

**JPMorgan US Smaller Companies Investment Trust plc**

**Company Registration No. 552775**

**Unaudited Interim Accounts for the six months ended 30th June 2023**

**Filed pursuant to Section 838 of the Companies Act 2006**



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**David Ross (Chairman)**

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# JPMORGAN US SMALLER COMPANIES INVESTMENT TRUST PLC

## UNAUDITED HALF YEAR REPORT & FINANCIAL STATEMENTS FOR THE SIX MONTHS ENDED 30TH JUNE 2023

### CONDENSED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30th June 2023

	(Unaudited) Six months ended 30th June 2023			(Unaudited) Six months ended 30th June 2022			(Audited) Year ended 31st December 2022		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Losses on investments held at fair value through profit or loss	—	(146)	(146)	—	(40,791)	(40,791)	—	(22,082)	(22,082)
Net foreign currency gains/(losses) on cash and loans	—	1,020	1,020	—	(2,028)	(2,028)	—	(2,513)	(2,513)
Income from investments	2,135	—	2,135	1,542	—	1,542	3,218	—	3,218
Interest receivable	154	—	154	14	—	14	118	—	118
<b>Gross return/(loss)</b>	<b>2,289</b>	<b>874</b>	<b>3,163</b>	<b>1,556</b>	<b>(42,819)</b>	<b>(41,263)</b>	<b>3,336</b>	<b>(24,595)</b>	<b>(21,259)</b>
Management fee	(207)	(828)	(1,035)	(209)	(834)	(1,043)	(416)	(1,664)	(2,080)
Other administrative expenses	(212)	—	(212)	(233)	—	(233)	(547)	—	(547)
<b>Net return/(loss) before finance costs and taxation</b>	<b>1,870</b>	<b>46</b>	<b>1,916</b>	<b>1,114</b>	<b>(43,653)</b>	<b>(42,539)</b>	<b>2,373</b>	<b>(26,259)</b>	<b>(23,886)</b>
Finance costs	(145)	(579)	(724)	(31)	(123)	(154)	(135)	(539)	(674)
<b>Net return/(loss) before taxation</b>	<b>1,725</b>	<b>(533)</b>	<b>1,192</b>	<b>1,083</b>	<b>(43,776)</b>	<b>(42,693)</b>	<b>2,238</b>	<b>(26,798)</b>	<b>(24,560)</b>
Taxation	(314)	—	(314)	(193)	—	(193)	(466)	—	(466)
<b>Net return/(loss) after taxation</b>	<b>1,411</b>	<b>(533)</b>	<b>878</b>	<b>890</b>	<b>(43,776)</b>	<b>(42,886)</b>	<b>1,772</b>	<b>(26,798)</b>	<b>(25,026)</b>
<b>Return/(loss) per share (note 3)</b>	<b>2.18p</b>	<b>(0.82)p</b>	<b>1.36p</b>	<b>1.37p</b>	<b>(67.18)p</b>	<b>(65.81)p</b>	<b>2.72p</b>	<b>(41.21)p</b>	<b>(38.49)p</b>

All revenue and capital items in the above statement derive from continuing operations.

The 'Total' column of this statement is the profit and loss account of the Company and the 'Revenue' and 'Capital' columns represent supplementary information prepared under guidance issued by the Association of Investment Companies.

The net return/(loss) on ordinary activities after taxation represents the profit/(loss) for the period/year and also the total comprehensive income.

### CONDENSED STATEMENT OF CHANGES IN EQUITY

	Called up share capital £'000	Share premium £'000	Capital redemption reserve £'000	Capital reserves <sup>1</sup> £'000	Revenue reserve <sup>1</sup> £'000	Total £'000
<b>Six months ended 30th June 2023 (Unaudited)</b>						
At 31st December 2022	1,638	45,758	1,851	221,271	2,539	273,057
Repurchase of shares into Treasury	—	—	—	(734)	—	(734)
Net (loss)/return for the period	—	—	—	(533)	1,411	878
Dividends paid in the period (note 4)	—	—	—	—	(1,615)	(1,615)
<b>At 30th June 2023</b>	<b>1,638</b>	<b>45,758</b>	<b>1,851</b>	<b>220,004</b>	<b>2,335</b>	<b>271,586</b>
<b>Six months ended 30th June 2022 (Unaudited)</b>						
At 31st December 2021	1,636	45,367	1,851	250,536	2,393	301,783
Issue of Ordinary shares	2	329	—	—	—	331
Shares reissued from Treasury	—	105	—	479	—	584
Repurchase of shares into Treasury	—	—	—	(1,880)	—	(1,880)
Block listing fees	—	—	—	(48)	—	(48)
Net (loss)/return for the period	—	—	—	(43,776)	890	(42,886)
Dividends paid in the period (note 4)	—	—	—	—	(1,626)	(1,626)
<b>At 30th June 2022</b>	<b>1,638</b>	<b>45,801</b>	<b>1,851</b>	<b>205,311</b>	<b>1,657</b>	<b>256,258</b>
<b>Year ended 31st December 2022 (Audited)</b>						

<b>At 31st December 2021</b>	<b>1,636</b>	<b>45,367</b>	<b>1,851</b>	<b>250,536</b>	<b>2,393</b>	<b>301,783</b>
Issue of new Ordinary shares	2	329	—	—	—	331
Shares reissued from Treasury	—	62	—	522	—	584
Repurchase of shares into Treasury	—	—	—	(2,941)	—	(2,941)
Block listing fees	—	—	—	(48)	—	(48)
Net (loss)/return for the year	—	—	—	(26,798)	1,772	(25,026)
Dividends paid in the year (note 4)	—	—	—	—	(1,626)	(1,626)
<b>At 31st December 2022</b>	<b>1,638</b>	<b>45,758</b>	<b>1,851</b>	<b>221,271</b>	<b>2,539</b>	<b>273,057</b>

<sup>1</sup> These reserves form the distributable reserves of the Company and may be used to fund distributions to shareholders.

## **CONDENSED STATEMENT OF FINANCIAL POSITION**

At 30th June 2023

	(Unaudited) At 30th June 2023 £'000	(Unaudited) At 30th June 2022 £'000	(Audited) At 31st December 2022 £'000
<b>Fixed assets</b>			
Investments held at fair value through profit or loss	288,233	274,545	291,723
<b>Current assets</b>			
Debtors	1,615	985	405
Cash and cash equivalents	6,810	6,920	6,652
	8,425	7,905	7,057
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	(25,072)	(1,489)	(25,723)
<b>Net current (liabilities)/assets</b>	<b>(16,647)</b>	<b>6,416</b>	<b>(18,666)</b>
<b>Total assets less current liabilities</b>	<b>271,586</b>	<b>280,961</b>	<b>273,057</b>
Creditors: amounts falling due after one year	—	(24,703)	—
<b>Net assets</b>	<b>271,586</b>	<b>256,258</b>	<b>273,057</b>
<b>Capital and reserves</b>			
Called up share capital	1,638	1,638	1,638
Share premium	45,758	45,801	45,758
Capital redemption reserve	1,851	1,851	1,851
Capital reserves	220,004	205,311	221,271
Revenue reserve	2,335	1,657	2,539
<b>Total shareholders' funds</b>	<b>271,586</b>	<b>256,258</b>	<b>273,057</b>
<b>Net asset value per share (note 5)</b>	<b>420.7p</b>	<b>394.1p</b>	<b>421.7p</b>



David Ross (Chairman)

Company No. 00552775

## **CONDENSED STATEMENT OF CASH FLOWS**

For the six months ended 30th June 2023

	(Unaudited) 30th June 2023 £'000	(Unaudited) 30th June 2022 <sup>1</sup> £'000	(Audited) 31st December 2022 <sup>1</sup> £'000
<b>Cash flows from operating activities</b>			
Net return/(loss) before finance costs and taxation	1,916	(42,539)	(23,886)
Adjustment for:			
Net loss on investments held at fair value through profit or loss	146	40,791	22,082
Net foreign currency (gains)/losses	(1,020)	2,028	2,513
Dividend income	(2,135)	(1,542)	(3,218)
Interest income	(154)	(14)	(118)
Decrease/(increase) in accrued income and other debtors	1	(22)	(20)
(Decrease)/increase in accrued expenses	(6)	(51)	18
	<b>(1,252)</b>	<b>(1,349)</b>	<b>(2,629)</b>
Dividends received	1,637	1,351	2,726
Interest received	179	14	93
Overseas tax recovered	173	40	42
<b>Net cash inflow from operating activities</b>	<b>737</b>	<b>56</b>	<b>232</b>
Purchases of investments	(37,763)	(41,300)	(76,428)
Sales of investments	40,521	47,369	83,743

Settlement of foreign currency contracts	—	15	—
<b>Net cash inflow from investing activities</b>	<b>2,758</b>	<b>6,084</b>	<b>7,315</b>
Dividends paid	(1,615)	(1,626)	(1,626)
Issue of Ordinary shares	—	331	331
Shares reissued from Treasury	—	584	584
Repurchase of shares into Treasury	(734)	(1,880)	(2,941)
Interest paid	(665)	(148)	(530)
Block listing fees	—	(48)	(48)
<b>Net cash outflow from financing activities</b>	<b>(3,014)</b>	<b>(2,787)</b>	<b>(4,230)</b>
<b>Increase in cash and cash equivalents</b>	<b>481</b>	<b>3,353</b>	<b>3,317</b>
Cash and cash equivalents at start of period/year	6,652	3,057	3,057
Exchange movements	(323)	510	278
<b>Cash and cash equivalents at end of period/year</b>	<b>6,810</b>	<b>6,920</b>	<b>6,652</b>
<b>Cash and cash equivalents consist of:</b>			
Cash and short term deposits	61	7	3
Cash held in JPMorgan US Dollar Liquidity Fund	6,749	6,913	6,649
<b>Total</b>	<b>6,810</b>	<b>6,920</b>	<b>6,652</b>

<sup>1</sup> The presentation of the Cash Flow Statement, as permitted under FRS 102, has been changed so as to present the reconciliation of 'net return/(loss) before finance costs and taxation' to 'net cash inflow from operating activities' on the face of the Cash Flow Statement. Previously, this was shown by way of note. Other than consequential changes in presentation of the certain cash flow items, there is no change to the cash flows as presented in previous periods.

## Reconciliation of net debt

	As at 31st December 2022 £'000	Cash flows £'000	Other non-cash charges £'000	As at 30th June 2023 £'000
<b>Cash and cash equivalents</b>				
Cash	3	379	(321)	61
Cash equivalents	6,649	102	(2)	6,749
	<b>6,652</b>	<b>481</b>	<b>(323)</b>	<b>6,810</b>
<b>Borrowings</b>				
Debt due within one year	(24,940)	—	1,343	(23,597)
	(24,940)	—	1,343	(23,597)
<b>Net debt</b>	<b>(18,288)</b>	<b>481</b>	<b>1,020</b>	<b>(16,787)</b>

## NOTES TO THE CONDENSED FINANCIAL STATEMENTS

### For the six months ended 30th June 2023

#### 1. Financial statements

The information contained within the condensed financial statements in this half year report has not been audited or reviewed by the Company's Auditor.

The figures and financial information for the year ended 31st December 2022 are extracted from the latest published financial statements of the Company and do not constitute statutory accounts for that year. Those financial statements have been delivered to the Registrar of Companies, including the report of the Auditor which was unqualified and did not contain a statement under either section 498(2) or 498(3) of the Companies Act 2006.

#### 2. Accounting policies

The financial statements have been prepared in accordance with the Companies Act 2006, FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' of the United Kingdom Generally Accepted Accounting Practice (UK GAAP) and with the Statement of Recommended Practice 'Financial Statements of Investment Trust Companies and Venture Capital Trusts' (the revised 'SORP') issued by the Association of Investment Companies in July 2022.

FRS 104, 'Interim Financial Reporting', issued by the Financial Reporting Council (FRC) in March 2015 has been applied in preparing this condensed set of financial statements for the six months ended 30th June 2023.

All of the Company's operations are of a continuing nature.

The accounting policies applied to this condensed set of financial statements are consistent with those applied in the financial statements for the year ended 31st December 2022.

#### 3. Return/(loss) per share

(Unaudited) Six months ended 30th June 2023	(Unaudited) Six months ended 30th June 2022	(Audited) Year ended 31st December 2022
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	£'000	£'000	£'000
Return/(loss) per share is based on the following:			
Revenue return	1,411	890	1,772
Capital loss	(533)	(43,776)	(26,798)
<b>Total return/(loss)</b>	<b>878</b>	<b>(42,886)</b>	<b>(25,026)</b>
Weighted average number of shares in issue	64,621,432	65,166,032	65,029,256
Revenue return per share	2.18p	1.37p	2.72p
Capital loss per share	(0.82)p	(67.18)p	(41.21)p
<b>Total return/(loss) per share</b>	<b>1.36p</b>	<b>(65.81)p</b>	<b>(38.49)p</b>

#### 4. Dividends paid

	(Unaudited) Six months ended 30th June 2023 £'000	(Unaudited) Six months ended 30th June 2022 £'000	(Audited) Year ended 31st December 2022 £'000
Final dividend in respect of the year ended 31st December 2022 of 2.5p (2021: 2.5p)	1,615	1,626	1,626
<b>Total dividends paid in the period/year</b>	<b>1,615</b>	<b>1,626</b>	<b>1,626</b>

The dividend paid in the period/year has been funded from the revenue earnings.

No interim dividend has been declared in respect of the six months ended 30th June 2023 (2022: nil).

#### 5. Net asset value per share

	(Unaudited) Six months ended 30th June 2023 £'000	(Unaudited) Six months ended 30th June 2022 £'000	(Audited) Year ended 31st December 2022 £'000
Net assets (£'000)	271,586	256,258	273,057
Number of shares in issue at period/year end	64,558,532	65,025,739	64,745,622
<b>Net asset value per share</b>	<b>420.7p</b>	<b>394.1p</b>	<b>421.7p</b>

#### 6. Fair valuation of instruments

The fair value hierarchy analysis for financial instruments held at fair value at the period end is as follows:

	(Unaudited) Six months ended 30th June 2023		(Unaudited) Six months ended 30th June 2022		(Audited) Year ended 31st December 2022	
	Assets £'000	Liabilities £'000	Assets £'000	Liabilities £'000	Assets £'000	Liabilities £'000
Level 1	288,233	—	274,545	—	291,723	—
<b>Total value of investments</b>	<b>288,233</b>	<b>—</b>	<b>274,545</b>	<b>—</b>	<b>291,723</b>	<b>—</b>

JPMORGAN FUNDS LIMITED

22nd August 2023