financial statements for the year ended 30 September 2013 appear on pages 31 to 50. Dividends in respect of the year amounted to 2.125p per share (2012 – 2.025p). The fourth interim dividend of 0.55p per share announced on 23 September 2013 (2012 – fifth interim 0.125p) will be accounted for in the financial year ending on 30 September 2014.

Share Capital

At the Annual General Meeting ("AGM") held on 18 January 2013, shareholders approved the renewal of the authority permitting the Company to make market purchases of its own Ordinary shares. This authority (which, unless renewed, will expire at the conclusion of the Company's forthcoming AGM) is limited to Ordinary shares with a maximum aggregate nominal value of £8,704,859 (being equal to approximately 14.99% of the Ordinary shares in issue as at 18 January 2013). It is proposed that this authority will be renewed at the Company's forthcoming AGM (see Annual General Meeting on page 52). During the year ended 30 September 2013 no Ordinary shares were purchased and no Ordinary shares were re-issued. The issued share capital at 30 September 2013 consisted of 242,057,445 Ordinary shares of 25p each and there were no Ordinary shares held in treasury. As at the date of this report the issued share capital consisted of 238,007,445 Ordinary shares of 25p each and there were 4,050,000 Ordinary shares held in treasury. Each holder of Ordinary shares, excluding treasury shares, is entitled to one vote on a show of hands and, on a poll, to one vote for every Ordinary share held.

Directors

Details of the current Directors are set out on pages 11 and 12. All held office throughout the year with the exception of Ms J Brown who was appointed a Director on 18 January 2013. Mr Boyd retired at the conclusion of the AGM on 18 January 2013. Following best practice the Directors have decided to submit themselves for re-election each year. The Board supports the candidature of the Directors for the reasons described in the Corporate Governance section below. Mr Hanna, who will retire at the conclusion of the AGM in January 2014, will not stand for re-election.

There were no contracts during or at the end of the year in which any Director was materially interested. No Director had a material interest in any investment in which the Company itself had a material interest.

Directors' and Officers' Liability Insurance/Directors' Indemnity Agreements

The Company maintains insurance in respect of Directors' and Officers' liabilities in relation to their acts on behalf of the Company. The Company's articles of association provide that any Director or other Officer of the Company is to be indemnified out of the assets of the Company against any liability incurred by him or her as a Director or other Officer of the Company to the extent permitted by law. In addition the Company has entered into individual Director's Indemnity agreements with each Director.

Substantial Interests

As at 30 September 2013 the Company had received notification of the following interests in the Ordinary share capital of the Company:

Shareholder	Number of shares held	% held
Brewin Dolphin	31,506,742	13.02
Rathbone Brothers plc	11,442,398	4.73
Lloyds Banking Group	9,184,844	3.79
Troy Asset Management clients*	7,667,947	3.17

* including the interests of Francis Brooke referred to on page 17.

There have been no notifications of changes in interest since 30 September 2013 up to the date of this report.

Manager

With effect from 1 August 2009, investment management services are provided to the Company by Troy. From 1 October 2012 the fee is at an annual rate of 0.75% of the Company's net assets up to £175 million and at an annual rate of 0.65% of the Company's net assets at or above £175 million. The key terms of the investment management agreement (including details of the arrangements relating to the termination of the Manager's appointment) are set out in the section entitled ''Investment Management Agreement'' below.

Investment Management Agreement

Details of the fee charged by Troy in the financial year and how it is calculated are set out in note 3 to the financial statements. The Board believes the fee charged by Troy is competitive by comparison with other investment trusts with a similar investment mandate and is priced appropriately given the level of service provided by the Manager.

The contract between the Company and Troy may be terminated by either party on six months' notice. No compensation is payable to the Manager in the event of termination of the contract over and above payment in respect of the required minimum notice.

The contract is also terminable summarily by either party in the event of material breach by the other party; the occurrence of certain events suggesting the insolvency of the other party or relating to the winding up of the other party; the serious misconduct, negligence, wilful default, or fraud of the other party; or the Company being the subject of any reconstruction or amalgamation following a continuation vote having failed to be passed by the Company in general meeting and/or the Company being wound up, liquidated or dissolved. In addition, the Company is entitled to terminate the contract summarily (a) if Francis Brooke ceases to be a full-time executive of Troy, (b) if Troy ceases to have the appropriate FCA authorisation to manage the Company's assets, (c) if Troy or any of its employees or associates is involved in any conduct which is materially prejudicial to the interests of the Company, (d) if Troy undergoes a change of control (other than through a change of control whereby the existing management team of Sebastian Lyon, Francis Brooke and Simon de Zoete increases its aggregate holding in Troy to more than 50 per cent of the voting rights or through a change of control which does not involve a change of control of the Manager's ultimate holding company), (e) if the Company ceases to satisfy the conditions for approval as an investment trust by reason of the Manager's negligence or wilful default or (f) if an FCA audit or investigation gives rise to an adverse finding in relation to any significant aspect of the Manager's business which might be expected to have a materially adverse effect on the Company's business or reputation.

The Board considers the continuing appointment of the Manager to be in the best interests of the shareholders at this time. The Board believes Troy has the skills and experience appropriate to achieving the Company's investment objective.

As at 29 November 2013, Francis Brooke held 1,500,000 Ordinary shares in the Company.

Company Secretary

On 1 July 2010 Personal Assets Trust Administration Company Ltd ("PATAC") was appointed to provide Company Secretarial, accounting and administrative services, for an annual fee of £95,000 payable quarterly in advance. The appointment is terminable on three months' notice. This fee is adjusted annually by the higher of the increase in the Retail Price Index or the Consumer Price Index and is currently £105,927 per annum.

Corporate Governance

The Statement of Corporate Governance is set out on pages 21 to 24 and forms part of this report.

Audit Committee

Details of the Audit Committee are contained within the Statement of Corporate Governance on page 22.

The Alternative Investment Fund Managers Directive (AIFMD)

The AIFMD is European legislation which will create a European-wide framework for regulating managers of "alternative investment funds", which includes investment trusts. It was written into UK legislation with effect from 22 July 2013. There is a one year transition period for the Company to comply with the provisions of this directive, which include appointing an alternative investment fund manager ("AIFM") and may require the appointment of an independent depositary, who would provide an independent monitoring role to ensure the Company complies with the regulations. The Board anticipates no problem in being in a position to comply with the implications of this legislation for the Company and will keep shareholders informed of developments.

Directors' Report (continued)

Going Concern

The Company's articles of association require that at every fifth AGM of the Company an ordinary resolution be put to shareholders asking them to approve the continuation of the Company. Although such a resolution was passed at the AGM on 14 January 2010, the next resolution will require to be proposed at the AGM on 23 January 2014.

The Directors are committed to the continuation of the Company in its current form, and through a series of conversations with key investors, led by the Company's brokers, they have a reasonable expectation that the continuation resolution will be approved.

The assets of the Company consist mainly of securities which are readily realisable and accordingly the Company has adequate financial resources to continue in operational existence for the foreseeable future. In reaching this view, the Directors reviewed the level of expenditure of the Company against the cash and asset liquidity within the portfolio.

For these reasons the Directors believe that it is appropriate to continue to adopt the going concern basis in preparing the financial statements.

The ongoing validity of the going concern basis depends on the outcome of the continuation vote, on which the Board is recommending that shareholders vote in favour. In particular, no provision has been made for the costs of winding-up the Company or liquidating its investments in the event that the resolution is not passed.

Auditor

The Auditor, Ernst & Young LLP, has expressed its willingness to continue in office. Resolution 7, to re-appoint Ernst & Young LLP as the Company's Auditor, will be put to the forthcoming Annual General Meeting along with Resolution 8, to authorise the Directors to determine their remuneration. The Directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's Auditor is unaware; and each Director has taken all the steps that he or she ought to have taken as a Director to make himself or herself aware of any relevant audit information, and to establish that the Company's Auditor is aware of that information.

Discount Policy

The Company's discount policy is to ensure that the Ordinary shares trade at close to net asset value through a combination of share buy-backs and the issue of new Ordinary shares at a premium to net asset value where demand exceeds supply.

This discount control mechanism is operated by Troy for a fee (additional to its investment management fee) of £30,000 per annum (excluding VAT) and this has been charged to the share premium account.

The Directors will continue to seek the renewal of the Company's authority to buy back Ordinary shares annually and at other times should this prove necessary. Any buy-back of Ordinary shares will be made subject to the Companies Act 2006 and within guidelines established from time to time by the Board and the making and timing of any buy-backs will be at the absolute discretion of the Board. The Directors will be authorised to cancel any Ordinary shares purchased under such authority or to hold them in treasury. Purchases of Ordinary shares will only be made through the market for cash at prices below the prevailing net asset value of the Ordinary shares (as last published). Such purchases will also only be made in accordance with the rules of the UK Listing Authority which provide that the price to be paid must not be less than the nominal value of an Ordinary share nor more than the higher of (a) 5% above the average of the middle market quotations for the Ordinary shares for the five business days before the purchase is made and (b) the higher of the price of the last independent trade and the highest current independent bid relating to an Ordinary share on the trading venue where the purchase is carried out.

It is the intention of the Directors that the share buy-back authority is used to purchase Ordinary shares if the middle market price for a Share is below the net asset value per Ordinary share most recently published by the Company (taking into account any rights to which the Ordinary shares are trading "ex"). However, nothing in this discount policy will require the Directors to take any steps that would require the Company to make a tender offer for its shares or to publish a prospectus. Notwithstanding this discount policy, there is no guarantee that the Ordinary shares will trade at close to the net asset value per Ordinary share. Shareholders should note that this discount policy could lead to a reduction in the size of the Company over time.

Annual General Meeting

Capital Reserves and Share Premium Account

Certain statutory rules governing investment trusts and companies were amended in 2012. In particular, the rule which prohibited an investment trust from distributing any surplus arising from the realisation of its investments was repealed. In compliance with the previous statutory regime, the Company has a provision in its Articles of Association ("Articles") which expressly prohibits the distribution of any surplus arising from the realisation of any investment. In light of the amended statutory rules, the Board no longer considers it appropriate to have such a prohibition in the Articles and therefore proposes that it is removed. Resolution 14 will, if passed, remove this prohibition by amending Article 138.

The Board believes that the removal of this restriction will give the Company greater flexibility in the long term as it will enable the Company to make distributions from any surplus arising from the realisation of any investment. However, the Board has no intention of exercising this authority at the current time and, as explained below, the deficit on the realised capital reserve currently prevents any distribution of surpluses arising from the realisation of investments.

As at 30 September 2013 the realised capital reserve of the Company stood at a deficit of £36,200,000, mainly as a result of the losses incurred in the year to 30 September 2009. To eliminate this deficit the Directors are therefore seeking shareholder approval to cancel the share premium account to create a distributable capital reserve and authorise the use of the special reserve for buy backs and capital distributions. At 30 September 2013 the Company's Share Premium Account was £36,432,000 and the Special Reserve was £58,163,000. These changes will be subject to approval of the Court of Session in Scotland and are also dependent upon the passing of resolutions 14 and 15 as set out in the Notice of Annual General Meeting on page 52.

AIFMD

The Board is also proposing to make amendments to the Articles in response to the AIFMD Regulations coming into force.

The principal changes proposed to be introduced in the Articles, and their effect, are set out below.

(i) The Articles will now provide that the NAV of the Company shall be calculated at least annually and be disclosed to Shareholders from time to time in such manner as may be determined by the Board. The amendment will have no bearing on current practice and simply articulates the minimum requirements of the AIFMD Regulations.

(ii) The Articles will now provide that the Company's annual report and accounts may be prepared either in accordance with generally acceptable accounting principles of the UK or such other international accounting standards as may be permitted under the law of the UK. The amendment will have no bearing on current practice and simply articulates the minimum requirements of the AIFMD Regulations.

(iii) The AIFMD Regulations require that prior to any new or existing investor making an investment in the Company certain prescribed information is to be made available to them. Therefore, the Articles will include language with the effect that such information shall be made available to prospective and existing Shareholders from time to time in such manner as may be determined by the Board (including, in certain cases, on the Company's website or by electronic notice).

(iv) The AIFMD Regulations require that the Company has a depositary other than in certain limited circumstances. Under the AIFMD Regulations, the depositary has strict liability for the loss of the Company's financial assets in respect of which it has safe-keeping duties. This rule applies even where the depositary has delegated the actual custody of an asset to another entity. The Company may wish to hold assets in a country where the depositary is required by local law to use a local sub-custodian to hold the relevant asset. The depositary may not wish the Company to acquire or retain such an asset, unless it can discharge its strict liability to the local sub-custodian. A discharge of strict liability in these circumstances will only be possible if the Company's 'rules or instruments of incorporation' (for example, the Articles) permit such a discharge. The Board is cognisant that situations may arise where allowing the depositary to discharge its strict liability will be commercially necessary. An amendment to the Articles is therefore proposed with the effect of enabling the Board, should the need arise and subject to applicable laws, to allow a depositary to discharge its strict liability for loss of certain of the Company's assets. This proposed amendment provides the Company with commercial flexibility and the Board will exercise its discretion in the usual way in determining whether or not to provide such a discharge.

(v) In line with early guidance from the Financial Conduct Authority, the Articles will now provide that valuation of the Company's assets shall be performed in accordance with prevailing accounting standards.

A copy of the new Articles is available for inspection at the registered office of the Company and at the offices of Dickson Minto W.S. at 20 Primrose Street, London EC2A 2EW during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) from the Notice of the AGM until the conclusion of the AGM and at the place of the forthcoming AGM for at least 15 minutes before and during the meeting.

Ordinary Business

In addition to the resolutions referred to above, the resolutions being put to the Annual General Meeting of the Company to be held on 23 January 2014 also include the following:

(i) Section 551 authority to allot shares

Resolution 10, which is an ordinary resolution, will, if approved, give the Directors a general authority to allot new securities up to an aggregate nominal value of £19,833,900, representing approximately one third of the total Ordinary share capital of the Company in issue (excluding treasury shares) as at the date of this document, such authority to expire on 31 March 2015 or, if earlier, at the conclusion of the next Annual General Meeting of the Company (unless previously revoked, varied or extended by the Company in general meeting).

The Directors issue new shares only when they believe it is advantageous to the Company's shareholders to do so and for the purposes of operating the Company's discount policy. In no circumstances would such issue of new shares result in a dilution of net asset value per share.

(ii) Disapplication of Pre-emption Provisions

Resolution 11 is to enable the Directors to issue new shares and to resell shares held in treasury up to an aggregate nominal amount of £6,051,400 (representing approximately 10 per cent of the total Ordinary share capital in issue (including treasury shares) as at the date of this document). Resolution 11, which is a special resolution, will, if approved, give the Directors power to allot Ordinary shares (including Ordinary shares held in treasury) for cash, otherwise than pro rata to existing shareholders, up to a maximum aggregate nominal amount of £6,051,400. Ordinary shares would only be issued for cash at a price not less than the net asset value per share. This authority will expire on 31 March 2015 or, if earlier, at the conclusion of the next Annual General Meeting of the Company (unless previously revoked, varied or extended by the Company in general meeting). As noted, this disapplication of pre-emption rights also applies in respect of treasury shares which the Company may sell. It is the intention of the Board that the resale of any treasury shares would take place at a price of not less than the net asset value prevailing at the date of sale.

(iii) Purchase of the Company's own Ordinary shares

Resolution 12, which is a special resolution, will be proposed to renew the Company's authorisation to make market purchases of its own shares. The maximum number of Ordinary shares which may be purchased pursuant to the authority shall be 14.99% of the issued share capital of the Company as at the date of the passing of the resolution (approximately 35.6 million Ordinary shares). This authority will expire on 31 March 2015 or, if earlier, at the conclusion of the next Annual General Meeting of the Company (unless previously revoked, varied or extended by the Company in general meeting). Further details in relation to the Board's discount policy including the details about the minimum and maximum price to be paid are set out on page 18.

(iv) Notice period for general meetings

Resolution 13 is required to reflect the coming into force of the Shareholders' Rights Regulations. The Shareholders' Rights Regulations, which amend the Companies Act 2006, increase the notice period for general meetings of the Company to 21 days. The Company's Articles of Association enable the Company to call general meetings (other than an annual general meeting) on 14 clear days' notice. In order for this to be effective, the shareholders must also approve annually the calling of meetings other than Annual General Meetings on 14 days' notice. The approval will be effective until the Company's next Annual General Meeting, when it is intended that a similar resolution will be proposed. The Company will also need to meet the requirements for electronic voting under the Companies Act 2006 (as amended by the Shareholders' Rights Regulations), offering facilities for all shareholders to vote by electronic means before it can call a general meeting on 14 days' notice. The Directors believe it is in the best interests of the shareholders of the Company to preserve the shorter notice period, although it is intended that this flexibility will be used only for non-routine business and where merited in the interests of shareholders as a whole.

Recommendation

The Board unanimously recommends you to vote in favour of the resolutions to be proposed at the AGM as it is their view that the resolutions are in the best interests of shareholders as a whole.

By Order of the Board

Steven Cowie C.A.
Secretary
29 November 2013

Statement of Corporate Governance

The Board has considered the principles and recommendations of the AIC Code of Corporate Governance ("AIC Code") by reference to the AIC Corporate Governance Guide for Investment Companies ("AIC Guide"). The AIC Code, as explained by the AIC Guide, addresses all the principles set out in the UK Corporate Governance Code, as well as setting out additional principles and recommendations on issues that are of specific relevance to the Company. The AIC Code issued in February 2013 can be obtained from the AIC website at www.theaic.co.uk.

The Board considers that reporting against the principles and recommendations of the AIC Code, and by reference to the AIC Guide (which incorporates the UK Corporate Governance Code), will provide better information to shareholders.

The Company has complied with the recommendations of the AIC Code and the relevant provisions of the UK Corporate Governance Code, except as set out below. The UK Corporate Governance Code includes provisions relating to:

- The role of the chief executive
- Executive Directors' remuneration
- The need for an internal audit function

For the reasons set out in the AIC Guide, and as explained in the UK Corporate Governance Code, the Board considers these provisions are not relevant to the position of the Company, being an externally managed investment company. The Company has therefore not reported further in respect of these provisions.

The Board

The Board currently consists of four non-executive Directors. Given the size and composition of the Board it is not felt necessary to separate the roles of the Chairman and Senior Independent Director. Biographies of the Directors appear on pages 11 and 12 which demonstrate the wide range of skills and experience each brings to the Board. Each Director has signed a letter of appointment to formalise in writing the terms of their engagement as a non-executive Director. Copies of these letters are available for inspection at the registered office of the Company during normal business hours and will also be available for fifteen minutes prior to and during the Annual General Meeting.

The Board regularly reviews the independence of its members and, having due regard to the definitions and current AIC guidelines on independence, considers all Directors to be independent of the Company's Manager. The Board takes the view that independence is not compromised by length of tenure and that experience and continuity can add significantly to the Board's strength. The Board has considered the independence of Mr Hanna and Mr Hart with particular care and feels they display all the characteristics of independence and can be relied upon so to act at all times. Mr Hart will continue to be subject to re-election on an annual basis.

The Board undertakes a formal and rigorous annual evaluation of its own performance and that of its committees and individual Directors. In order to review its effectiveness, the Board carries out a process of formal self appraisal. The Directors consider how the Board functions as a whole and also review the individual performance of its members. This process is led by the Chairman and encompasses quantitative and qualitative measures of performance implemented by way of an evaluation survey questionnaire and Board discussion. The performance of the Chairman is reviewed by the other Directors. These reviews form the basis of the decision on whether or not Directors are nominated for re-election. These processes have been carried out in respect of the year under review and will be conducted on an annual basis.

Based on these reviews the Board believes that it continues to operate in an efficient and effective manner, has a balanced range of skills and experience, with each Director making a significant contribution to the performance of the Company. Given this, the Board recommends the election of Ms Brown and the re-election of Mr Hart and Mr Warnock.

Directors have attended Board and Committee meetings during the year ended 30 September 2013, as follows:

Director	Board Meetings Attended	Audit Committee Meetings Attended	Nominations Committee Meetings Attended
R G Hanna	3/4	1/2	2/2
J Brown	2/2	1/1	1/1
K Hart	3/4	1/2	2/2
D Warnock	4/4	2/2	2/2

The Board has appointed Troy to manage the Company's investment portfolio within guidelines set by the Board. The Board has appointed PATAC to provide accounting and secretarial services from 1 July 2010. PATAC provides the Board with monthly reports on the Company's activities. In the case of Board meetings, the information includes the investment manager's review, statistics analysing the Company's performance relative to its benchmark, peers and various stock market indicators, details on investments purchased and sold, projections of future income from investments, gearing and cash management details.

The Board has a formal schedule of matters specifically reserved to it for decision. These are discussed at regular intervals (at least once per annum) and comprise corporate matters, the Company's objective, advisers, the Manager and the management agreement. When necessary, the Manager is requested to withdraw so that the Directors may discuss matters in private. There is an agreed procedure for Directors to take independent professional advice if necessary and at the Company's expense. This is in addition to the access which every Director has to the advice of the Company Secretary and PATAC.

The Board has appointed two committees to cover specific operations as set out below. Copies of the terms of reference of each committee are available on request from PATAC and will also be available at the Annual General Meeting.

Audit Committee

The Audit Committee comprises all of the Directors of the Company. The Board considers that it is appropriate for all Directors to be members of the Committee owing to the size and composition of the Board. The Audit Committee met twice in 2013 to coincide with the interim and annual reporting and audit cycle. The Chairman is Ms Brown.

The principal role of the Audit Committee is to review the annual and interim financial statements and the accounting policies applied therein and ensure compliance with financial and regulatory reporting requirements. During the year, the Audit Committee has maintained its focus on both the Internal Control environment and in ensuring that the accounting is in accordance with International Financial Reporting Standards and represents a true and fair view of the results of the Company.

At the request of the Board the Audit Committee has been asked to advise the Board whether the annual report and accounts, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's performance, business model and strategy.

The Audit Committee has reviewed the Annual Report and Accounts and is satisfied that, taken as a whole, they are fair, balanced and understandable. In reaching this conclusion, the Committee has assumed that the reader of the Annual Report and Accounts would have a reasonable level of knowledge of the investment industry in general and of investment trusts in particular.

The Committee places great importance on ensuring high standards of both quality and effectiveness in the external audit process.

Audit quality is reviewed throughout the year with a focus on strong audit governance: the audit firm's methodology and its effective application to the Company; a robust challenge by the auditor on any area which requires management judgement; and the quality of the senior members of the team.

The effectiveness of the audit has also been assessed by a number of measures including, but not limited to:

– reviewing the quality and scope of the audit planning;

– monitoring the independence and transparency of the audit; and

– seeking feedback from the auditor on any external or internal quality reviews of our audit.

In addition, at the end of the audit for the year, the Committee has used a questionnaire to evaluate the performance of the auditors. No significant issues were identified.

The external auditor, Ernst & Young LLP, whose continued appointment is also reviewed and ratified by the Audit Committee, attended one of the meetings of the Audit Committee. In addition the Committee reviewed the independence of the external auditor.

In completing this review, the Audit Committee has taken into account the standing, experience and tenure of the Audit Partner, the nature and level of service provided and confirmation that they have complied with relevant UK independence guidelines. The current Auditors were first appointed in the year to 30 September 2006. The Audit Partner rotates every five years in accordance with ethical guidance and 2013 is the third year of the current partner.

In the course of finalising the accounts, the Committee focussed its discussions on two significant issues:

- The calculation and allocation of the management fee paid to Troy (the terms of which are set out on page 38 of this report). An incorrect calculation or allocation could impact on the stated profit for the year. On the basis of the work done, and from conversations with and written reporting from the auditors, we are comfortable that the fee has been both properly calculated and allocated in accordance with our policy.
- The use of the going concern basis of accounting. At the AGM in January of next year, there will be a vote on the continuation of the Company. A vote against this resolution would mean the wind up of the Company, making the going concern basis inappropriate. Through a series of conversations with key investors, led by the Company's brokers, the Company has a reasonable expectation that the continuation resolution will be approved by shareholders. As there are no other issues which would indicate otherwise, the accounts have therefore been prepared on the going concern basis.

The Audit Committee also reviewed the provision of non-audit services by the auditor. For the year ended 30 September 2013, these fees amounted to £8,000 (2012: £52,000) and relate to the provision of taxation services. The Audit Committee consider that the provision of such services is cost effective and does not impair the independence of Ernst & Young LLP whom they consider to be independent both of the Company and the Manager in all respects

The Audit Committee's responsibilities also include reviewing the arrangements in place within Troy and PATAC whereby their staff may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters insofar as they may affect the Company.

Nominations Committee

The Nominations Committee, which comprises all Directors of the Company, considers the appointment of new Directors bearing in mind the balance of skills, knowledge, experience and diversity existing on the Board. It is not considered appropriate for the Company to have set targets in relation to diversity; candidates will be assessed in relation to the relevant needs of the Company at the time of appointment. Once a decision is made to recruit additional directors to the Board, a job description is drawn up and each director is invited to submit nominations and these are considered by the Committee. It is considered that this is the most appropriate method of facilitating Board appointments and was the method used in appointing Ms Jann Brown. However, external agencies may also be used if the Committee considers that there are no suitable nominations.

Under the Articles of Association new Directors are subject to re-election at the first Annual General Meeting after their appointment. Directors do not have a service contract or fixed term in office but in accordance with best practice the Board has decided that all Directors will submit themselves for re-election annually. As the composition of the Board is expected to reflect a breadth of commercial, professional and industrial experience, new Directors are provided with sufficient guidance and instruction to enable them to understand the economic environment in which investment trusts operate and carry out an effective and objective evaluation of the Company's performance therein. Two meetings of the Nominations Committee were held in the period.

Remuneration Committee

As noted in the Directors' Remuneration Report on pages 26 and 27, the Board as a whole reviews and sets the rates of remuneration payable to each Director, and therefore no separate Remuneration Committee has been constituted.

Management Engagement Committee

The Board does not deem it necessary to constitute a separate Management Engagement Committee. The Board as a whole reviews the Manager and the management agreement annually. Details of the management agreement are shown on page 17.

Statement of Corporate Governance (continued)

Relations with Shareholders

The Board regularly monitors the shareholder profile of the Company and the Company reports formally to shareholders twice a year by way of the Annual and Interim Report. All shareholders have the opportunity to attend and vote at Annual General Meetings at which Directors and the Manager are available to discuss key issues affecting the Company. Troy also conducts meetings with shareholders to discuss issues relating to the Company and also to give them the opportunity to meet the Board, if requested.

As recommended by the AIC Code, the Company makes available the proxy votes cast at general meetings. In addition the aim is to give at least twenty working days' notice to shareholders of the Annual General Meeting.

Internal Control

The Board is ultimately responsible for the Company's system of internal control and for reviewing its effectiveness. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can provide only reasonable and not absolute assurance against material misstatement or loss.

It is a requirement that the Board reviews the effectiveness of the Company's system of internal controls at least annually, comprising all controls including financial, operational, compliance and risk management. To achieve this, the Board has in place regular review procedures for the identification, evaluation and management of significant risks to the Company in accordance with the Financial Reporting Council's guidance document "Internal Control: Revised Guidance for Directors on the Combined Code". This process has been in place throughout the year under review and up to the date of approval of the Annual Report.

The Board has delegated certain functions. The main service providers are Troy, the Manager; PATAC, the Secretary and administrator; HSBC Bank plc, the Custodian; and Equiniti Limited, the Registrars. Troy and PATAC provide the Board with regular reports, which cover investment activities and financial matters, and with periodic reports on the control procedures and the system of internal financial control. An independent custodian, HSBC Bank plc, is appointed to safeguard the Company's investments, which are registered in the name of the custodian's nominee company.

Proxy Voting and Stewardship

The Financial Reporting Council ("FRC") published "the UK Stewardship Code" for institutional shareholders in July 2010 and revised it in September 2012. The purpose of the UK Stewardship Code is to enhance the quality of engagement between institutional investors and companies to help improve long-term returns to shareholders and assist institutional investors with the efficient exercise of their governance responsibilities. The FRC is encouraging institutional investors to make a statement of their commitment to the Code.

The Board delegates to the Manager responsibility for selecting the portfolio of investments, within investment guidelines established by the Board after discussion with the Manager, and for monitoring the performance and activities of investee companies. The Manager carries out detailed research of investee companies and possible future investee companies through internally generated research. The research on a company comprises an evaluation of fundamental details such as financial strength, quality of management, market position and product differentiation, plus an appraisal of issues relevant to it, including policies relating to socially responsible investment.

The Company's voting rights in respect of investee companies are delegated to the Manager, who votes at all general meetings of UK companies and reports to the Board on a regular basis. The Manager considers each case on its individual merits with the primary aim of the use of voting rights being to ensure a satisfactory return from investments.

By Order of the Board

Steven Cowie C.A.
Secretary

29 November 2013

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Report & Accounts in accordance with applicable law and regulations. Company law requires the Directors to prepare financial statements for each financial year and these have been prepared in accordance with IFRSs as adopted by the EU.

Under Company law, the Directors must not approve the financial statements unless they are satisfied they present fairly the financial position, financial performance and cash flows for that period.

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

- select suitable accounting policies in accordance with IAS 8: Accounting Policies, Changes in Accounting Estimates and Errors and then apply them consistently;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Company's financial position and performance;
- make judgements and estimates that are reasonable and prudent; and
- state whether they have been prepared in accordance with IFRSs as adopted by the EU subject to any material departures disclosed and explained in the Notes to the Financial Statements.

The Directors consider that the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable, and provides the information necessary for shareholders to assess the Company's performance, business model and strategy. In reaching this conclusion the Directors have assumed that the reader of the Annual Report and Accounts would have a reasonable level of knowledge of the investment industry and of investment trusts in particular.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that its 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.

Under applicable law and regulations, the Directors are also responsible for preparing a Strategic Report, a Directors' Report, a Corporate Governance Statement and a Directors' Remuneration Report that comply with that law and those regulations.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement under Disclosure and Transparency Rules

Each of the Directors confirms that to the best of their knowledge:

- the financial statements, prepared in accordance with IFRSs, as adopted by the EU, give a true and fair view of the assets, liabilities, financial position and profit or loss; and
- the Strategic Report and the Directors' Report (incorporating the other sections of this document which are referred to in them) includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties that it faces.

For and on behalf of Troy Income & Growth Trust plc
J Brown
Chairman of the Audit Committee
29 November 2013

Directors' Remuneration Report

Chairman's Statement

The following report has been prepared by the Board in accordance with the requirements of section 421 of the Companies Act 2006. An ordinary resolution for the approval of this report, the Annual Report on Remuneration, will be put to shareholders at the forthcoming Annual General Meeting. Following the implementation of the The Large and Medium-sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2013, The Enterprise and Regulatory Reform Act, the Remuneration Policy set out below will also be put to shareholders for approval at the Annual General Meeting and, in future, the policy will be subject to a vote at least every three years. If there is a change to this policy it will also require shareholder approval.

The Company's independent auditors are required by law to audit certain of the disclosures contained in the Directors' Remuneration Report. Where disclosures have been audited, they are indicated as such. The independent auditor's opinion is included in the report on pages 28 to 30.

No Director has a service contract with the Company, although each has a letter of appointment confirming their appointment and setting out their remuneration as at the date of the letter. These letters contain no provision regarding notice period, nor do they make provision for compensation payable upon early termination of the Director's appointment.

Remuneration Policy

The Board as a whole reviews and sets the rates of remuneration payable to each Director with effect from the annual review date of 1 October each year. The Board is aware that these should be comparable to market rates to attract and retain Directors of the appropriate calibre and reflect the time spent and the responsibilities borne by Directors in exercising the stewardship required of the Company. In setting these rates, the Board acts principally on advice from the Secretary, who monitors rates of directors' remuneration in companies of comparable size and activities and carries out other relevant research requested by the Board. Any director who performs services which in the opinion of the Board go beyond the ordinary duties of a director may be paid such extra remuneration as the Board may in its discretion decide. No separate remuneration committee has been constituted in view of the level of work delegated to the Manager and Secretary.

The Articles of Association of the Company set a maximum aggregate limit within a financial year for non-executive Directors' remuneration. The limit for the year ended 30 September 2013 was £86,600, and is subject to annual upward adjustment on 1 October each year in line with the change in the Retail Price Index and also subject to a pro-rata adjustment should the number of Directors be increased either temporarily or permanently.

Following the votes on this Annual Report on Remuneration and on the Remuneration Policy, the Board will consider shareholder representation on any future policy changes.

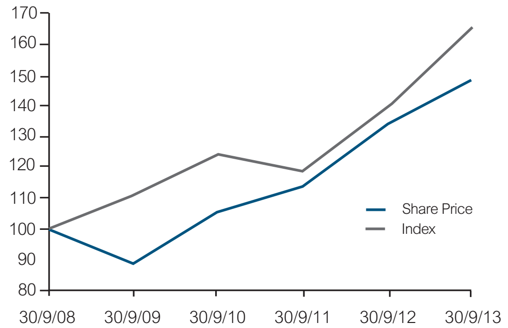
The Board considers that the present policy of remunerating Directors exclusively by fixed fees in cash is appropriate and adequate for the Company in its present and foreseeable circumstances and there are no plans to introduce additional or alternative remuneration schemes.

The Directors' remuneration rates were as follows:

	From 1 April 2012 £	**From 1 April 2013 £**
Chairman	24,000	25,000
Audit Committee Chairman	18,000	19,000
Other Directors	16,000	16,500

Total Shareholder Return

The chart shown below illustrates the total Shareholder return for a holding in the Company's shares as compared to the total return on the FTSE All-Share Index for the five year period to 30 September 2013. This index is deemed to be the most appropriate one against which to measure the Company's long-term performance.



Annual Report on Remuneration (Audited Information)

The total fees payable to each Director who served during the financial year under review and the previous financial year of the Company are shown in the following table:

	2013	2012
	£	£
R G Hanna	24,500	22,000
J Brown (appointed 18.01.13)	13,086	–
I M Boyd (retired 18.01.13)	5,484	16,000
K Hart	16,250	15,000
D Warnock	16,250	15,000
	75,570	68,000

There is no performance related remuneration scheme such as an annual bonus, or a long-term incentive scheme such as the granting of share options. The Company does not operate a pension scheme for the Directors and no Director received any form of remuneration during the financial year under review or the preceding financial year other than the fees shown above.

Directors' Interests (Audited Information)

The Directors at 30 September 2013 had no other interest other than those interests, all of which are beneficial interests, shown below in the share capital of the Company.

	At 30 September 2013 Ordinary shares	At 1 October 2012 (or date of appointment) Ordinary shares
R G Hanna	214,149	213,712
J Brown (appointed 18.01.13)	NIL	NIL
K Hart	32,258	32,258
D Warnock	400,000	400,000

There have been no changes in the interests of Directors in the share capital during the period 1 October 2013 to 29 November 2013.

Approved by the Board of Directors on 29 November 2013 and signed on its behalf.

R G Hanna
Chairman

Independent Auditor's Report to the Members of Troy Income & Growth Trust plc

We have audited the financial statements of Troy Income and Growth Trust plc for the year ended 30 September 2013 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity, the Cash Flow Statement and the related notes 1 to 20. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union.

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

Respective responsibilities of directors and auditor

As explained more fully in the Statement of Directors' Responsibilities set out on page 25, 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 International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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. 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.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2013 and of its profit for the year then ended;
- have been properly prepared in accordance with IFRSs as adopted by the European Union; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Our assessment of risks of material misstatement

We identified the following risks of material misstatement that had the greatest effect on the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team:

- the valuation of the investment portfolio; and
- the calculation of management fees in accordance with the investment management agreement.

Our application of materiality

We apply the concept of materiality both in planning and performing our audit, in evaluating the effect of misstatements on our audit and on the financial statements and in forming our audit opinion.

We determined materiality for the Company to be £1.46 million, which is 1% of total equity. This provided a basis for determining the nature, timing and extent of risk assessment procedures, identifying and assessing the risk of material misstatement and determining the nature, timing and extent of further audit procedures.

On the basis of our risk assessments, together with our assessment of the company's overall control environment, our judgment was that overall performance materiality (i.e. our tolerance for misstatement in an individual account or balance) for the company should be 75% of materiality, namely £1.09 million. Our objective in adopting this approach was to ensure that total detected and undetected audit differences in all accounts did not exceed our planning materiality level. Given the importance of the distinction between revenue and capital for the Company we have also applied a separate performance materiality of £0.4 million for the income statement, being 5% of the return on ordinary activities before taxation.

We have agreed with the Audit Committee to report all audit differences in excess of £0.07 million, as well as differences below that threshold that, in our view warranted reporting on qualitative grounds.

An overview of the scope of our audit

Our response to the risks identified above was as follows:

- we agreed the year end price of all investments to an independent source; and
- we independently recalculated management fee calculations for the year with reference to contractual arrangements and agreed the calculation inputs to source data.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

We have nothing to report in respect of the following:

Under the ISAs (UK and 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
- is otherwise misleading.

In particular, we are required to consider whether we have identified any inconsistencies between our knowledge acquired during the audit and the directors' statement that they consider the annual report is fair, balanced and understandable and whether the annual report appropriately discloses those matters that we communicated to the audit committee which we consider should have been disclosed.

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

- 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; or

Independent Auditor's Report to the Members of Troy Income & Growth Trust plc (continued)

- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Under the Listing Rules we are required to review:

- the directors' statement, set out on page 18, in relation to going concern;
- the part of the Corporate Governance Statement relating to the company's compliance with the nine provisions of the UK Corporate Governance Code specified for our review; and
- certain elements of the report to shareholders by the Board on directors' remuneration.

Susan Dawe (Senior statutory auditor)

for and on behalf of Ernst & Young LLP, Statutory Auditor

Edinburgh

29 November 2013

Statement of Comprehensive Income

		Year ended 30 September 2013			Year ended 30 September 2012		
		Revenue return	**Capital return**	**Total**	Revenue return	Capital return	Total
	Notes	**£'000**	**£'000**	**£'000**	£'000	£'000	£'000
Profits on investments held at fair value	9	**–**	**11,157**	**11,157**	–	7,765	7,765
Currency gains/(losses)		**–**	**1**	**1**	–	(8)	(8)
Revenue	2						
Income from listed investments		**5,999**	**–**	**5,999**	3,885	–	3,885
Other income		**2**	**–**	**2**	1	–	1
		6,001	**11,158**	**17,159**	3,886	7,757	11,643
Expenses							
Investment management fees	3	**(364)**	**(677)**	**(1,041)**	(217)	(403)	(620)
Other administrative expenses	4	**(343)**	**–**	**(343)**	(364)	–	(364)
Finance costs of borrowings	5	**(5)**	**(10)**	**(15)**	(5)	(10)	(15)
Profit before taxation		**5,289**	**10,471**	**15,760**	3,300	7,344	10,644
Taxation	6	**(95)**	**–**	**(95)**	(55)	–	(55)
Profit for the year		**5,194**	**10,471**	**15,665**	**3,245**	**7,344**	**10,589**
Earnings per Ordinary share (pence)	8	**2.21**	**4.45**	**6.66**	**2.16**	**4.88**	**7.04**

The "Profit for the year" is also the Total Comprehensive Income for the year as defined in IAS1 (revised).

The total column of this statement represents the Statement of Comprehensive Income, prepared in accordance with IFRS as adopted by the European Union. The supplementary revenue return and capital return columns are both prepared as explained in the accounting policies on page 35. All items in the above statement derive from continuing operations.

No operations were acquired or discontinued during the year.

The Directors are of the opinion that the Company is engaged in a single segment of business, being investment in predominantly UK equities.

The accompanying notes are an integral part of these financial statements.

Balance Sheet

	Notes	As at 30 September 2013 £'000	As at 30 September 2012 £'000
Non-current assets			
Ordinary shares		**140,861**	116,267
Other fixed interest		**378**	2,173
Investments held at fair value through profit or loss	9	**141,239**	118,440
Current assets			
Accrued income and prepayments		**684**	608
Other debtors		**–**	41
Cash and cash equivalents		**4,243**	6,596
Total current assets		**4,927**	7,245
Total assets		**146,166**	125,685
Current liabilities			
Trade and other payables		**(388)**	(428)
Dividends payable		**–**	(732)
Total current liabilities		**(388)**	(1,160)
Net assets		**145,778**	124,525
Issued capital and reserves attributable to equity holders			
Called-up share capital	10	**60,514**	56,421
Share premium account	11	**36,432**	30,941
Special reserve	12	**58,163**	58,163
Capital reserve	13	**(12,900)**	(23,371)
Revenue reserve	14	**3,569**	2,371
Equity shareholders' funds		**145,778**	124,525
Net asset value per Ordinary share (pence)	8	**60.22**	**55.18**

The financial statements were approved by the Board of Directors and authorised for issue on 29 November 2013 and were signed on its behalf by:

R G Hanna

Chairman

The accompanying notes are an integral part of these financial statements.

Statement of Changes in Equity

For year ended 30 September 2013

	Share capital £'000	Share premium account £'000	Special reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
Balance at 30 September 2012	56,421	30,941	58,163	(23,371)	2,371	124,525
Total comprehensive income for the year	–	–	–	10,471	5,194	15,665
Equity dividends	–	–	–	–	(3,996)	(3,996)
Costs incurred on issue of new shares	–	1	–	–	–	1
Contribution to costs incurred on issue of new shares	–	(3)	–	–	–	(3)
Discount control costs	–	(36)	–	–	–	(36)
New shares issued	4,093	5,529	–	–	–	9,622
Balance at 30 September 2013	**60,514**	**36,432**	**58,163**	**(12,900)**	**3,569**	**145,778**

For year ended 30 September 2012

	Share capital £'000	Share premium account £'000	Special reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
Balance at 30 September 2011	31,610	1,547	58,163	(30,715)	2,622	63,227
Total comprehensive income for the year	–	–	–	7,344	3,245	10,589
Equity dividends	–	–	–	–	(3,496)	(3,496)
Costs incurred on issue of new shares	–	(558)	–	–	–	(558)
Contribution to costs incurred on issue of new shares	–	254	–	–	–	254
Discount control costs	–	(36)	–	–	–	(36)
New shares issued	24,811	29,734	–	–	–	54,545
Balance at 30 September 2012	**56,421**	**30,941**	**58,163**	**(23,371)**	**2,371**	**124,525**

The accompanying notes are an integral part of these financial statements.

Cash Flow Statement

	Year ended 30 September 2013 £'000	Year ended 30 September 2013 £'000	Year ended 30 September 2012 £'000	Year ended 30 September 2012 £'000
Cash flows from operating activities				
Investment income received	5,929		3,621	
Deposit interest received	2		1	
Administrative expenses paid	(1,401)		(856)	
Cash generated from operations (note 19(a))		4,530		2,766
Finance costs paid		(15)		(15)
Taxation		(97)		(55)
Net cash inflows from operating activities		4,418		2,696
Cash flows from investing activities				
Purchases of investments	(21,615)		(34,517)	
Sales of investments	9,973		3,021	
Net cash outflow from investing activities		(11,642)		(31,496)
Net cash outflow before financing		(7,224)		(28,800)
Financing activities				
Proceeds of issue of shares	9,622		32,576	
Dividends paid	(4,728)		(2,764)	
Costs incurred on issue of new shares	(25)		(317)	
Net cash inflow from financing activities		4,869		29,495
Net (decrease)/increase in cash and short term deposits (note 19(b))		(2,355)		695
Cash and cash equivalents at the start of the year		6,596		5,910
Effect of foreign exchange rate changes		2		(9)
Cash and cash equivalents at the end of the year		4,243		6,596

The accompanying notes are an integral part of these financial statements.

Notes to the Accounts

1. Accounting Policies

(a) Basis of accounting

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (''IFRS'') which comprise standards and interpretations approved by the International Accounting Standards Board (''IASB''), and International Accounting Standards and Standing Interpretations Committee interpretations approved by the International Accounting Standards Committee (''IASC'') that remain in effect, and to the extent that they have been adopted by the European Union.

The financial statements are presented in Sterling which is regarded as the functional currency and all values are rounded to the nearest thousand pounds (£'000) except where otherwise indicated.

The principal accounting policies adopted are set out below. These policies have been applied consistently throughout the current and prior year.

Where presentational guidance set out in the Statement of Recommended Practice (''SORP'') 'Financial Statements of Investment Trust Companies and Venture Capital Trusts' (issued in January 2009) is consistent with the requirements of IFRS, the Directors have sought to prepare the financial statements on a basis compliant with the recommendations of the SORP.

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

At the date of authorisation of these financial statements, the following Standards and Interpretations were in issue but not yet effective:

– Amendment to IAS 1 – Presentation of Financial Statements – additional comparative information (effective for annual periods beginning on or after 1 January 2013).

– Amendment to IAS 27 – Reissued as IAS 27 – Separate Financial Statements (2011) (effective for annual periods beginning on or after 1 January 2014).

– Amendment to IAS 27 – Separate Financial Statements – investment entity consolidation exemption (effective for annual periods beginning on or after 1 January 2014).

– Amendment to IFRS 7 – Financial Instruments: Disclosures – amendments related to the offsetting of assets and liabilities (effective for annual periods beginning on or after 1 January 2013).

– IFRS 9 – Financial Instruments – Classification and Measurement (effective for annual periods beginning on or after 1 January 2015).

– IFRS 12 – Disclosure of Interests in Other Entities (effective for annual periods beginning on or after 1 January 2014).

– Amendments to IFRS 12 – Disclosure of Interests in Other Entities – investment entity consolidation exemption (effective for annual periods beginning on or after 1 January 2014).

– IFRS 13 – Fair Value Measurement (effective for annual periods beginning on or after 1 January 2013).

The Directors do not anticipate that the adoption of these Standards and Interpretations in future periods will materially impact the financial results in the period of initial application. The Company intends to adopt the standards in the reporting period when they become effective.

(b) Investments – Securities held at Fair Value

Investments are recognised or derecognised on the trade date where a purchase or sale is under a contract whose terms require delivery within the timeframe established by the market concerned, and are initially measured at fair value.

As the Company's business is investing in financial assets with a view to profiting from their total return in the form of interest, dividends or increases in fair value, listed equities and fixed interest securities are designated as fair value through profit or loss on initial recognition.

All investments designated upon initial recognition as held at fair value through profit or loss are measured at subsequent reporting dates at their fair value, which is the bid price as at close of business on the Balance Sheet date.

Gains and losses arising from the changes in fair value are included in net profit or loss for the period as a capital item. Expenses which are incidental to the acquisition and disposal of investments are treated as capital costs.

(c) Income

Dividend income from equity investments including preference shares which have a discretionary dividend is recognised when the shareholders' right to receive payment has been established, normally the ex-dividend date.

(d) Expenses

All expenses are accounted for on an accruals basis. In respect of the analysis between revenue and capital items presented within the Income Statement, all expenses have been presented as revenue items except those where a connection with the maintenance or enhancement of the value of the investments held can be demonstrated. Accordingly the investment management fee and finance costs have been allocated 35% to revenue and 65% to capital.

(e) Bank borrowings

Interest-bearing bank loans and overdrafts are initially recognised at cost, being the fair value of the consideration received, net of any issue expenses. Finance charges, including premiums payable on settlement or redemption and direct issue costs, are accounted for in the Income Statement using the effective interest rate method.

(f) Taxation

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the Balance Sheet date.

The allocation method used to calculate tax relief on expenses presented against capital returns is the 'marginal basis'. Under this basis if taxable income is not capable of being offset entirely by expenses presented in revenue then unutilised expenses arising in capital will be set against income with an amount based on current tax rates charged against income and credited to capital.

Deferred tax is provided in full on temporary differences which result in an obligation at the Balance Sheet date to pay more tax, or a right to pay less tax, at a future date at rates expected to apply when they crystallise, based on current tax rates and law. Temporary differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered.

(g) Foreign currency

Transactions denominated in foreign currencies are recorded at the actual exchange rate as at the date of the transaction. Assets and liabilities denominated in foreign currencies at the year end are reported at fair value by using the rate of exchange prevailing at the year end. The currencies to which the Company was exposed were Swiss Francs and US Dollars.

Any gain or loss arising from a movement in exchange rates subsequent to the date of the transaction is included as an exchange gain or loss in the income statement as a revenue or capital item depending on the nature of the gain or loss.

(h) Cash and cash equivalents

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

(i) Use of estimates

The preparation of financial statements requires the Company to make estimates and assumptions that affect items reported in the Balance Sheet and the Statement of Comprehensive Income and the disclosure of contingent assets and liabilities at the date of the financial instruments. Although these estimates are based on the Directors' best knowledge of current facts, circumstances and, to some extent, future events and actions, the Company's actual results may ultimately differ from those estimates. There were no material accounting estimates in the current period.

Notes to the Accounts (continued)

2. Income	2013 £'000	2012 £'000
Income from listed investments		
UK dividend income	**5,365**	3,516
Interest income from investments and overseas interest	**634**	369
	5,999	3,885
Other income from investment activity		
Deposit interest	**2**	1
Total income	**6,001**	3,886

3. Investment management fees

On 31 July 2009, Troy Asset Management Limited ("Troy") became the Investment Manager. Until 30 September 2012 the investment management fee paid was at an annual rate of 0.75% of the Company's net assets, calculated monthly and paid quarterly. From 1 October 2012 the investment management fee has been paid at an annual rate of 0.75% of the Company's net assets up to £175 million and at an annual rate of 0.65% of the Company's net assets at or above £175 million. The fee is calculated monthly and paid quarterly. The fee is allocated 35% to revenue and 65% to capital.

	2013			2012		
	Revenue return £'000	Capital return £'000	Total £'000	Revenue return £'000	Capital return £'000	Total £'000
Investment management fee	**364**	**677**	**1,041**	217	403	620

4. Other administrative expenses	2013 £'000	2012 £'000
Directors' remuneration – fees as Directors	**76**	68
Secretarial fees	**103**	100
Fees payable to auditor		
– fees payable to the Company's auditor for the audit of the annual accounts †	**22**	22
– fees payable to the Company's auditor for taxation services	**8**	9
Other management expenses *	**134**	165
	343	364

† Includes irrecoverable VAT of £3,700 (2012 – £3,700).

* Includes non–recurring credit of £42,000 (2012 – £nil).

In addition to the fees payable to the auditors and charged to administrative expenses in 2012, further fees of £43,200 were paid and were included in the costs incurred on the issue of new shares. These fees related to certain agreed procedures in relation to the acquisition of assets from Grampian Investment Trust plc and Albany Investment Trust plc.

The Company had no employees during the year (2012 – nil). No pension contributions were paid for Directors (2012 – £nil). Further details on Directors' remuneration can be found in the Directors' Remuneration Report on page 28.

5. Finance costs of borrowings

	2013 Revenue return £'000	2013 Capital return £'000	2013 Total £'000	2012 Revenue return £'000	2012 Capital return £'000	2012 Total £'000
Bank loans and overdrafts repayable within one year	**5**	**10**	**15**	5	10	15

Interest on bank overdrafts is at floating rates related to the lenders' UK base rates.

6. Taxation

	2013 Revenue return £'000	2013 Capital return £'000	2013 Total £'000	2012 Revenue return £'000	2012 Capital return £'000	2012 Total £'000
Irrecoverable overseas tax	**95**	**–**	**95**	55	–	55

The following table is a reconciliation of the current taxation charge to the charges or credits which would arise if all ordinary activities were taxed at the standard UK effective corporation tax rate of 23.5% (2012 – 25%):

	2013 Revenue return £'000	2013 Capital return £'000	2013 Total £'000	2012 Revenue return £'000	2012 Capital return £'000	2012 Total £'000
Profit on ordinary activities before taxation	**5,289**	**10,471**	**15,760**	3,300	7,344	10,644
Taxation of return on ordinary activities at the standard rate of corporation tax	**1,243**	**2,461**	**3,704**	825	1,836	2,661
Effects of:						
UK dividend income not liable to further tax	**(1,195)**	**–**	**(1,195)**	(879)	–	(879)
Overseas dividend income not liable to further tax	**(149)**	**–**	**(149)**	(92)	–	(92)
Capital profits not taxable	**–**	**(2,622)**	**(2,622)**	–	(1,939)	(1,939)
Movement in unutilised management expenses	**101**	**161**	**262**	146	103	249
Overseas withholding tax suffered	**95**	**–**	**95**	55	–	55
Current taxation charge for the year	**95**	**–**	**95**	55	–	55

At 30 September 2013, the Company had surplus management expenses of £3,366,000 (2012 – £2,420,000) with a tax value of £673,000 (2012 – £556,000) to carry forward. No deferred tax asset has been recognised in the current or prior period because it is considered too uncertain that there will be suitable taxable profits from which the future reversal of the deferred tax asset could be deducted.

Notes to the Accounts (continued)

7. Dividends on equity shares

	2013	2012
	£'000	£'000
Amounts recognised as distributions to equity shareholders in the year:		
Fourth interim dividend for the year ended 30 September 2011 of 0.5p per share	**–**	633
Fifth interim dividend for the year ended 30 September 2012 of 0.125p per share	**282**	–
Three interim dividends for the year ended 30 September 2013 totalling 1.575p (2012 – four interims totalling 1.9p) per share	**3,714**	2,863
	3,996	3,496

The fourth interim dividend of 0.55p per share, declared on 23 September 2013 and paid on 25 October 2013, has not been included as a liability in these financial statements.

We also set out below the total dividend payable in respect of the financial year, which is the basis on which the requirements of Section 1159 of the Corporation Tax Act 2010 are considered.

	2013	2012
	£'000	£'000
Three interim dividends for the year ended 30 September 2013 totalling 1.575p (2012 – four interim dividends totalling 1.9p) per share	**3,714**	2,863
Fourth interim dividend for the year ended 30 September 2013 of 0.55p (2012 – fifth interim dividend 0.125p) per share	**1,331**	282
	5,045	3,145

The dividend per share information is as follows:

	Rate per share	**xd date**	**Record date**	**Payment date**
First interim dividend	0.525p	2 January 2013	4 January 2013	25 January 2013
Second interim dividend	0.525p	3 April 2013	5 April 2013	26 April 2013
Third interim dividend	0.525p	3 July 2013	5 July 2013	26 July 2013
Fourth interim dividend	0.55p	2 October 2013	4 October 2013	25 October 2013
2012/13	**2.125p**			
First interim dividend	0.5000p	4 January 2012	6 January 2012	27 January 2012
Second interim dividend	0.5000p	4 April 2012	10 April 2012	27 April 2012
Third interim dividend	0.5000p	4 July 2012	6 July 2012	27 July 2012
Fourth interim dividend	0.4000p	15 August 2012	17 August 2012	26 October 2012
Fifth interim dividend	0.1250p	3 October 2012	5 October 2012	26 October 2012
2011/12	**2.0250p**			

8. Return and net asset value per share

	2013	2012
	£'000	£'000
The returns per share are based on the following figures:		
Revenue return	**5,194**	3,245
Capital return	**10,471**	7,344
Total	**15,665**	10,589
Weighted average number of Ordinary shares	**235,342,418**	150,380,633

The net asset value per share is based on net assets attributable to shareholders of £145,778,000 (2012 - £124,525,000) and on 242,057,445 (2012 – 225,684,445) Ordinary shares in issue at the year end.

9. Investments held at fair value through profit or loss

	2013 £'000	2012 £'000
Listed on recognised stock exchanges:		
United Kingdom	**126,396**	104,269
Overseas	**14,843**	14,171
	141,239	118,440

	2013 £'000	2012 £'000
Opening book cost	**104,084**	50,931
Opening fair value gains on investments held	**14,356**	6,315
Opening fair value	**118,440**	57,246
Purchases for cash	**21,615**	34,517
Purchases financed by issue of shares (note 10)	**–**	21,933
Sales – proceeds	**(9,973)**	(3,021)
– net gains/(losses) on sales	**2,214**	(276)
Movement in fair value during the year	**8,943**	8,041
Closing fair value	**141,239**	118,440
Closing book cost	**117,940**	104,084
Closing fair value gains on investments held	**23,299**	14,356
Closing fair value	**141,239**	118,440

All investments are categorised as held at fair value through profit or loss, and were designated as such upon initial recognition.

For an analysis of investments between equity and fixed interest securities and for detailed interest rates, see pages 8 and 9. The total transaction costs on purchases was £120,000 (2012 – £181,000) and on sales £16,000 (2012 – £3,000).

Gains/(losses) on investments held at fair value	2013 £'000	2012 £'000
Net gains/(losses) on sales	**2,214**	(276)
Gains in investment holdings	**8,943**	8,041
	11,157	7,765

Notes to the Accounts (continued)

10. Called-up share capital

	Ordinary shares of 25p each	
	Number	£'000
Allotted, called up and fully paid		
At 30 September 2013	**242,057,445**	60,514
Held in treasury	**–**	–
	242,057,445	60,514
Allotted, called up and fully paid		
At 30 September 2012	**225,684,445**	56,421
Held in treasury	**–**	–
	225,684,445	56,421

There were no shares repurchased by the Company nor were any shares re-issued from treasury during the years ended 30 September 2012 and 30 September 2013.

During the year to 30 September 2013 there were 16,373,000 new Ordinary shares of 25p each issued by the Company for cash proceeds totalling £9,621,817. During the year to 30 September 2012 there were 99,243,013 new Ordinary shares of 25p each issued by the Company for proceeds totalling £54,545,159. Of the 99,243,013 shares issued, 39,543,885 shares were allotted for non cash consideration of £21,932,912. All other shares issued during the year to 30 September 2012 were issued for cash.

No shares were purchased for cancellation during the year (2012 – nil) and at the year end no shares were held in treasury (2012 – nil).

The costs of the operation of the discount control mechanism of £36,000 (including VAT) have been charged against the premium on shares issued.

11. Share premium account

	2013	2012
	£'000	£'000
At 1 October	**30,941**	1,547
Premium on issue of new shares	**5,529**	29,734
Costs incurred on issue of new shares	**1**	(558)
Contributions to costs incurred on issue of new shares	**(3)**	254
Discount control costs (note 10)	**(36)**	(36)
At 30 September	**36,432**	30,941

12. Special reserve

	2013 £'000	2012 £'000
At 30 September	**58,163**	58,163

The purpose of this reserve is to fund market purchases by the Company of its own Ordinary shares.

13. Capital reserve

	2013 £'000	2012 £'000
At 1 October	**(37,727)**	(37,033)
Net gains/(losses) on sales of investments during the year	**2,214**	(276)
Finance costs of borrowings	**(10)**	(10)
Investment management fee	**(677)**	(403)
Currency losses	**–**	(5)
At 30 September	**(36,200)**	(37,727)
Investment holdings gains		
At 30 September	**14,356**	6,318
Investment gains	**8,943**	8,041
Unrealised currency gains/(losses)	**1**	(3)
	23,300	14,356
Total capital reserve	**(12,900)**	(23,371)

14. Revenue reserve

	2013 £'000	2012 £'000
At 1 October	**2,371**	2,622
Transfer to revenue account net of dividends	**1,198**	(251)
At 30 September	**3,569**	2,371

15. Risk management, financial assets and liabilities

Risk management

With effect from 17 September 2009, the Company's objective changed to that of providing shareholders with an attractive income yield and the prospect of income and capital growth through investing in a portfolio of predominately UK equities.

In pursuit of the Company's objective, the Company's investment policy is to invest in a portfolio of predominantly UK equities. Equities are selected for their inclusion within the portfolio solely on the basis of the strength of the investment case with the focus being on long term income growth along with capital preservation.

Asset classes other than equities will be purchased from time to time and will vary as opportunities are identified and will include convertibles, preference shares, fixed income securities and corporate bonds. Such investments will be made when prospective returns appear to be superior to those from equity markets or are considered likely to exceed the Company's borrowing costs. However, non-equity securities will not constitute the majority of the portfolio. The Company may also use derivatives for the purpose of efficient portfolio management (including reducing, transferring or eliminating investment risk in its investments and protection against currency risk), to exploit an investment opportunity and to achieve capital growth.

The management of the portfolio is conducted according to investment guidelines, established by the Board after discussion with the Manager, which specify the limits within which the Manager is authorised to act.

Financial assets and liabilities

The Company's financial assets include investments, cash at bank and short-term debtors. Financial liabilities consist of short-term creditors and bank overdraft.

The main risks the Company faces from its financial instruments are (i) market risk (comprising interest rate risk, foreign currency risk and other price risk), (ii) liquidity risk and (iii) credit risk.

(i) Market risk

The fair value or future cash flows of a financial instrument held by the Company may fluctuate because of changes in market prices. This market risk comprises three elements – interest rate risk, foreign currency risk and other price risk.

Interest rate risk

The Company is subject to interest rate risk because the value of fixed interest rate securities is linked to underlying bank rates or equivalents, and its short-term borrowings and cash resources carry interest at floating rates. The interest rate profile is managed as part of the overall investment strategy of the Company.

Interest rate movements may affect:

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

The possible effects on fair value and cash flows that could arise as a result of changes in interest rates are taken into account when making investment and borrowing decisions.

15. Risk management, financial assets and liabilities (continued)

Interest rate profile

The interest rate risk profile of the portfolio of financial assets at the Balance Sheet date was as follows (there were no interest bearing financial liabilities at the Balance Sheet dates):

As at 30 September 2013	Weighted average interest rate %	Fixed rate £'000	Floating rate £'000
Assets			
UK preference shares	–	378	–
Cash	–	–	4,243
Total assets	**–**	**378**	**4,243**

As at 30 September 2012	Weighted average interest rate %	Fixed rate £'000	Floating rate £'000
Assets			
UK preference shares	7.78	2,173	–
Cash	–	–	6,596
Total assets	**–**	**2,173**	**6,596**

15. Risk management, financial assets and liabilities (continued)

The weighted average interest rate is based on the current yield of each asset, weighted by its market value. The cash assets consist of cash deposits on call earning interest at prevailing market rates. Short-term debtors and creditors have been excluded from the above tables.

Maturity profile

The maturity profile of the Company's financial assets and liabilities at the Balance Sheet date was as follows:

At 30 September 2013	Within 1 year £'000	Within 1–2 years £'000	Within 2–3 years £'000	Within 3–4 years £'000	Within 4–5 years £'000	More than 5 years £'000
Fixed rate						
UK preference shares	–	–	–	–	–	378
Floating rate						
Cash	4,243	–	–	–	–	–
Total	**4,243**	**–**	**–**	**–**	**–**	**378**

At 30 September 2012	Within 1 year £'000	Within 1–2 years £'000	Within 2–3 years £'000	Within 3–4 years £'000	Within 4–5 years £'000	More than 5 years £'000
Fixed rate						
UK preference shares	–	–	–	–	–	2,173
Floating rate						
Cash	6,596	–	–	–	–	–
Total	**6,596**	**–**	**–**	**–**	**–**	**2,173**

Interest rate sensitivity

The sensitivity analysis below has been determined based on the exposure to interest rates at the Balance Sheet date and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in the case of instruments that have floating rates.

If interest rates had been 50 basis points higher or lower and all other variables were held constant, the Company's:

– profit before tax for the year ended 30 September 2013 would increase/decrease by £21,000 (2012 - increase/decrease by £33,000) given the Company's exposure to interest rates on its floating rate cash balances. These figures have been calculated based on cash positions at each year end.

– profit before tax for the year ended 30 September 2013 would decrease by £8,000 (2012 – decrease by £145,000), increase by £9,000 (2012 – increase by £167,000) given the Company's exposure to interest rates on its fixed interest securities.

– net assets at 30 September 2013 would increase by £13,000 (2012 – decrease by £112,000), decrease by £12,000 (2012 – increase by £134,000) as a result of the combined effect on its floating rate cash balances and its fixed interest securities.

15. Risk management, financial assets and liabilities (continued)

In the opinion of the Directors, the above sensitivity analyses are not representative of the year as a whole, since the level of exposure changes frequently as part of the interest rate risk management process used to meet the Company's objectives. The risk parameters used will also fluctuate depending on the current market perception.

Foreign currency risk

A proportion of the Company's investment portfolio is invested in overseas securities and the income and capital value can be affected by movements in exchange rates. Exchange gains or losses may arise as a result of the movement in the exchange rate between the date of the transaction denominated in a currency other than sterling and its settlement.

An analysis of the Company's currency exposure is detailed below:

	30 September 2013		30 September 2012	
	Overseas investments £'000	**Net monetary assets £'000**	Overseas investments £'000	Net monetary assets £'000
US Dollar	**12,469**	**147**	12,492	119
Swiss Franc	**2,374**	**–**	1,679	–
Total	**14,843**	**147**	14,171	119

Foreign currency sensitivity

There is no sensitivity analysis included, as the Company's significant foreign currency financial instruments are in the form of equity investments, which have been included within the other price risk sensitivity analysis so as to show the overall level of exposure.

Other price risk

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

It is the Board's policy to hold an appropriate spread of investments in the portfolio in order to reduce the risk arising from factors specific to a particular sector. The allocation of assets to specific sectors and the stock selection process both act to reduce market risk. The Manager actively monitors market prices throughout the year and reports to the Board, which meets regularly in order to review investment strategy. The investments held by the Company are all listed on recognised investment exchanges.

Other price sensitivity

If market prices at the Balance Sheet date had been 10% higher or lower on a sterling basis while all other variables remained constant, the return attributable to Ordinary shareholders and equity reserves for the year ended 30 September 2013 would have increased/decreased by £14,086,000 (2012 – increase/decrease of £11,627,000). This is based on the Company's equity portfolio held at each year end.

(ii) Liquidity risk

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

Liquidity risk is not considered to be significant as the Company's assets comprise mainly readily realisable securities, which can be sold to meet funding commitments if necessary. Short-term flexibility is achieved through the use of overdraft facilities.

Liabilities at the balance sheet date are payable within three months.

15. Risk management, financial assets and liabilities (continued)

(iii) Credit risk

This is failure of the counterparty to a transaction to discharge its obligations under that transaction that could result in the Company suffering a loss.

The risk is not significant, and is managed as follows:

– investment transactions are carried out with a large number of brokers, whose credit-standing is reviewed periodically by the Manager, and limits are set on the amount that may be due from any one broker;

– the risk of counterparty exposure due to failed trades causing a loss to the Company is mitigated by the review of failed trade reports on a monthly basis. In addition, the Administrator carries out a stock reconciliation to the custodian's records on a monthly basis to ensure discrepancies are picked up on a timely basis;

– cash is held only with reputable banks and financial institutions with high quality external credit ratings. None of the Company's financial assets is secured by collateral or other credit enhancements.

Credit risk exposure

In summary, compared to the amounts in the Balance Sheet, the maximum exposure to credit risk at 30 September, was as follows:

	2013		2012	
	Balance Sheet £'000	**Maximum exposure £'000**	Balance Sheet £'000	Maximum exposure £'000
Non-current assets				
Securities at fair value through profit or loss	**–**	**–**	–	–
Current assets				
Accrued income	**684**	**684**	608	608
Other debtors	**–**	**–**	41	41
Cash and short term deposits	**4,243**	**4,243**	6,596	6,596
	4,927	**4,927**	**7,245**	**7,245**

None of the Company's financial assets is past due or impaired.

Fair value of financial assets and liabilities

The book value of cash at bank included in these financial statements approximates to fair value because of the short-term maturity. The carrying value of fixed asset investments are stated at their fair values, which have been determined with reference to quoted market prices. For all other short-term debtors and creditors, their book values approximate to fair value because of their short-term maturity.

Gearing

The Company has in place a multi-currency overdraft facility with HSBC for the lesser of £12 million or 25% of the market value of assets they hold as custodians. This gives the Company the ability to augment finance from time to time with short-term borrowings. The facility is secured against the cash accounts and assets held by the custodian.

The Company had no outstanding gearing at the year end. The profile of financing costs is managed as part of overall investment strategy. The employment of gearing magnifies the impact on net assets of both positive and negative changes in the value of the Company's portfolio of investments.

16. Capital management policies and procedures

The Company's capital management objectives are:

- to ensure that the Company will be able to continue as a going concern; and
- to maximise the income and capital return to its equity shareholders through an appropriate balance of equity capital and debt.

The Company's capital at 30 September comprised:

	2013	2012
	£'000	£'000
Equity share capital	60,514	56,421
Retained earnings and other reserves	85,264	68,104
	145,778	124,525

The Board, with the assistance of the Manager, monitors and reviews the broad structure of the Company's capital on an ongoing basis. This review includes:

- the planned level of gearing, which takes account of the Manager's views on the market;
- the need to buy back equity shares for cancellation or to hold in treasury, which takes account of the difference between the net asset value per share and the share price (i.e. the level of share price discount or premium);
- the need for new issues of equity shares; and
- the extent to which revenue in excess of that which is required to be distributed should be retained.

The Company's objectives, policies and processes for managing capital are unchanged from the preceding accounting period.

The Company had no gearing at the year end (2012 – nil).

17. Commitments and contingencies

At 30 September 2013 there were no contingent liabilities in respect of outstanding underwriting commitments or uncalled capital (2012 – £nil).

18. Financial instruments measured at Fair Value

				2013				2012
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Investments	141,239	–	–	141,239	118,440	–	–	118,440
Cash and cash equivalents	4,243	–	–	4,243	6,596	–	–	6,596
	145,482	–	–	145,482	125,036	–	–	125,036

Level 1 reflects financial instruments quoted in an active market.

Level 2 reflects financial instruments the fair value of which is evidenced by comparison with other observable current market transactions in the same instrument or based on a valuation technique whose variables include only data from observable markets.

Level 3 reflects financial instruments the fair value of which is determined in whole or in part using a valuation technique based on assumptions that are not supported by prices from observable market transactions in the same instrument and not based on available observable market data.

19. Notes to the Cash Flow Statement

(a) Reconciliation of operating profit to operating cash flows

	2013 £'000	2012 £'000
Profit before taxation	**15,760**	10,644
Add interest payable	**15**	15
Adjustments for:		
Gains on investments	**(11,157)**	(7,765)
Currency (gains)/losses	**(1)**	8
(Increase) in accrued income and prepayments	**(35)**	(312)
(Decrease)/increase in trade and other payables	**(52)**	176
	4,530	2,766

(b) Analysis of changes in net funds

	30 September 2012 £'000	Cash flow £'000	Exchange movements £'000	30 September 2013 £'000
Cash at bank	6,596	**(2,355)**	**2**	**4,243**

20. Related party transactions

The following are considered to be related parties:

– The Directors of the Company.

All material related party transactions, as set out in International Accounting Standards 24, Related Party, have been disclosed in the Directors' Report and Note 4.

Details of the remuneration of all Directors can be found on pages 26 and 27.

Glossary of Terms and Definitions

Benchmark
A market index, which averages the performance of companies in any given sector, giving a good indication of any rises or falls in the market. The benchmark used in these accounts is the FTSE All-Share Index, a recognised and respected index, which measures the performance of approximately 600 of the largest quoted UK companies, comprising 98% of the UK's market capitalisation.

Convertibles
Fixed income securities, which can be converted into equity shares at a future date.

Discount
The amount by which the market price per share of an investment trust is lower than the net asset value per share. The discount is normally expressed as a percentage of the net asset value per share.

Gearing
Total gearing is the proportion of the Group's net assets financed by borrowings. Gearing is used to increase exposure to securities, with the aim of magnifying the impact on net assets of rises in the value of the portfolio, and to augment the investment base from which income is received. The use of gearing magnifies the impact of both negative and positive changes in the value of the Group's Net Asset Value. A level expressed as 0% indicates there is no gearing.

Net Asset Value (NAV)
The value of total assets less liabilities. Liabilities for this purpose include current and long-term liabilities. The net asset value divided by the number of shares in issue produces the net asset value per share.

Ongoing Charges
Management fees and all other operating expenses excluding interest, expressed as a percentage of the average of the end of day daily net assets during the year.

Preference Shares
These entitle the holder to a fixed rate of dividend out of the profits of a company, to be paid in priority to other classes of shareholder.

Premium
The amount by which the market price per share of an investment trust exceeds the net asset value per share.The premium is normally expressed as a percentage of the net asset value per share.

Total Assets
Total Assets less current liabilities.

Total Return
Total Return involves reinvesting the net dividend in the month that the share price goes xd.The NAV Total Return involves investing the same net dividend in the NAV of the Company on the date to which that dividend was earned, e.g. quarter end, half year or year end date.

Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the twenty-fourth Annual General Meeting of the Members of Troy Income & Growth Trust plc (the "Company") will be held at the offices of Dickson Minto W.S., 16 Charlotte Square, Edinburgh EH2 4DF on 23 January 2014 at 11.00 am to transact the following business:

Ordinary Business

To consider and, if thought fit, pass the following as ordinary resolutions:

1. To receive and adopt the reports of the Directors and auditor and the audited financial statements for the year to 30 September 2013.
2. To approve the Directors' Remuneration policy for the three year period ending 30 September 2016.
3. To approve the Directors' Remuneration Report for the year to 30 September 2013.
4. To re-elect Mr K. Hart as a Director of the Company.
5. To re-elect Mr D. Warnock as a Director of the Company.
6. To elect Ms J Brown as a Director of the Company.
7. To re-appoint Ernst & Young LLP as auditor of the Company.
8. To authorise the Directors to determine the remuneration of the auditor of the Company.
9. That the Company shall continue as an investment trust.
10. That, in substitution for any pre-existing power to allot or grant rights to subscribe for or to convert any security into shares in the Company, but without prejudice to the exercise of any such authority prior to the date of this resolution, the Directors be and are hereby generally and unconditionally authorised in accordance with section 551 of the Companies Act 2006 to exercise all the powers of the Company to allot shares in the Company ("relevant securities") up to an aggregate nominal amount of £19,833,900, such authority to expire on 31 March 2015 or, if earlier, at the conclusion of the next annual general meeting of the Company to be held after the passing of this resolution, unless previously revoked, varied or extended by the Company in general meeting, save that the Company may, at any time prior to the expiry of such authority, make an offer or enter into an agreement which would or might require relevant securities to be allotted after the expiry of such authority, and the Directors may allot relevant securities in pursuance of such an offer or agreement as if such authority had not expired.

To consider and, if thought fit, pass the following as special resolutions:

11. That, subject to the passing of resolution 10 in the notice convening the meeting at which this resolution is to be proposed (the "notice of meeting") and in substitution for all existing powers, the Directors be and are hereby generally empowered pursuant to section 570 of the Companies Act 2006 (the "Act") to allot equity securities (as defined in section 560 (1) of the Act) for cash pursuant to the authority under section 551 of the Act conferred by resolution 10 in the notice of meeting as if section 561 of the Act did not apply to any such allotment, provided that this power:

    (i) expires on 31 March 2015 or, if earlier, at the conclusion of the next Annual General Meeting of the Company, but the Company may make an offer or agreement which would or might require equity securities to be allotted after expiry of this power and the Directors may allot equity securities in pursuance of that offer or agreement as if that power had not expired; and

    (ii) shall be limited to the allotment of equity securities for cash up to an aggregate nominal amount of £6,051,400.

    This power applies in relation to the sale of shares which is an allotment of equity securities that immediately before the allotment are held by the Company as treasury shares as if in the opening paragraph of this resolution the words "subject to the passing of resolution 10 in the notice convening the meeting at which this resolution is to be proposed ("the notice of meeting") and "pursuant to the authority under section 551 of the Act conferred by resolution 10 in the notice of meeting" were omitted.

12. That, in substitution for any existing authority but without prejudice to the exercise of any such authority prior to the date hereof, the Company be generally and unconditionally authorised, in accordance with section 701 of the Companies Act 2006 (the "Act"), to make market purchases (within the meaning of section 693(4) of the Act) of fully paid Ordinary shares of 25p each in the capital of the Company ("shares") provided that:
    (i) the maximum aggregate number of shares hereby authorised to be purchased is 14.99% of the issued Ordinary share capital of the Company as at the date of the passing of this resolution (excluding treasury shares). (If this resolution had been passed at the date of this notice, the maximum aggregate number of shares would be 35,677,316, but will increase or decrease relative to changes in the shares in issue between the date of this Notice and Annual General Meeting);
    (ii) the minimum price which may be paid for a share shall be 25p (exclusive of expenses);
    (iii) the maximum price (exclusive of expenses) which may be paid for a share shall be an amount being not more than the higher of (i) 105% of the average of the middle market quotations (as derived from the Daily Official List of the London Stock Exchange) for the shares for the five business days immediately preceding the date of purchase and (ii) the higher of the price of the last independent trade and the highest current independent bid relating to a share on the trading venue where the purchase is carried out; and
    (iv) unless previously varied, revoked or renewed, the authority hereby conferred shall expire on 31 March 2015 or, if earlier, at the conclusion of the next Annual General Meeting of the Company to be held after the passing of this resolution, save that the Company may, at any time prior to such expiry, enter into a contract or contracts to purchase shares under such authority which would or might be completed or executed wholly or partly after the expiration of such authority and may make a purchase of shares pursuant to any such contract or contracts as if the authority conferred hereby had not expired.

13. That a general meeting of the Company other than an Annual General Meeting may be called on not less than 14 clear days' notice provided that this authority shall expire at the conclusion of the next Annual General Meeting of the Company.

Special Business

14. That the draft regulations produced to the meeting and, for the purposes of identification, initialled by the Chairman of the meeting, be adopted as the articles of association of the Company in substitution for, and to the entire exclusion of, the existing articles of association of the Company.
15. That,subject to the confirmation of the Court of Session (the"Court") and subject also to any undertaking required by the Court:
    (i) the share capital of the Company be reduced by cancelling the Company's entire share premium account as at the date of the final hearing before the Court at which confirmation of the said cancellation is sought; and
    (ii) the credit thereby arising in the Company's books of account from the cancellation of the share premium account in paragraph (a) above be applied in crediting a distributable reserve (to be designated the "Distributable Capital Reserve") to be established in the Company's books of account which shall be able to be applied in any manner in which the Company's profits available for distribution (as determined in accordance with the Act) are able to be applied.

By Order of the Board

Steven Cowie C.A.
Secretary

Registered Office
10 St Colme Street Edinburgh EH3 6AA

29 November 2013

Notes to Notice of Annual General Meeting

NOTES

(i) A member is entitled to appoint a proxy or proxies to exercise all or any of their rights to attend, speak and vote on their behalf. A proxy need not be a member of the Company. A member may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. A member may not appoint more than one proxy to exercise rights attached to any one share. If a member wishes to appoint more than one proxy, they should contact the Company's Registrars on 0871 384 2501 (Calls to this number cost 8p per minute plus network extras). The lines open 8.30 am to 5.30 pm Monday to Friday. The Equiniti overseas helpline number is +44 121 415 7047.

(ii) A form of proxy for use by members is enclosed with these accounts. Completion and return of the form of proxy will not prevent any member from attending the meeting and voting in person. To be valid, the form of proxy should be lodged, together with any power of attorney or other authority (if any) under which it is signed or a notarially certified copy of such power or authority, at the address stated thereon, so as to be received not less than 48 hours (excluding non-working days) before the time of the meeting.

(iii) In accordance with Regulation 41 of the Uncertificated Securities Regulations 2001, to have the right to attend and vote at the Meeting a member must first have his or her name entered in the Company's register of members at 6.00pm on 21 January 2014 (or, in the event that the Meeting is adjourned, at 6.00pm on the day which is two business days (excluding non-working days) before the time of the adjourned meeting). Changes to entries on that register after that time shall be disregarded in determining the rights of any member to attend and vote at the Meeting.

(iv) 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 and by logging on to the website www.euroclear.com. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

(v) In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a ''CREST Proxy Instruction'') must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications, 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 Company's Registrar (ID RA 19) no later than 48 hours (excluding non-working days) before the time of the meeting or any adjournment. 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 Company's Registrar 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.

(vi) CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited 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(s), to procure that their 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.

(vii) 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.

(viii) The right to appoint a proxy does not apply to persons whose shares are held on their behalf by another person and who have been nominated to receive communications from the Company in accordance with section 146 of the Companies Act 2006 ("nominated persons"). Nominated persons may have a right under an agreement with the member who holds the shares on their behalf to be appointed (or to have someone else appointed) as a proxy. Alternatively, if nominated persons do not have such a right, or do not wish to exercise it, they may have a right under such an agreement to give instructions to the person holding the shares as to the exercise of voting rights. The statement of the rights of members in relation to the appointment of proxies in notes (i) and (ii) above does not apply to Nominated Persons. The rights described in these notes can be exercised only by members of the Company.

(ix) No Director has a service contract with the Company but copies of Directors' letters of appointment will be available for inspection at the registered office of the Company during normal business hours on any weekday (Saturdays, Sundays and English public holidays excepted) from the date of this notice and at the location of the Meeting for at least 15 minutes prior to the Meeting and during the Meeting.

(x) As at close of business on 28 November 2013 (being the latest practicable date prior to publication of this document), the Company's issued share capital (excluding treasury shares) comprised 238,007,445 Ordinary shares of 25p each. The total number of voting rights in the Company as at 28 November 2013 is 238,007,445.

(xi) Any person holding 3% of the total voting rights in the Company who appoints a person other than the Chairman as their proxy will need to ensure that both they and such third party complies with their respective disclosure obligations under the UK Disclosure and Transparency Rules.

(xii) Any corporation which is a shareholder can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a shareholder provided that they do not do so in relation to the same shares.

(xiii) The members of the Company may require the Company to publish, on its website, a statement setting out any matter relating to the audit of the Company's accounts, including the Auditor's Report and the conduct of the audit, which they intend to raise at the next meeting of the Company. The Company will be required to do so once it has received such requests from either (i) members representing at least 5% of the total voting rights of the Company or (ii) at least 100 members who have a relevant right to vote and hold shares in the Company on which there has been paid up an average sum per member of at least £100. Such requests must be made in writing and must state the member's full name and address, and be sent to: the Company Secretary, Troy Income & Growth Trust plc, 10 St Colme Street, Edinburgh EH3 6AA.

(xiv) Information regarding the Meeting, including information required by section 311A of the Companies Act 2006, is available from the Company's website, www.tigt.co.uk.

(xv) Under section 319A of the Companies Act 2006, the Company must answer any question relating to the business being dealt with at the Meeting put by a member attending the Meeting unless:

(a) answering the question would interfere unduly with the preparation for the Meeting or involve the disclosure of confidential information;

(b) the answer has already been given on a website in the form of an answer to a question; or

(c) it is undesirable in the interests of the Company or the good order of the Meeting that the question be answered.

(xvi) Shareholders are advised that, unless otherwise stated, any telephone number, website or e-mail address which may be set out in this notice of Annual General Meeting or in any related documents (including the proxy form) is not to be used for the purposes of serving information or documents on, or otherwise communicating with, the Company for any purposes other than those expressly stated.

(xvii) There are special arrangements for holders of shares through the Equiniti Investment Account and Equiniti Shareview Dealing ISA. These are explained in the 'Letter of Direction' which such holders will have received with this report.

Corporate Information

Manager

Troy Asset Management Limited
Brookfield House
44 Davies Street
London W1K 5JA

www.taml.co.uk

Secretary and Registered Office

Steven Cowie C.A.
Personal Assets Trust Administration Company Limited
10 St Colme Street
Edinburgh EH3 6AA
Registration Number: 366565 (Scotland)

Auditor

Ernst & Young LLP

Solicitors

Dickson Minto W.S.

Bankers

HSBC Bank Plc

Stockbrokers

Numis Securities Ltd

Share Price and Net Asset Value

The share price of the Ordinary Shares, which are listed on the main market of the London Stock Exchange, is quoted in the following newspapers:
Financial Times
The Times
The Daily Telegraph
The Herald

The Company's Net Asset Value is calculated daily and announced to the London Stock Exchange.

Company Registration Number

111955 (Scotland)

Regulatory Status

As an investment trust pursuant to section 1158 of the Corporation Taxes Act 2010, the FCA rules in relation to non-mainstream investment products do not apply to the Company.

Registrars and Transfer Office

In the event of queries regarding your shares please contact the Registrar:

Equiniti Limited
Aspect House
Spencer Road
Lancing
West Sussex BN99 6DA
Telephone 0871 384 2501
(Calls to this number cost 8p per minute plus network extras).
Overseas Helpline +44 121 415 7047
Lines are open 8.30 am to 5.30 pm Monday to Friday.
Changes of name or address must be notified in writing to the Registrars at the above address.

Shareview Website

The Registrars provide an on-line service that enables shareholders to access details of their shareholdings. A shareholder wishing to view the information, together with additional information such as indicative share prices and details of recent dividends, should visit www.shareview.co.uk.

Shares held in Nominee Names

Where notification has been received in advance, the Company will provide nominee companies with copies of shareholder communications for distribution to their customers. Shareholders who hold their shares in nominee names may, if appointed as a proxy by the nominee company, attend and speak at general meetings.

SIPPS and ISAs

The Company's Ordinary shares are available for investment in SIPPs and ISAs.

AIC

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

Website

www.tigt.co.uk

Troy Income & Growth Trust plc, 10 St Colme Street, Edinburgh EH3 6AA.
Telephone: 0131 538 6610. Website: www.tigt.co.uk