

TROY INCOME & GROWTH TRUST PLC

Company Number SC111955

**Unaudited Interim Accounts for the period
1 October 2011 to 31 March 2012**

**Prepared under Section 838
Companies Act 2006**

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TROY INCOME & GROWTH TRUST PLC

Statement of Directors' Responsibilities in respect of the interim accounts

Company Law requires the Directors to prepare interim accounts prior to making any distribution where the distribution would be found to contravene the relevant section of the Companies Act if reference were made only to the Company's last annual accounts. These accounts are required to be properly prepared under s838 Companies Act 2006 and must consist of:

A balance sheet which gives a true and fair view of the state of the Company's affairs as at the balance sheet date; and

A profit and loss account which gives a true and fair view of the Company's profit or loss for the period. This requirement is met by the presentation of the total column in the Income Statement.

In preparing these accounts the Directors are required to:

Select suitable accounting policies and apply them consistently;

Make judgements and estimates that are reasonable and prudent;

State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the interim accounts; and

Prepare the financial statements on the going concern basis unless it is appropriate to presume that the Company will not continue in business.

The Directors are responsible for ensuring that proper accounting records are maintained, which enable them to ensure that the interim accounts comply with the Companies Act. They are also responsible for safeguarding the assets of the Company and, therefore, for taking reasonable steps for the prevention and detection of fraud and other irregularities. The accounts have been prepared on a going concern basis.

TROY INCOME & GROWTH TRUST PLC

Income Statement

		Period 1.10.11 to 31.3.12			Year ended 30.09.11		
	Notes	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Gains on investments	7	-	5,300	5,300	-	2,200	2,200
Currency losses		-	(21)	(21)	-	(4)	(4)
REVENUE							
Income	2	1,512	-	1,512	2,768	-	2,768
		<u>1,512</u>	<u>5,279</u>	<u>6,791</u>	<u>2,768</u>	<u>2,196</u>	<u>4,964</u>
EXPENSES							
Investment management fee	3	(92)	(170)	(262)	(154)	(285)	(439)
VAT recoverable on investment management fees		-	-	-	19	19	38
Other administrative expenses	4	(186)	-	(186)	(373)	-	(373)
Finance cost of borrowings	5	-	-	-	(5)	(10)	(15)
		<u>(278)</u>	<u>(170)</u>	<u>(448)</u>	<u>(513)</u>	<u>(276)</u>	<u>(789)</u>
PROFIT BEFORE TAX		1,234	5,109	6,343	2,255	1,920	4,175
Taxation	6	(19)	-	(19)	(35)	-	(35)
PROFIT FOR THE PERIOD		<u>1,215</u>	<u>5,109</u>	<u>6,324</u>	<u>2,220</u>	<u>1,920</u>	<u>4,140</u>

The total column of this statement represents the Company's Statement of Comprehensive Income, prepared in accordance with International Financial Reporting Standards ('IFRS').

The revenue and capital columns are supplementary to this and are prepared under guidance published by the Association of Investment Companies.

The Company does not have any income or expenses that are not included in the profit for the period, and therefore the 'profit for the period' is also the 'total comprehensive income for the period' as defined in International Accounting Standard 1 (revised).

All items in the above statement derive from continuing operations.

All income and losses are attributable to the equity holders of the company. There are no minority interests.

No operations were acquired or discontinued in the period.


The accompanying notes are an integral part of this statement.

TROY INCOME & GROWTH TRUST PLC

Balance Sheet

	Notes	As at 31.03.12		As at 30.09.11	
		£'000	£'000	£'000	£'000
NON-CURRENT ASSETS					
Listed investments	7		73,437		57,246
Investment in subsidiary undertaking	8		-		-
			<u>73,437</u>		<u>57,246</u>
CURRENT ASSETS					
Accrued income & prepayments		1,973		337	
Cash and cash equivalents		<u>1,645</u>		<u>5,910</u>	
			<u>3,618</u>		<u>6,247</u>
TOTAL ASSETS			<u>77,055</u>		<u>63,493</u>
CURRENT LIABILITIES					
Trade and other payables		<u>(829)</u>		<u>(266)</u>	
TOTAL LIABILITIES			<u>(829)</u>		<u>(266)</u>
NET ASSETS			<u>76,226</u>		<u>63,227</u>
ISSUED CAPITAL AND RESERVES					
Called-up share capital	9		35,342		31,610
Share premium account	10		5,773		1,547
Special reserve	11		58,163		58,163
Capital reserve	12		(25,606)		(30,715)
Revenue reserve	14		<u>2,554</u>		<u>2,622</u>
EQUITY SHAREHOLDERS' FUNDS			<u>76,226</u>		<u>63,227</u>

Approved by the Board on 10 May 2012 and signed on behalf of the Board by:



R G Hanna, Chairman

The accompanying notes are an integral part of this balance sheet.

TROY INCOME & GROWTH TRUST PLC

Notes to the Financial Statements Period from 1 October 2011 to 31 March 2012

1 ACCOUNTING POLICIES

The financial statements of the Company have been prepared in accordance with IAS 34 Interim Financial Reporting and the accounting policies set out in the statutory accounts of the Company for the year ended 30 September 2011. The financial statements do not include all the information required for full annual financial statements and should be read in conjunction with the financial statements of the Company for the year ended 30 September 2011, which were prepared under full IFRS requirements, to the extent that they have been adopted by the European Union. The disclosures within these financial statements have been limited to those required to meet the statutory requirements of section 838 Companies Act 2006, requisite in respect of interim accounts prepared for a proposed distribution by a public company.

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

The principal accounting policies adopted are set out below. Where the presentational guidance set out in the Statement of Recommended Practice ("the SORP") for investment trusts issued by the Association of Investment Companies ("the AIC") 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 recommendation of the SORP.

Presentation of Income Statement

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. In accordance with the Company's status as a UK investment company under section 833 of the Companies Act 2006 net capital returns may not be distributed by way of dividend. Additionally, the net profit is the measure the Directors believe is appropriate in assessing the Company's compliance with certain requirements set out in section 1158/1159 of the Corporation Taxes Act 2010.

(a) Basis of preparation

The financial statements are prepared on the historical cost basis except that investments are stated at their fair value.

(b) Investments

The Company has designated all its investments into the financial assets at fair value through profit and loss category. The fair value of investments is based upon their quoted market bid price at close of business on the balance sheet date.

(c) Gains and losses on investment transactions

Gains and losses arising on sales of investments and changes in the fair value of investments are recognised in the income statement as a capital item and taken to the capital reserve.

(d) Income and expenditure

Dividends on equity investments are credited to revenue on the date when the investment is first quoted ex-dividend at the amount receivable without any attributable tax credit.

Interest income from certain fixed interest securities is recognised in the income statement as it accrues, using the effective interest rate of the instrument calculated at the acquisition date. Interest income includes the amortisation of any discount or premium or other differences between the initial carrying amount of the interest-bearing instrument and its amount at maturity calculated on an effective interest rate basis.

Interest from deposits, interest payable and expenses of management are dealt with on an accruals basis.

The finance costs of borrowings and the fee payable to the Company's managers are charged partly to capital and partly to revenue in proportion to the expected long-term split of returns in the form of capital gains and income from the Company's entire investment portfolio. All other expenses of management are charged to revenue.

	01.10.11 to 31.03.12 £'000	01.10.10 to 30.09.11 £'000
2 REVENUE		
<i>Income from investments</i>		
UK dividend income	1,383	2,551
Overseas dividend income	128	215
	<hr/> 1,511	<hr/> 2,766
Other income	1	2
Total income	<hr/> 1,512	<hr/> 2,768

TROY INCOME & GROWTH TRUST PLC

Notes to the Financial Statements Period from 1 October 2011 to 31 March 2012

3 INVESTMENT MANAGEMENT FEE

Troy Asset Management Limited act as investment managers to the Company and their fee is at an annual rate of 0.75% of the amount of net assets calculated monthly and paid quarterly. The fee has been allocated 35% to revenue and 65% to capital.

	01.10.11 to 31.03.12 £'000	01.10.10 to 30.09.11 £'000
4 OTHER ADMINISTRATIVE EXPENSES		
Directors' remuneration - fees as directors	31	60
Fees payable to auditors and associates: - as auditors	11	22
Fees payable to auditors and associates: - taxation services	4	9
Other administrative expenses	140	282
	<u>186</u>	<u>373</u>

	Revenue £'000	Capital £'000	Total £'000
5 FINANCE COSTS OF BORROWINGS			
Period 01.10.11 to 31.03.12			
Bank loans and overdrafts	<u>0</u>	<u>0</u>	<u>0</u>
Year from 01.10.10 to 30.09.11			
Bank loans and overdrafts	<u>5</u>	<u>10</u>	<u>15</u>

	01.10.11 to 31.03.12 £'000	01.10.11 to 30.09.12 £'000
6 TAXATION		
Foreign tax suffered	<u>19</u>	<u>35</u>

Following changes to the Finance Bill 2009 dividends and other distributions from foreign companies received on or after 1 July 2009 have largely been exempt from UK corporation tax. However, the Company continues to be subject to irrecoverable US withholding tax of 15% on income received from US portfolio holdings.

	01.10.11 to 31.03.12 £'000	01.10.11 to 30.09.12 £'000
7 LISTED INVESTMENTS		
Opening value	57,246	51,902
Purchases	11,283	9,325
Sales - proceeds	(392)	(6,186)
Sales - net (losses) / gains on sales	(39)	1,113
Movement in investment holdings gains	5,339	1,092
Closing value	<u>73,437</u>	<u>57,246</u>
Closing book cost	61,784	50,931
Closing fair value gains on investments held	11,653	6,315
Closing fair value	<u>73,437</u>	<u>57,246</u>

GAIN ON INVESTMENTS

Net (losses) / gains on sales of investments	(39)	1,113
Movement in investment holdings gains	5,339	1,092
Capital loss on dissolution of subsidiary	-	(5)
	<u>5,300</u>	<u>2,200</u>

TROY INCOME & GROWTH TRUST PLC

Notes to the Financial Statements Period from 1 October 2011 to 31 March 2012

	At 31.03.12 £'000	At 30.09.11 £'000
8 SUBSIDIARY UNDERTAKING		
Shares at cost	0	0

The Company owned the whole of the ordinary share capital of GIT Securities Limited, an investment dealing company registered in Scotland. This Company was dormant and was dissolved with effect from 29 September 2011.

	At 31.03.12 £'000	At 30.09.11 £'000
9 CALLED-UP SHARE CAPITAL		
<i>Authorised</i>		
200,000,000 ordinary shares of 25 pence each	50,000	50,000

	At 31.03.12		At 30.09.11	
<i>Allotted, called up and fully paid</i>	Number	£'000	Number	£'000
Ordinary shares of 25 pence each	141,366,419	35,342	126,441,432	31,610

	At 31.03.12 £'000	At 30.09.11 £'000
10 SHARE PREMIUM ACCOUNT		
Opening balance	1,547	53,204
Cancellation of share premium	-	(53,204)
Premium on shares issued from treasury	-	435
Premium on issue of new shares	4,244	1,148
Discount control costs	(18)	(36)
Closing balance	5,773	1,547

	At 31.03.12 £'000	At 30.09.11 £'000
11 SPECIAL RESERVE		
Opening balance	58,163	249
Cancellation of share premium	-	53,204
Costs of cancellation of share premium account	-	5
Shares issued from treasury	-	7,256
Shares bought back into treasury	-	(2,551)
Closing balance	58,163	58,163

	At 31.03.12 £'000	At 30.09.11 £'000
12 CAPITAL RESERVES		
Opening balance	(30,715)	(32,635)
Net (losses) / gains on sales of investments during the period (note 7)	(39)	1,113
Gains on holdings of listed investments (note 7)	5,339	1,092
Currency (losses)/gains	(21)	(4)
Capital loss on dissolution of subsidiary	-	(5)
Management fee	(170)	(285)
Vat recoverable on investment management fee	-	19
Finance cost of borrowings	-	(10)
Closing balance	(25,606)	(30,715)

The capital reserves are not distributable.

	01.10.11 to 31.03.12 £'000	01.10.10 to 30.09.11 £'000
13 DIVIDENDS ON EQUITY SHARES		
Fourth interim dividend of 2009/10 of 0.45p per share paid on 29 October 2010	-	504
Fourth interim dividend of 2010/11 of 0.5p per share paid on 28 October 2011	632	-
Three interim dividends for 2010/11 totalling 1.4175p per share	-	1,597
First interim dividend of 2011/12 of 0.5p per share paid on 27 January 2012	651	-
	1,283	2,101

The Company declared a second interim dividend in respect of the year to 30 September 2012 of 0.5p per share which was paid on 27 April 2012. The total amount paid in respect of this dividend was £709,832.

TROY INCOME & GROWTH TRUST PLC

Notes to the Financial Statements Period from 1 October 2011 to 31 March 2012

14	REVENUE RESERVE	At 31.03.12	At 30.09.11
		£'000	£'000
	Opening balance	2,622	2,503
	Profit for the period	1,215	2,220
	Dividends paid (note 14)	(1,283)	(2,101)
	Closing balance	<u>2,554</u>	<u>2,622</u>
	REVENUE RESERVE POST PAYMENT OF SECOND INTERIM DIVIDEND		
	B/f revenue reserve at 30 September 2011 per Annual Report		2,622
	Less: Fourth interim dividend of 2010/11 of 0.5p per share paid on 28 October 2011		(632)
	Adjusted revenue reserves at 1 October 2011 (Companies Act basis)		<u>1,990</u>
	Current period (see Revenue Account)		£'000
	Revenue on ordinary activities after taxation		1,215
	First interim dividend paid for 2011/12 of 0.5p per share paid on 27 January 2012		(651)
	Second interim dividend paid for 2011/12 of 0.5p per share paid on 27 April 2012		(710)
	Current year revenue reserves after dividends paid/proposed		<u>(146)</u>
	Adjusted revenue reserves at 1 October 2011		1,990
	Current year revenue reserves after dividends paid		(146)
	Revenue reserve post payment of 2nd interim dividend for 2012		<u>1,844</u>
15	NET ASSET VALUE		
		31.3.12	30.9.11
	Net assets attributable	76,226,000	63,227,000
	Number of ordinary shares	141,366,419	126,441,432
	Net asset value per share (pence)	53.92	50.00