

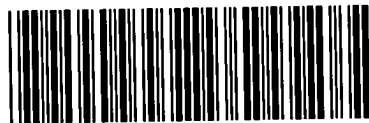
**TROY INCOME & GROWTH TRUST PLC**

**Company Number SC111955**

**Unaudited Interim Accounts for the period  
1 October 2015 to 31 March 2016**

**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**

		<b>Period 1.10.15 to 31.03.16</b>			<b>Year ended 30.09.15</b>		
	Notes	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Profit on investments held at fair value	6	-	8,309	8,309	-	12,144	12,144
Currency (losses) / gains		-	(6)	(6)	-	11	11
REVENUE							
Income	2	3,534	-	3,534	6,996	-	6,996
Other income	2	80	-	80	17	-	17
		<u>3,614</u>	<u>8,303</u>	<u>11,917</u>	<u>7,013</u>	<u>12,155</u>	<u>19,168</u>
EXPENSES							
Investment management fee	3	(244)	(454)	(698)	(453)	(842)	(1,295)
Other administrative expenses	4	(228)	-	(228)	(442)	-	(442)
		<u>(472)</u>	<u>(454)</u>	<u>(926)</u>	<u>(895)</u>	<u>(842)</u>	<u>(1,737)</u>
PROFIT BEFORE TAX		3,142	7,849	10,991	6,118	11,313	17,431
Taxation	5	(36)	-	(36)	(79)	-	(79)
PROFIT FOR THE PERIOD		<u>3,106</u>	<u>7,849</u>	<u>10,955</u>	<u>6,039</u>	<u>11,313</u>	<u>17,352</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 '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.

No operations were acquired or discontinued in the period.

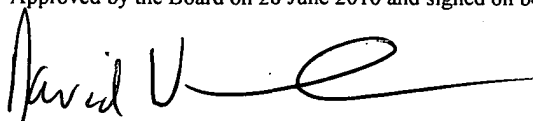
The accompanying notes are an integral part of this statement.

# TROY INCOME & GROWTH TRUST PLC

## Balance Sheet

	Notes	As at 31.03.16 £'000	As at 30.09.15 £'000
NON-CURRENT ASSETS			
Listed investments	6	<u>181,914</u>	<u>171,474</u>
CURRENT ASSETS			
Financial Assets		203	-
Accrued income & prepayments		1,082	582
Cash and cash equivalents		<u>9,605</u>	<u>6,630</u>
		<u>10,890</u>	<u>7,212</u>
TOTAL ASSETS		<u>192,804</u>	<u>178,686</u>
CURRENT LIABILITIES			
Trade and other payables		(807)	(420)
Traded option contracts		<u>-</u>	<u>(19)</u>
TOTAL LIABILITIES		<u>(807)</u>	<u>(439)</u>
NET ASSETS		<u>191,997</u>	<u>178,247</u>
ISSUED CAPITAL AND RESERVES			
Called-up share capital	7	66,811	64,706
Share premium account	8	11,353	7,525
Special reserves	9	63,504	63,504
Capital reserve	10	46,348	38,499
Revenue reserve	12	<u>3,981</u>	<u>4,013</u>
EQUITY SHAREHOLDERS' FUNDS		<u>191,997</u>	<u>178,247</u>

Approved by the Board on 28 June 2016 and signed on behalf of the Board by:



David Warnock, 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 2015 to 31 March 2016

### 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 2015. 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 2015, 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 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 periods. 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 November 2014 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.

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 profit is the measure the Directors believe is appropriate in assessing the Company's compliance with certain requirements set out in section 1159 of the Corporation Tax Act 2010.

#### (a) 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 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.

#### (b) 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.

#### (c) 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 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.

	01.10.15 to 31.03.16 £'000	01.10.14 to 30.09.15 £'000
2 REVENUE		
<i>Income from investments</i>		
UK dividend income	3,295	6,468
Overseas dividend income	239	528
	<hr/> 3,534	<hr/> 6,996
Other income		
Traded option premiums	80	17
Total income	<hr/> 3,614	<hr/> 7,013

# TROY INCOME & GROWTH TRUST PLC

## Notes to the Financial Statements Period from 1 October 2015 to 31 March 2016

### 3 INVESTMENT MANAGEMENT FEE

Troy Asset Management Limited act as investment manager to the Company and their fee is at an annual rate of 0.75% of the amount of net assets up to £175 million and at a rate of 0.65% of the net assets at or above £175 million. The fee is calculated monthly and paid quarterly and has been allocated 35% to revenue and 65% to capital.

	01.10.15 to 31.03.16 £'000	01.10.14 to 30.09.15 £'000
4 OTHER ADMINISTRATIVE EXPENSES		
Directors' remuneration - fees as directors	42	83
Fees payable to auditors and associates: - as auditors	12	22
Fees payable to auditors and associates: - taxation services	4	8
Other administrative expenses	170	329
	<u>228</u>	<u>442</u>

	01.10.15 to 31.03.16 £'000	01.10.14 to 30.09.15 £'000
5 TAXATION		
Foreign tax suffered	36	79

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.

	01.10.15 to 31.03.16 £'000	01.10.14 to 30.09.15 £'000
6 LISTED INVESTMENTS		
Opening value	171,474	150,656
Purchases for cash	18,082	19,585
Sales - proceeds	(15,748)	(10,911)
Sales - net gains on sales	3,237	2,334
Movement in investment holdings gains	4,869	9,810
Closing value	<u>181,914</u>	<u>171,474</u>
Closing book cost	139,398	133,743
Closing fair value gains on investments held	<u>42,516</u>	<u>37,731</u>
Closing fair value	<u>181,914</u>	<u>171,474</u>

### GAIN ON INVESTMENTS

Net gains on sales of investments	3,237	2,334
Movement in investment holdings gains	4,869	9,810
Gain on Forward Contract	203	-
	<u>8,309</u>	<u>12,144</u>

# TROY INCOME & GROWTH TRUST PLC

## Notes to the Financial Statements Period from 1 October 2015 to 31 March 2016

### 7 CALLED-UP SHARE CAPITAL

	At 31.03.16		At 30.09.15	
<i>Allotted, called up and fully paid</i>	Number	£'000	Number	£'000
At period end	267,244,045	66,811	258,824,045	64,706
Held in treasury	-	-	-	-
Ordinary shares of 25 pence each	267,244,045	66,811	242,057,445	64,706

8 SHARE PREMIUM ACCOUNT	31.03.16 £'000	At 30.09.15 £'000
Opening balance	7,525	86
Premium on issue of new shares	3,862	7,491
Costs incurred on issue of new shares	(17)	(19)
Discount control costs	(17)	(33)
Closing balance	11,353	7,525

	Distributable Capital Reserve 31.03.16 £'000	Special Reserve 31.03.16 £'000	Total Special Reserves 31.03.16 £'000	Total Special Reserves At 30.09.15 £'000
9 SPECIAL RESERVES				
Opening balance	5,343	58,161	63,504	61,924
Costs of cancellation of Share Premium	-	-	-	(4)
Shares issued from treasury	-	-	-	1,584
Closing balance	5,343	58,161	63,504	63,504

10 CAPITAL RESERVES	31.03.16 £'000	At 30.09.15 £'000
Opening balance	38,499	27,186
Net gains on sales of investments during the period (note 6)	3,237	2,334
Gains on holdings of listed investments (note 6)	4,869	9,810
Gain on fair value of forward currency contract	203	-
Currency (losses) / gains	(6)	11
Management fee	(454)	(842)
Closing balance	46,348	38,499

	01.10.15 to 31.03.16 £'000	01.10.14 to 30.09.15 £'000
11 DIVIDENDS ON EQUITY SHARES		
Fourth interim dividend of 2013/14 of 0.575p per share paid on 31 October 2014	-	1,380
Fourth interim dividend of 2014/15 of 0.6p per share paid on 30 October 2015	1,556	-
Three interim dividends for 2014/15 totalling 1.725p per share	-	4,327
First Interim dividend of 2015/16 of 0.6p per share paid on 29 January 2016	1,582	-
	3,138	5,707

The Company declared a second interim dividend in respect of the year to 30 September 2016 of 0.6p per share which was paid on 29 April 2016. The total amount payable in respect of this dividend is £1,610,064.

# TROY INCOME & GROWTH TRUST PLC

## Notes to the Financial Statements Period from 1 October 2015 to 31 March 2016

12	REVENUE RESERVE	At 31.03.16	At 30.09.15
		£'000	£'000
	Opening balance	4,013	3,681
	Profit for the period	3,106	6,039
	Dividends paid (note 11)	(3,138)	(5,707)
	Closing balance	<u>3,981</u>	<u>4,013</u>
	REVENUE RESERVE POST PAYMENT OF FIRST INTERIM DIVIDEND		
	B/f revenue reserve at 30 September 2015 per Annual Report		4,013
	Less: Fourth interim dividend of 2014/15 of 0.6p per share paid on 30 October 2015		<u>(1,556)</u>
	Adjusted revenue reserves at 1 October 2015 (Companies Act basis)		<u>2,457</u>
	Current period (see Revenue Account)		£'000
	Revenue on ordinary activities after taxation		3,106
	First interim dividend paid for 2015/16 of 0.6p per share paid on 29 January 2016		(1,582)
	Second interim dividend paid for 2015/16 of 0.6p per share paid on 29 April 2016		<u>(1,610)</u>
	Current year revenue reserves after dividends paid		<u>(86)</u>
	Adjusted revenue reserves at 1 October 2015		2,457
	Current year revenue reserves after dividends paid		<u>(86)</u>
	Revenue reserve post payment of 1st interim dividend for 2016		<u>2,371</u>
13	NET ASSET VALUE	31.03.16	30.09.15
	Net assets attributable	191,997,000	178,247,000
	Number of ordinary shares	267,244,045	258,824,045
	Net asset value per share (pence)	71.84	68.87