

TROY INCOME & GROWTH TRUST PLC

Company Number SC111955

**Unaudited Interim Accounts for the period
1 October 2014 to 31 December 2014**

**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 1.10.14 to 31.12.14			Year ended 30.09.14		
	Notes	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Profit on investments held at fair value	7	-	7,082	7,082	-	9,585	9,585
Currency gains / (losses)		-	11	11	-	(4)	(4)
REVENUE							
Income	2	1,185	-	1,185	6,193	-	6,193
Other income	2	-	-	-	1	-	1
		<u>1,185</u>	<u>7,093</u>	<u>8,278</u>	<u>6,194</u>	<u>9,581</u>	<u>15,775</u>
EXPENSES							
Investment management fee	3	(106)	(197)	(303)	(392)	(728)	(1,120)
Other administrative expenses	4	(120)	-	(120)	(403)	-	(403)
Finance cost of borrowings	5	-	-	-	(5)	(10)	(15)
		<u>(226)</u>	<u>(197)</u>	<u>(423)</u>	<u>(800)</u>	<u>(738)</u>	<u>(1,538)</u>
PROFIT BEFORE TAX		959	6,896	7,855	5,394	8,843	14,237
Taxation	6	(16)	-	(16)	(86)	-	(86)
PROFIT FOR THE PERIOD		<u>943</u>	<u>6,896</u>	<u>7,839</u>	<u>5,308</u>	<u>8,843</u>	<u>14,151</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.

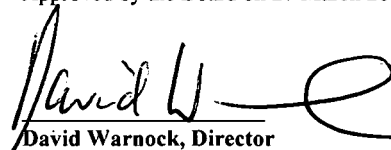
The accompanying notes are an integral part of this statement.

TROY INCOME & GROWTH TRUST PLC

Balance Sheet

		As at 31.12.14		As at 30.09.14	
	Notes	£'000	£'000	£'000	£'000
NON-CURRENT ASSETS					
Listed investments	7		<u>157,451</u>		<u>150,656</u>
CURRENT ASSETS					
Accrued income & prepayments		482		690	
Trade and other receivables		169		737	
Cash and cash equivalents		<u>6,709</u>		<u>2,755</u>	
			<u>7,360</u>		<u>4,182</u>
TOTAL ASSETS			<u>164,811</u>		<u>154,838</u>
CURRENT LIABILITIES					
Trade and other payables		<u>(411)</u>		<u>(1,447)</u>	
TOTAL LIABILITIES			<u>(411)</u>		<u>(1,447)</u>
NET ASSETS			<u>164,400</u>		<u>153,391</u>
ISSUED CAPITAL AND RESERVES					
Called-up share capital	8		61,633		60,514
Share premium account	9		1,936		86
Special reserves	10		63,504		61,924
Capital reserve	11		34,082		27,186
Revenue reserve	13		<u>3,245</u>		<u>3,681</u>
EQUITY SHAREHOLDERS' FUNDS			<u>164,400</u>		<u>153,391</u>

Approved by the Board on 27 March 2015 and signed on behalf of the Board by:


David Warnock, Director

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 2014 to 31 December 2014

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 2014. 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 2014, 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 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.

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.

	01.10.14 to 31.12.14 £'000	01.10.13 to 30.09.14 £'000
2 REVENUE		
<i>Income from investments</i>		
UK dividend income	1,077	5,618
Overseas dividend income	108	575
	1,185	6,193
Other income	0	1
Total income	1,185	6,194

TROY INCOME & GROWTH TRUST PLC

Notes to the Financial Statements Period from 1 October 2014 to 31 December 2014

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.

	01.10.14 to 31.12.14 £'000	01.10.13 to 30.09.14 £'000
4 OTHER ADMINISTRATIVE EXPENSES		
Directors' remuneration - fees as directors	21	75
Fees payable to auditors and associates: - as auditors	7	22
Fees payable to auditors and associates: - taxation services	2	8
Other administrative expenses	90	298
	<u>120</u>	<u>403</u>

	Revenue £'000	Capital £'000	Total £'000
5 FINANCE COSTS OF BORROWINGS			
Period 01.10.14 to 31.12.14			
Bank loans and overdrafts	<u>0</u>	<u>0</u>	<u>0</u>
Year from 01.10.13 to 30.09.14			
Bank loans and overdrafts	<u>5</u>	<u>10</u>	<u>15</u>

	01.10.14 to 31.12.14 £'000	01.10.13 to 30.09.14 £'000
6 TAXATION		
Foreign tax suffered	<u>16</u>	<u>86</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.

	01.10.14 to 31.12.14 £'000	01.10.13 to 30.09.14 £'000
7 LISTED INVESTMENTS		
Opening value	150,656	141,239
Purchases for cash	2,398	25,625
Sales - proceeds	(2,685)	(25,793)
Sales - net (losses) / gains on sales	(589)	4,964
Movement in investment holdings gains	7,671	4,621
Closing value	<u>157,451</u>	<u>150,656</u>
Closing book cost	121,860	122,736
Closing fair value gains on investments held	<u>35,591</u>	<u>27,920</u>
Closing fair value	<u>157,451</u>	<u>150,656</u>

GAIN ON INVESTMENTS

Net (losses) / gains on sales of investments	(589)	4,964
Movement in investment holdings gains	7,671	4,621
	<u>7,082</u>	<u>9,585</u>

TROY INCOME & GROWTH TRUST PLC

Notes to the Financial Statements Period from 1 October 2014 to 31 December 2014

8 CALLED-UP SHARE CAPITAL

	At 31.12.14		At 30.09.14	
	Number	£'000	Number	£'000
<i>Allotted, called up and fully paid</i>				
At period end	246,532,445	61,633	239,488,445	59,872
Held in treasury	-	-	2,569,000	642
Ordinary shares of 25 pence each	246,532,445	61,633	242,057,445	60,514

9 SHARE PREMIUM ACCOUNT

	At 31.12.14 £'000	At 30.09.14 £'000
Opening balance	86	36,432
Premium on issue of new shares	1,866	311
Costs incurred on issue of new shares	(7)	-
Discount control costs	(9)	(36)
Cancellation of share premium	-	(36,621)
Closing balance	1,936	86

	Distributable Capital Reserve At 31.12.14 £'000	Special Reserve At 31.12.14 £'000	Total Special Reserves At 31.12.14 £'000	Total Special Reserves At 30.09.14 £'000
10 SPECIAL RESERVES				
Opening balance	5,347	56,577	61,924	58,163
Cancellation of Share Premium	-	-	-	36,621
Transfer to Capital Reserve	-	-	-	(31,243)
Costs of cancellation of Share Premium	(4)	-	(4)	(31)
Shares bought back into treasury	-	-	-	(7,002)
Shares issued from treasury	-	1,584	1,584	5,416
Closing balance	5,343	58,161	63,504	61,924

11 CAPITAL RESERVES

	At 31.12.14 £'000	At 30.09.14 £'000
Opening balance	27,186	(12,900)
Net (losses) / gains on sales of investments during the period (note 7)	(589)	4,964
Gains on holdings of listed investments (note 7)	7,671	4,621
Currency gains / (losses)	11	(4)
Management fee	(197)	(728)
Finance cost of borrowings	-	(10)
Transfer from Special Reserve	-	31,243
Closing balance	34,082	27,186

12 DIVIDENDS ON EQUITY SHARES

	01.10.14 to 31.12.14 £'000	01.10.13 to 30.09.14 £'000
Fourth interim dividend of 2012/13 of 0.55p per share paid on 25 October 2013	-	1,331
Fourth interim dividend of 2013/14 of 0.575p per share paid on 31 October 2014	1,379	-
Three interim dividends for 2013/14 totalling 1.65p per share	-	3,865
	1,379	5,196

The Company declared a first interim dividend in respect of the year to 30 September 2015 of 0.575p per share which was paid on 30 January 2015. The total amount payable in respect of this dividend is £1,421,587.

TROY INCOME & GROWTH TRUST PLC

Notes to the Financial Statements Period from 1 October 2014 to 31 December 2014

13 REVENUE RESERVE	At 31.12.14	At 30.09.14
	£'000	£'000
Opening balance	3,681	3,569
Profit for the period	943	5,308
Dividends paid (note 12)	(1,379)	(5,196)
Closing balance	<u>3,245</u>	<u>3,681</u>

REVENUE RESERVE POST PAYMENT OF FIRST INTERIM DIVIDEND

B/f revenue reserve at 30 September 2014 per Annual Report	3,681
Less: Fourth interim dividend of 2013/14 of 0.575p per share paid on 31 October 2014	<u>(1,379)</u>
Adjusted revenue reserves at 1 October 2014 (Companies Act basis)	<u>2,302</u>

Current period (see Revenue Account)	£'000
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Revenue on ordinary activities after taxation	943
First interim dividend paid for 2014/15 of 0.575p per share paid on 30 January 2015	<u>(1,422)</u>
Current year revenue reserves after dividends paid	<u>(479)</u>

Adjusted revenue reserves at 1 October 2014	2,302
Current year revenue reserves after dividends paid	<u>(479)</u>
Revenue reserve post payment of 1st interim dividend for 2015	<u>1,823</u>

14 NET ASSET VALUE	31.12.14	30.09.14
Net assets attributable	164,400,000	153,391,000
Number of ordinary shares	246,532,445	239,488,445
Net asset value per share (pence)	66.68	64.05