

Finsbury Growth & Income Trust PLC
(Company Registration Number: SC013958)

Half Year Report & Financial Statements
for the six months ended 31 March 2018

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Financial Statements/Income Statement

For the six months ended 31 March 2018

	(Unaudited) Six months ended 31 March 2018			(Unaudited) Six months ended 31 March 2017		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Gains on investments at fair value through profit or loss	–	19,006	19,006	–	60,260	60,260
Currency translations	–	(35)	(35)	–	(59)	(59)
Income (note 2)	9,973	–	9,973	8,330	–	8,330
AIFM and Portfolio Management fees (note 3)	(1,193)	(2,423)	(3,616)	(974)	(1,978)	(2,952)
Other expenses	(498)	–	(498)	(534)	(32)	(566)
Return on ordinary activities before finance charges and taxation	8,282	16,548	24,830	6,822	58,191	65,013
Finance charges	(112)	(227)	(339)	(123)	(249)	(372)
Return on ordinary activities before taxation	8,170	16,321	24,491	6,699	57,942	64,641
Taxation on ordinary activities	(149)	–	(149)	(11)	–	(11)
Return on ordinary activities after taxation	8,021	16,321	24,342	6,688	57,942	64,630
Basic and diluted return per share (note 4)	5.0p	10.0p	15.0p	4.5p	39.3p	43.8p

The "Total" column of this statement represents the Company's profit and loss account. The "Revenue" and "Capital" columns are supplementary to this and are prepared under guidance published by The Association of Investment Companies ("AIC").

All items in the above statement derive from continuing operations. The Company had no recognised gains or losses other than those declared in the Income Statement.

There is no material difference between the net return on ordinary activities before taxation and the net return on ordinary activities after taxation stated above and their historical cost equivalents.

Financial Statements/Statement of Changes in Equity

For the six months ended 31 March 2018

(Unaudited)	Share capital	Share premium account	Capital redemption reserve	Special reserve	Capital reserve	Revenue reserve	Total
Six months ended 31 March 2018	£'000	£'000	£'000	£'000	£'000	£'000	£'000
At 30 September 2017	39,724	572,791	3,453	12,424	515,039	20,990	1,164,421
Net return from ordinary activities	-	-	-	-	16,321	8,021	24,342
Second interim dividend (7.4p per share) for the year ended 30 September 2017	-	-	-	-	-	(11,786)	(11,786)
Issue of shares	1,688	48,904	-	-	-	-	50,592
At 31 March 2018	41,412	621,695	3,453	12,424	531,360	17,225	1,227,569

(Unaudited)

Six months ended 31 March 2017

At 30 September 2016	35,579	463,833	3,453	12,424	403,417	17,316	936,022
Net return from ordinary activities	-	-	-	-	57,942	6,688	64,630
Second interim dividend (6.6p per share) for the year ended 30 September 2016	-	-	-	-	-	(9,982)	(9,982)
Issue of shares	2,232	55,401	-	-	-	-	57,633
Cost of share issuance – prospectus	-	(89)	-	-	-	-	(89)
At 31 March 2017	37,811	519,145	3,453	12,424	461,359	14,022	1,048,214

Financial Statements/Statement of Financial Position

as at 31 March 2018

	(Unaudited) 31 March 2018 £'000	(Audited) 30 September 2017 £'000
Fixed assets		
Investments designated at fair value through profit or loss	1,252,884	1,186,911
Current assets		
Debtors	4,032	3,936
Cash and cash equivalents	9,820	11,482
	13,852	15,418
Current liabilities		
Creditors: amounts falling due within one year	(2,467)	(1,208)
	(2,467)	(1,208)
Net current assets	11,385	14,210
Total assets less current liabilities	1,264,269	1,201,121
Creditors: amounts falling due after one year		
Bank loan	(36,700)	(36,700)
Net assets	1,227,569	1,164,421
Capital and reserves		
Share capital	41,412	39,724
Share premium account	621,695	572,791
Capital redemption reserve	3,453	3,453
Special reserve	12,424	12,424
Capital reserve	531,360	515,039
Revenue reserve	17,225	20,990
Total shareholders' funds	1,227,569	1,164,421
Net asset value per share – basic and diluted (note 5)	741.1p	732.8p

Signed by:



Anthony Townsend
Chairman

14 May 2018

Financial Statements/Statement of Cash Flows

for the six months ended 31 March 2018

	(Unaudited) 31 March 2018 £'000	(Unaudited) 31 March 2017 £'000
Net cash inflow from operating activities before interest (note 6)	6,147	4,612
Interest paid	(337)	(372)
Net cash inflow from operating activities	5,810	4,240
Investing activities		
Purchase of investments	(49,294)	(58,553)
Sale of investments	3,607	–
Net cash outflow from investing activities	(45,687)	(58,553)
Financing activities		
Equity dividends paid	(11,786)	(9,982)
Shares issued	50,036	58,222
Cost of share issuance	–	(89)
Net cash inflow from financing activities	38,250	48,151
Decrease in cash and cash equivalents	(1,627)	(6,162)
Currency translations	(35)	(59)
Cash and cash equivalents at 1 October	11,482	12,198
Cash and cash equivalents at 31 March	9,820	5,977

Financial Statements/Notes to the Financial Statements

1. Basis of preparation

The condensed Financial Statements for the six months to 31 March 2018 have been prepared under the historical cost convention, modified to include the revaluation of investments and in accordance with FRS 104 'Interim Financial Reporting' and with the AIC's Statement of Recommended Practice ("the SORP") for Investment Trust Companies and Venture Capital Trusts issued in November 2014 and updated in January 2017 and February 2018 with consequential amendments, and the Companies Act 2006.

The accounting policies used for the year ended 30 September 2017 have been applied.

Fair Value

Under FRS 102 and FRS 104 investments have been classified using the following fair value hierarchy:

Level 1 – quoted prices in active markets

Level 2 – prices of recent transactions for identical instruments

Level 3 – valuation techniques using observable and unobservable market data.

The financial assets and liabilities measured at fair value in the Statement of Financial Position are grouped into the fair value hierarchy at the reporting date as follows:

As at 31 March 2018

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total
Equity investments	1,250,990	–	–	1,250,990
Limited liability partnership interest (Frostrow Capital LLP)	–	–	1,200	1,200
AIFM Capital contribution (Frostrow Capital LLP)	–	–	480	480
Preference shares investment	214	–	–	214
	1,251,204	–	1,680	1,252,884

As at 30 September 2017

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total
Equity investments	1,185,077	–	–	1,185,077
Limited liability partnership interest (Frostrow Capital LLP)	–	–	1,200	1,200
AIFM Capital contribution (Frostrow Capital LLP)	–	–	480	480
Preference shares investment	154	–	–	154
	1,185,231	–	1,680	1,186,911

2. Income

	(Unaudited) Six months ended 31 March 2018 £'000	(Unaudited) Six months ended 31 March 2017 £'000
Income from investments		
Franked investment income		
– dividends	8,781	7,278
Unfranked investment income		
– overseas dividends	1,171	1,031
– limited liability partnership – priority profit-share on AIFM Capital Contribution	21	21
Total income	9,973	8,330

3. AIFM and Portfolio Management fees

	(Unaudited) Six months ended 31 March 2018 £'000	(Unaudited) Six months ended 31 March 2017 £'000
AIFM fee	904	764
Portfolio management fee	2,712	2,188
Total fees	3,616	2,952

4. Return per share

The total return per share is based on the total return attributable to equity shareholders of £24,342,000 (six months ended 31 March 2017: return of £64,630,000) and on 162,609,813 shares (six months ended 31 March 2017: 147,584,316), being the weighted average number of shares in issue during the period.

The revenue return per share is calculated by dividing the net revenue return of £8,021,000 (six months ended 31 March 2017: return of £6,688,000) by the weighted average number of shares in issue as above.

The capital return per share is calculated by dividing the net capital return attributable to shareholders of £16,321,000, (six months ended 31 March 2017: return of £57,942,000) by the weighted average number of shares in issue as above.

5. Net asset value per share

The net asset value per share is based on net assets attributable to shares of £1,227,569,000 (30 September 2017: £1,164,421,000) and on 165,646,712 shares in issue (30 September 2017: 158,896,712).

6. Reconciliation of total return before finance costs and taxation to net cash inflow from operating activities

	(Unaudited) Six months ended 31 March 2018 £'000	(Unaudited) Six months ended 31 March 2017 £'000
Total return before finance charges and taxation	24,830	65,013
Less: capital return before finance charges and taxation	(16,548)	(58,191)
Net revenue before finance costs and taxation	8,282	6,822
Decrease/(increase) in accrued income and prepayments	679	(165)
(Decrease)/increase in creditors	(21)	56
Taxation – irrecoverable overseas tax paid	(370)	(91)
AIFM and Portfolio management fees charged to capital	(2,423)	(1,978)
Other expenses charged to capital	–	(32)
Net cash inflow from operating activities	6,147	4,612

7. 2017 accounts

The figures and financial information for the year to 30 September 2017 are extracted from the latest published accounts of the Company and do not constitute statutory accounts for the year.

Those accounts have been delivered to the Registrar of Companies and included the Report of the Auditor which was unqualified and did not contain a reference to any matters to which the Auditor drew attention by way of emphasis without qualifying the report, and did not contain a statement under section 498 of the Companies Act 2006.