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THE BANKERS INVESTMENT TRUST PLC

Annual Financial Report for the year ended 31 October 2019

This announcement contains regulated information

Performance Highlights	31 October 2019	31 October 2018
Net Asset Value per ordinary share		
- With debt at par	**948.7p**	865.8p
- With debt at market value	**945.7p**	862.8p
Share price at year end[1]	**927.5p**	835.0p
Dividend per share for year[2]	**20.90p**	19.72p

	31 October 2019	31 October 2018
Dividend growth	**6.0%**	6.0%
Ongoing charge for year	**0.52%**	0.50%
Discount at year end[3]	**2.2%**	3.6%
Net (cash)/gearing at year end[4]	**(3.0%)**	2.4%

Long term growth record to 31 October 2019	1 year %	3 years %	5 years %	10 years %
Capital return[5]				
Net asset value	**9.6**	25.8	59.0	140.1
Share price	**11.0**	34.4	64.7	166.8
FTSE World Index[6]	**8.9**	21.6	30.7	77.2
Total return[7]				
Net asset value	**12.1**	34.6	78.7	208.7
Share price	**13.6**	43.9	85.7	248.3
FTSE World Index[6]	**11.7**	32.6	53.3	146.8
Dividend	**6.0**	22.9	41.2	81.7
Retail Price Index	**2.1**	9.7	12.7	34.4

(1) Share price is the mid-market closing price
(2) This represents the four ordinary dividends recommended or paid for the year (see the Annual Report for more details)
(3) Based on the mid-market closing price
(4) Net (cash)/gearing is calculated in accordance with the gearing definition in the alternative performance measures in the Annual Report
(5) Capital return excludes all dividends
(6) For the 3, 5 and 10 years this is a composite of the FTSE World Index and the FTSE All-Share Index
(7) Total return assumes dividends reinvested

Sources: Morningstar for the AIC, Janus Henderson, Datastream.

CHAIRMAN'S STATEMENT

- Net asset value total return increase of 12.1%.
- Share price total return increase of 13.6%.
- Average discount to net asset value of 1.5%.
- Dividend increase of 6% to 20.90p per share.
- Forecast increase in 2020 dividend of 3%.

Performance

I am pleased to report, for the year ended 31 October 2019, strong absolute returns for shareholders. The Company's net asset value per share ('NAV') increased by 9.6% in capital terms over the year. With dividends reinvested, the NAV total return per share was 12.1%, marginally outperforming the FTSE World Index total return of 11.7% (in sterling terms). Our share price total return was higher, at 13.6%, due to the narrowing of the discount to NAV at which our shares traded. At 31 October 2019, the discount stood at 2.2% (2018: 3.6%), having averaged 1.5% over the year.

It was a challenging year for investment with a variety of macro factors and geopolitical tensions resulting in significant volatility in global equity markets. Early in the financial year, the US Federal Reserve's hawkish policy, which suggested further interest rates rises were likely in 2019, led to a sharp sell-off, although this was quickly reversed when the US Federal Reserve back-tracked in late December. More dovish central bank policy followed in 2019, including three US Federal Reserve interest rate cuts and indications of the willingness of major central banks to resume or continue supplying liquidity, which provided further support for real asset prices. The US-China trade dispute oscillated between positive indications that an agreement would be reached and further escalation of the dispute. There were signs of slowing global economic growth, with weakened global activity, mainly in the manufacturing sector of the advanced economies, leading to gross domestic product growth forecasts for the calendar year being downgraded on several occasions. The Eurozone and UK were particularly affected and only narrowly avoided technical recessions. When the yield on long-term US Treasury bonds fell below that for short-term ones concerns grew that a US recession was on its way. However, these concerns began to subside later in the year as investors questioned whether, with accommodative central bank policy, yield inversion was still a reliable indicator of a forthcoming recession. Over the financial year, the US equity market was the strongest performing market, whilst the UK market was one of the weakest, as the ongoing uncertainty regarding the UK's exit from the European Union continued to weigh on business prospects and investor sentiment.

Given the relatively high valuations of most equity markets, our Manager took the opportunity to realise some profits. In addition, as explained in the Interim Report, we concluded that our direct Emerging Markets (excluding emerging Asia) portfolio had not contributed meaningfully to the Company's returns and should be sold down. This was completed before the financial year end, raising cash ultimately for reallocation to other regions. Since the financial year end, our Manager has begun reinvesting our cash when suitable opportunities have arisen.

All of our continuing regional portfolios delivered strong absolute returns and outperformed their respective local benchmarks over the financial year. Notwithstanding this, our allocations, relative to the FTSE World Index, of being overweight UK (with its higher dividend yield) and underweight the US, held back the Company's relative performance in the final quarter of our financial year, giving up much of our relative outperformance earlier in the year.

Further details of the performance of the Company and its regional portfolios during the year are included in the Fund Managers' reports in the Annual Report.

Revenue and dividends
It was another solid year for our revenue account. Earnings per share increased by 4.0% to 21.61p (2018: 20.78p), driven principally by continuing dividend growth and further special dividends from the Company's investments. This performance has enabled the Board to recommend a final quarterly dividend of 5.35p per share, to be paid on 28 February 2020 to shareholders on the register of members at close of business on 24 January 2020. If approved by shareholders at the forthcoming AGM, this will result in a total dividend payment for the year of 20.90p (2018: 19.72p), an increase of 6.0%, which is in line with our forecast for the year, compares very favourably with the 2.1% rise in the Retail Price Index and extends our long record of dividend growth in real terms.

After taking into account the recommended final 2019 dividend payment, if approved, approximately £0.7 million will be transferred to our revenue reserve, which, at the year-end, after payment of the third interim and final dividends, represented 1.2 times the cost of the 2019 annual dividend. The revenue reserve enables the Company to hold back some income in years of strong corporate dividend growth to pay it out in leaner ones when corporate profits are under pressure (and, hence, dividend payments from our investments may be lower).

The Company has grown its annual dividend for each of the last 53 financial years, making it one of the leading AIC 'dividend heroes'. The Board recognises the importance of delivering a reliable and growing income to shareholders. The Board intends to use the revenue reserve when required to continue to achieve this, as it has done from time to time over the past 53 years. This will allow, in leaner years, our Manager to continue to invest the Company's portfolio with the objective of achieving the best NAV total return for shareholders.

Lower corporate earnings growth and any significant increase in the value of sterling are headwinds that may result in the Company's earnings per share in the current financial year being less than last year. The revenue reserve gives the Board confidence, despite these headwinds, to forecast dividend growth of approximately 3% for the current financial year.

Borrowings
As stated in the Interim Report, the Company refinanced its short-term borrowings by agreeing a new two year £20 million borrowing facility with Sumitomo Mitsui Banking Corporation Europe Ltd in February 2019. The Company continually reviews opportunities to deploy gearing and the short-term facility gives our Manager additional flexibility to invest and create returns for shareholders. The facility remained undrawn throughout the year, and currently remains undrawn.

Share issues and buy-backs
The Company did not issue or buy back any shares during the financial year. Since the year end, the shares reverted to trading at a premium and we have sold all of the shares held in treasury and issued new shares to meet market demand (see the Annual Report for details).

The Company will only issue shares (or sell shares out of treasury) at a premium (after costs) to net asset value. The Company remains prepared to buy back shares, taking account of prevailing market conditions (which are not under the Board's control), the level of the discount (both absolute and relative to the Company's closest peers) and the impact on the net asset value per share.

Board changes
As mentioned in the Interim Report, Richard Killingbeck retired as Chairman and stepped down from the Board at the conclusion of the Annual General meeting in February 2019 following 15 years as a Director. The Board is in the final stages of an extensive process, carried out in conjunction with an experienced independent external search consultancy, to recruit a new non-executive Director to provide additional investment knowledge and expects to announce an appointment shortly.

Annual General Meeting (‘AGM’)
This year’s AGM will again be held at Trinity House, London, EC3N 4DH on 26 February 2020 at 12 noon. Full details of the business to be conducted at the meeting are set out in the Notice of Meeting which has been sent to shareholders with the Annual Report. Directions and a map showing the location of the AGM can also be found in the Notice of Meeting. In addition to the formal part of the meeting, Alex Crooke will present his investment views and how these are reflected in the portfolio and there will be an opportunity for shareholders to ask questions. Light refreshments will be served following the conclusion of the meeting. The Board looks forward to seeing many of you at the AGM.

Outlook
Since the end of our last financial year, and particularly in December, global equity markets have rallied strongly and achieved record highs. This further upward momentum has been driven primarily by the announcement of the first phase of a trade deal between the US and China lifting prospects for the global economy, in conjunction with the expectation that major central banks will continue to pursue loose monetary policy. In addition, the Conservative Party’s convincing win in the December general election provided some relief for investors in UK equities. However, some of the key geopolitical tensions and macro factors that influenced global equity markets during the last financial year remain unresolved.

A final resolution of the US-China trade dispute still seems some way off, despite their interim trade deal announced in December 2019. Until a final resolution has been reached, the dispute is likely to continue to be a significant driver of investor sentiment. President Trump is unpredictable and up for re-election this year, so further escalations of trade tensions cannot be ruled out.

The UK is now set to leave the European Union at the end of this month, but the nature of any trading arrangement between the UK and the European Union has still to be agreed and a ‘hard Brexit’ when the transitional period expires on 31 December 2020 remains a real possibility. Accordingly, Brexit is likely to remain a major concern for UK markets and a driving factor for sterling.

Global economic growth remains positive, but appears to be slowing. Corporate earnings growth stalled in 2019, but is currently expected to regain some momentum in 2020. Central banks have adopted a more accommodative stance to counter rising risks to growth and elusive inflationary pressures, but they cannot remain accommodative indefinitely and the long term consequences of their policies are unknown. The risk of an imminent recession now seems low, but cannot be completely discounted.

Sue Inglis
Chairman
15 January 2020

FUND MANAGER'S REPORT

Performance

The year has turned out well with positive returns from all major equity markets despite predictions from many that share prices were expensive. At the start of our financial year in November 2018 stock markets were weak and fell sharply before turning more positive in late December. The stimulus for the market's positive momentum came initially from the US Federal Reserve's ('Fed') statement in December 2018 signalling that risks were now balanced within the US economy and that they were prepared to react to any economic weakness ahead. Ultimately the Fed cut interest rates three times in 2019 and the resulting injection of liquidity into bond markets was followed by the European Central Bank resuming bond purchases which forced long term interest rates lower lending support to real asset prices around the world.

My own forecast was for a year of two halves with many of the uncertainties that were troubling investors getting resolved from the summer onwards. My optimism proved premature, while there were plenty of tweets from the US President about the state of trade discussions between the US and China, there were no formal agreements by our year end. Similarly Brexit negotiations within the UK parliament could find no consensus between politicians and the UK stock market's relatively lacklustre performance reflected investors frustrations. The lack of progress on both fronts clearly had a real economic impact during the year, as evidenced by stagnation in Chinese industrial orders and companies in Europe and the UK citing the uncertainty for delaying investment decisions.

Ironically the two best performing regions of the portfolio, being the US and China, were the two embroiled in establishing their future trading relationship. Our stock selection in these two markets has been a significant contributor to performance both last year and in recent years; however the US performance could have been better but for under performance in September and October following an apparent shift in sentiment from growth investing to value. Our view is that this was not a shift to value but an indication that investors were questioning the growth at any price strategy, typified by the office space letting company WeWork. Although we experienced some relative underperformance in our US investments, we have limited exposure to such companies in the portfolio and prefer companies with a solid path to profitability. Overall we had another good year for stock picking with all our regional portfolios beating their benchmarks. The NAV total return for the year was also ahead of the FTSE World benchmark despite giving up some relative performance in the last quarter.

Asset Allocation

The sharp increase in share prices over the year was not matched by higher corporate profits meaning that share price valuations were stretched higher. Our managers are sensitive to the value of investments and as price targets are exceeded it is natural to see them to be selling holdings. As indicated in the Interim Report we also began divesting the holdings in the Latin American and African regions and all had been sold by the year end, however we continue to retain significant investments in emerging Asia, including China. It has been taking a little longer this year to find new investments to replace these holdings and therefore we have ended the year with a net cash position within the Company of 3%.

In terms of the investment team, James Ross has settled in well and has had a successful year outperforming his European benchmark by 4.1%. Additionally, I am pleased to welcome Gordon Mackay who has taken over the US portfolio from Ian Warmerdam following his retirement from the industry. Gordon has over 20 years of investment experience and worked alongside Ian for the last three years. There will be no change to the investment process that we have been employing to select US stocks.

Outlook

Markets have a habit of discounting both good and bad news well before events unfold. So while the outlook for the year ahead has improved in recent months much of this is priced into shares given market movements since our year end. We expect corporate earnings to resume growth on the back of a resolution of US trade discussions and greater certainty around the United Kingdom's status outside Europe. With little prospect of interest rates rising and further support from central banks, it seems likely that corporates will continue using cheap borrowings to buy ever more of their stock for cancellation. The supply of new equity remains low by historical standards and the wall of money that is committed by private equity investors must surely start to be deployed taking listed companies private. It is therefore not difficult to paint a positive story of increasing demand over supply
for listed equities.

Dividend growth from our investments has slowed in the past year reflecting lower corporate earnings and we may experience a further headwind if sterling returns to its pre referendum levels. We have built revenue reserves in recent years to cope with the fluctuations of currencies or the need to prioritise asset allocation decisions towards lower yielding markets.

Overall we see the supportive background for equities, both from a liquidity point of view and increased earnings, being countered by the elevated level of valuations relative to history. There is certainly potential for the cash we currently hold to be positively deployed and we will continue to focus our efforts on not overpaying for investments while seeking out companies with genuine prospects for profit growth.

Alex Crooke
Fund Manager
15 January 2020

LARGEST INVESTMENTS at 31 October 2019

Ranking 2019	Ranking 2018	Company	Country	Valuation 2018 £'000	Purchases £'000	Sales proceeds £'000	Appreciation/ (depreciation) £'000	Valuation 2019 £'000
1	1	Microsoft	US	21,422	-	(1,695)	6,563	**26,290**
2	7	Estée Lauder	US	16,930	3,055	(1,553)	6,624	**25,056**
3	3	American Express	US	20,174	-	-	2,583	**22,757**
4	11	American Tower	US	14,412	-	-	5,510	**19,922**
5	9	Visa	US	14,938	-	-	4,207	**19,145**
6	14	MasterCard	US	13,742	-	-	5,266	**19,008**
7	6	Berkshire Hathaway	US	18,089	-	-	411	**18,500**
8	8	Alphabet	US	15,886	-	-	2,394	**18,280**
9	12	Comcast	US	14,272	1,292	-	2,518	**18,082**
10	17	GlaxoSmithKline	UK	12,710	1,858	-	2,323	**16,891**
11	16	Aptiv	US	12,901	-	-	1,961	**14,862**
12	18	Diageo	UK	11,987	-	-	2,018	**14,005**
13	21	Intercontinental Exchange	US	11,189	-	-	2,331	**13,520**
14	#	Adobe Systems	US	-	11,144	-	2,031	**13,175**
15	4	Union Pacific	US	19,776	-	(8,337)	1,517	**12,956**
16	10	Royal Dutch Shell	UK	14,926	-	-	(2,020)	**12,906**
17	22	Xylem	US	11,167	-	-	1,727	**12,894**
18	15	ICON	US	13,216	3,172	(5,010)	1,341	**12,719**
19	24	The Cooper Companies	US	10,814	-	-	1,214	**12,028**
20	#	Intuit	US	-	12,966	-	(1,063)	**11,903**
21	#	Electronic Arts	US	8,211	-	-	2,912	**11,123**
22	20	Taiwan Semiconductor Manufacturing	Taiwan	11,715	-	(3,634)	2,728	**10,809**
23	2	Apple	US	21,285	-	(8,031)	(2,655)	**10,599**
24	#	Roper Technologies	US	8,301	-	-	1,464	**9,765**
25	#	Reckitt Benckiser	UK	8,217	2,012	-	(541)	**9,688**
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				326,280	35,499	(28,260)	53,364	386,883
				======	======	======	======	======

All securities are equity investments
Not in the top 25 last year
Convertibles and all classes of equity in any one company are treated as one investment

CHANGES IN INVESTMENTS at 31 October

	Valuation 2018 £'000	Purchases £'000	Sales proceeds £'000	Appreciation/ (depreciation) £'000	**Valuation 2019 £'000**
United Kingdom	273,533	45,584	(40,399)	9,675	**288,393**
Europe (ex UK)	162,081	53,295	(78,264)	17,435	**154,547**
North America	343,056	49,525	(61,460)	41,595	**372,716**
Japan	127,575	30,947	(32,806)	9,682	**135,398**
Pacific (ex Japan, China)	95,121	54,115	(48,660)	14,393	**114,969**
China	58,422	41,421	(51,334)	13,987	**62,496**
Emerging Markets[1]	27,245	6,447	(32,801)	(891)	**-**
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	1,087,033	**281,334**	**(345,724)**	**105,876**	**1,128,519**
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(1) The Emerging Markets portfolio was closed during the year

MANAGING OUR RISKS

The Board, with the assistance of Janus Henderson, has carried out a robust assessment of the principal risks and uncertainties facing the Company that would threaten its business model, future performance, solvency and liquidity. This included consideration of the market uncertainty arising from the United Kingdom's negotiations and now expected conclusion to leave the European Union ('Brexit').

We regularly consider the principal risks facing the Company and have drawn up a matrix of risks facing the Company. The Board has put in place a schedule of investment limits and restrictions, appropriate to the Company's investment objective and policy, in order to mitigate these risks as far as practicable. The Board monitors the Manager, its other service providers and the internal and external environments in which the Company operates to identify new and emerging risks.

It is the Board's view that the changing nature of the retail shareholder base, demographical changes (needing to make sure there is demand from the younger generation), technological changes (primarily artificial intelligence) and environmental sustainability (shareholder expectations and regulation affecting portfolio companies/stock selection and the Company's performance and demand for its shares) are emerging risks.

The Board pro-actively monitors all of these factors and has a strong focus on continuing to educate itself about any relevant issues. Details of how the Board monitors the services provided by Janus Henderson and its other suppliers, and the key elements designed to provide effective internal control, are explained further in the internal controls section of the Corporate Governance Statement in the Annual Report. Further details of the Company's exposure to market risk (including market price risk, currency risk and interest rate risk), liquidity risk and credit and counterparty risk and how they are managed are contained in note 16 in the Annual Report.

The Board's policy on risk management has not materially changed during the course of the reporting period and up to the date of this report. The principal risks which have been identified and the steps taken by the Board to mitigate these are as follows:

Principal risks	Mitigation measure
Investment Activity and Performance Risks An inappropriate investment strategy (for example, in terms of asset allocation or the level of gearing) may result in underperformance against the Company's benchmark index and the companies in its peer group.	The Board monitors investment performance at each Board meeting and regularly reviews the extent of the Company's borrowings.
Portfolio and Market Risks Although the Company invests almost entirely in securities that are listed on recognised markets, share prices may move rapidly. The companies in which investments are made may operate unsuccessfully, or fail entirely. Macro matters (such as trade wars, the conclusion of the UK's negotiations to leave the European Union and the global economic outlook) are expected to lead to continued volatility in the markets. This is likely to impact share prices of investments in the portfolio, to the extent not already factored into current prices. A fall in the market value of the Company's portfolio would have an adverse effect on shareholders' funds.	The Fund Manager seeks to maintain a diversified portfolio to mitigate against this risk. The Board regularly reviews the portfolio, investment activity and performance.

Tax, Legal and Regulatory Risks A breach of s.1158/9 could lead to the loss of investment trust status, resulting in capital gains realised within the portfolio being subject to corporation tax. A breach of the FCA's Rules could result in suspension of the Company's shares, while a breach of the Companies Act could lead to criminal proceedings. All breaches could result in financial or reputational damage. The Company must also ensure compliance with the Listing Rules of the New Zealand Stock Exchange.	Janus Henderson has been contracted to provide investment, company secretarial, administration and accounting services through qualified professionals. The Board receives internal control reports produced by Janus Henderson on a quarterly basis, which confirm tax, legal and regulatory compliance both in the UK and New Zealand.
Financial Risks By its nature as an investment trust, the Company's business activities are exposed to market risk (including market price risk, currency risk and interest rate risk), liquidity risk and credit and counterparty risk.	The Company has a diversified portfolio which comprises mainly investments in large and medium-sized companies and mitigates the Company's exposure to liquidity risk. The Company minimises the risk of a counterparty failing to deliver securities or cash by dealing through organisations that have undergone rigorous due diligence by Janus Henderson. Further information on the mitigation of financial risks is included in note 16 in the Annual Report.
Operational and Cyber Risks Disruption to, or failure of, Janus Henderson's accounting, dealing or payment systems or the Depositary's records could prevent the accurate reporting and monitoring of the Company's financial position. The Company is also exposed to the operational and cyber risks that one or more of its service providers may not provide the required level of service.	The Board monitors the services provided by Janus Henderson, the Depositary and its other suppliers and receives reports on the key elements in place to provide effective internal control.

THE COMPANY'S VIABILITY

The UK Corporate Governance Code requires the Board to assess the future prospects for the Company, and report on the assessment within the Annual Report.

The Board considered that certain characteristics of the Company's business model and strategy were relevant to this assessment:

- The Board looks to ensure the Company seeks to only deliver positive long term performance.
- The Company's investment objective, strategy and policy, which are subject to regular Board monitoring, mean that the Company is invested normally only in readily realisable, listed securities and that the level of borrowings is restricted.
- The Company is a closed-ended investment company and therefore does not suffer from the liquidity issues arising from unexpected redemptions.

Also relevant were a number of aspects of the Company's operational arrangements:

- The Company retains title to all assets held by the Custodian under the terms of formal agreements with the Custodian and Depositary.
- Long term borrowing is in place, being the £15 million 8% debenture stock 2023 and £50 million 3.68% loan notes 2035 which are also subject to formal agreements, including financial covenants with which the Company complied in full during the year. The value of long term borrowing is relatively small in comparison to the value of net assets being 5.6%.
- Short term borrowing of £20 million with Sumitomo Mitsui Banking Corporation Europe Ltd. The facility was not drawn down at the year end and expires in February 2021.

- Revenue and expenditure forecasts are reviewed by the Directors at each Board meeting.

- Cash is held with approved banks.

In addition, the Directors carried out a robust assessment of the principal risks and uncertainties which could threaten the Company's business model, including future performance, liquidity and solvency. These risks, their mitigations and processes for monitoring them are set out in the Annual Report.

The principal risks identified as relevant to the viability assessment were those relating to investment portfolio performance and its effect on the net asset value, share price and dividends, and threats to security over the Company's assets. The Board took into account the liquidity of the Company's portfolio, the existence of the long term fixed rate borrowings, the effects of any significant future falls in investment values and income receipts on the ability to repay and re-negotiate borrowings, growing dividend payments, the desire to retain investors and the potential need for share buy backs. The Directors assess viability over three year rolling periods, taking account of foreseeable severe but plausible scenarios. The Directors believe that a rolling three year period best balances the Company's long term objective, its financial flexibility and scope with the difficulty in forecasting economic conditions affecting the Company and its shareholders.

Based on their assessment, and in the context of the Company's business model, strategy and operational arrangements set out above, the Directors have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the three year period to October 2022.

RELATED PARTY TRANSACTIONS

The Company's transactions with related parties in the year were with its Directors and Janus Henderson. There were no material transactions between the Company and its Directors during the year other than the amounts paid to them in respect of Directors' remuneration for which there were no outstanding amounts payable at the year end. In relation to the provision of services by the Manager, other than fees payable by the Company in the ordinary course of business and the provision of marketing services, there were no transactions with the Manager affecting the financial position of the Company during the year. More details on transactions with the Manager, including amounts outstanding at the year end, are given in the Annual Report.

STATEMENT OF DIRECTORS' RESPONSIBILITIES UNDER DISCLOSURE GUIDANCE AND TRANSPARECY RULE 4.1.12

Each of the Directors confirms that, to the best of his or her knowledge:

- the Company's financial statements, which have been prepared in accordance with IFRSs as adopted by the EU, give a true and fair view of the assets, liabilities, financial position and profit of the Company; and

- the Strategic Report in the Annual Report and financial statements includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties that it faces.

For and on behalf of the Board

Sue Inglis
Chairman
15 January 2020

STATEMENT OF COMPREHENSIVE INCOME

	Notes	**Year ended 31 October 2019** Revenue return £'000	Capital return £'000	Total return £'000	Year ended 31 October 2019 Revenue return £'000	Capital return £'000	Total return £,000
Gains/ (losses) on investments held at fair value through profit or loss		**-**	**105,376**	**105,376**	-	(12,611)	(12,611)
Investment income	2	**31,483**	**-**	**31,483**	30,321	-	30,321
Other operating income	3	**269**	**-**	**269**	226	-	226
		---------	---------	---------	---------	---------	---------
Total income		**31,752**	**105,376**	**137,128**	30,547	(12,611)	17,936
		---------	---------	---------	---------	---------	---------
Expenses							
Management fees	4	**(1,437)**	**(3,352)**	**(4,789)**	(1,344)	(3,136)	(4,480)
Other expenses		**(1,009)**	**-**	**(1,009)**	(990)	-	(990)
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Profit/(loss) before finance costs and taxation		**29,306**	**(102,024)**	**131,330**	28,213	(15,747)	12,466
Finance costs		**(911)**	**(2,126)**	**(3,037)**	(917)	(2,141)	(3,058)
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Profit/(loss) before taxation		**28,395**	**99,898**	**128,293**	27,296	(17,888)	9,408
		---------	----------	---------	---------	----------	---------
Taxation	5	**(1,898)**	**(3)**	**(1,901)**	(1,823)	–	(1,823)
		---------	---------	---------	---------	---------	---------
Profit/(loss) for the year and total comprehensive income		**26,497**	**99,895**	**126,392**	25,473	(17,888)	7,585
		=====	======	======	=====	======	======
Earnings per ordinary share – basic and diluted	6	**21.61p**	**81.48p**	**103.09p**	20.78p	(14.59p)	6.19p

The total columns of this statement represent the Statement of Comprehensive Income, prepared in accordance with IFRSs as adopted by the European Union. The revenue return and capital return columns are supplementary to this and are prepared under guidance published by the Association of Investment Companies.

STATEMENT OF CHANGES IN EQUITY

	Year ended 31 October 2019					
	Called-up share capital £'000	**Share premium account £'000**	**Capital redemption reserve £'000**	**Other capital reserves £'000**	**Revenue reserve £'000**	**Total £'000**
Total equity at 1 November 2018	**30,986**	**78,541**	**12,489**	**897,318**	**42,249**	**1,061,583**
Total comprehensive income:						
profit for the year	**-**	**-**	**-**	**99,895**	**26,497**	**126,392**
Ordinary dividends paid	**-**	**-**	**-**	**-**	**(24,766)**	**(24,766)**
	----------	----------	----------	----------	----------	-------------
Total equity at 31 October 2019	**30,986**	**78,541**	**12,489**	**997,213**	**43,980**	**1,163,209**
	======	======	======	======	======	=======

	Year ended 31 October 2018					
Year ended 31 October 2018	Called-up share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Other capital reserves £'000	Revenue reserve £'000	Total £'000
Total equity at 1 November 2017	30,986	78,541	12,489	915,206	40,341	1,077,563
Total comprehensive income:						
(Loss)/Profit for the year	-	-	-	(17,888)	25,473	7,585
Ordinary dividends paid	-	-	-	-	(23,565)	(23,565)
	----------	----------	----------	----------	----------	-------------
Total equity at 31 October 2018	30,986	78,541	12,489	897,318	42,249	1,061,583
	======	======	======	======	======	=======

STATEMENT OF FINANCIAL POSITION

	At 31 October 2019 £'000	At 31 October 2018 £'000
Non-current assets		
Investments held at fair value through profit or loss	**1,128,519**	1,087,033
Current assets		
Investments held at fair value through profit or loss	**44,993**	18,005
Other receivables	**4,134**	4,667
Cash and cash equivalents	**54,944**	20,075
	104,071	42,747
Total assets	**1,232,590**	1,129,780
Current liabilities		
Other payables	**(4,558)**	(3,370)
	(4,558)	(3,370)
Total assets less current liabilities	**1,228,032**	1,126,410
Non-current liabilities		
Debenture stock	**(15,000)**	(15,000)
Unsecured loan notes	**(49,823)**	(49,827)
	(64,823)	(64,827)
Net assets	**1,163,209**	1,061,583
Equity attributable to equity shareholders		
Share capital	**30,986**	30,986
Share premium account	**78,541**	78,541
Capital redemption reserve	**12,489**	12,489
Retained earnings:		
Other capital reserves	**997,213**	897,318
Revenue reserve	**43,980**	42,249
Total equity	**1,163,209**	1,061,583
Net asset value per ordinary share	**948.7p**	865.8p

CASH FLOW STATEMENT

Reconciliation of profit before taxation to net cash flow from operating activities	Year ended 31 October 2019 £'000	Year ended 31 October 2018 £'000
Operating activities		
Profit before taxation	**128,293**	9,408
Add back interest payable ('finance costs')	**3,037**	3,058
Less/add: (losses)/gains on investments held at fair value through profit or loss	**(105,376)**	12,611
(Increase)/decrease in accrued income	**(42)**	113
Increase in other receivables	**(46)**	(12)
Increase in other payables	**253**	82
Purchases of investments	**(281,334)**	(335,454)
Sales of investments	**345,724**	337,755
Purchases of current asset investments	**(66,609)**	(46,003)
Sales of current asset investments	**39,621**	51,250
Decrease/(Increase) in securities sold for future settlement	**854**	(1,834)
Increase/(decrease) in securities purchased for future settlement	**935**	(6,163)
	-------------	-------------
Net cash inflow from operating activities before interest and taxation[1]	**65,310**	24,811
	-------------	-------------
Interest paid	**(3,037)**	(3,058)
Taxation on investment income	**(2,138)**	(2,083)
	-------------	-------------
Net cash inflow from operating activities	**60,135**	19,670
	-------------	-------------
Financing activities		
Equity dividends paid (net of refund of unclaimed distributions)	**(24,766)**	(23,565)
Drawdown of bank loan	**-**	2,005
Repayment of bank loan	**-**	(2,005)
	-------------	-------------
Net cash outflow from financing activities	**(24,766)**	(23,565)
	-------------	-------------
Increase/(decrease) in cash	**35,369**	(3,895)
Cash and cash equivalents at the start of the year	**20,075**	24,102
Exchange movements	**(500)**	(132)
	-----------	-----------
Cash and cash equivalents at the end of the year	**54,944**	20,075
	=======	=======

[1] In accordance with IAS 7.31 cash inflow from dividends was £31,164,000 (2018: £30,398,000) and cash inflow from interest was £158,000 (2018: £62,000).

NOTES:

1. **Accounting policies**

The Bankers Investment Trust PLC is a company incorporated and domiciled in the United Kingdom under the Companies Act 2006. The financial statements of the Company for the year ended 31 October 2019 have been prepared in accordance with International Financial Reporting Standards ('IFRSs') as adopted by the European Union and with those parts of the Companies Act 2006 applicable to companies reporting under IFRSs. These comprise standards and interpretations approved by the International Accounting Standards Board ('IASB'), together with interpretations of the International Accounting Standards and Standing Interpretations Committee approved by the IFRS Interpretations Committee ('IFRS IC') that remain in effect, to the extent that IFRSs have been adopted by the European Union.

The financial statements have been prepared on a going concern basis and on the historical cost basis, except for the revaluation of certain financial instruments held at fair value through profit or loss. The principal accounting policies adopted are set out in the Annual Report. These policies have been applied consistently throughout the year. Where presentational guidance set out in the Statement of Recommended Practice (the 'SORP') for investment companies issued by the Association of Investment Companies (the 'AIC') in November 2014 and updated in February 2018 is consistent with the requirements of IFRSs, the Directors have sought to prepare the financial statements on a basis consistent with the recommendations of the SORP.

The assets of the Company consist mainly of securities that are listed and readily realisable and, accordingly, the Directors believe that the Company has adequate financial resources to continue in operational existence for at least twelve months from the date of approval of the financial statements. Having assessed these factors, the principal risks and other matters discussed in connection with the Viability Statement, the Directors have decided that it is appropriate for the financial statements to be prepared on a going concern basis.

2. Investment income	**2019 £'000**	2018 £'000
UK dividend income - listed	**11,751**	10,718
UK dividend income - special dividends	**430**	329
Overseas dividend income - listed	**18,692**	18,930
Overseas dividend income - special dividends	**460**	205
Property income distributions	**150**	139
	-----------	-----------
	31,483	30,321
	======	======
Analysis of investment income by geographical region:		
UK	**12,876**	11,641
Europe (ex UK)	**4,956**	5,215
North America	**3,151**	3,077
Japan	**3,112**	2,825
China	**1,734**	1,413
Pacific (ex Japan, China)	**5,070**	5,183
Emerging Markets	**584**	967
	-----------	-----------
	31,483	30,321
	======	======

3.	Other operating income	2019 £'000	2018 £'000
	Bank interest	**181**	64
	Underwriting income	**3**	24
	Stock lending revenue	**72**	135
	Other income	**13**	3
		-----	-----
		269	226
		===	===

At 31 October 2019 the total value of securities on loan by the Company for stock lending purposes was £65,895,000 (2018: £42,093,000). The maximum aggregate value of securities on loan at any one time during the year ended 31 October 2019 was £104,529,000 (2018: £159,687,000). The Company's agent (BNP Paribas Securities Services) held collateral at 31 October 2019 with a value of £69,457,000 (2018: £44,402,000) in respect of securities on loan. The value of securities held on loan, comprising Corporate and Government Bonds with a minimum market value of 105% (2018: 105%) of the market value of any securities on loan, is reviewed on a daily basis.

		2019			2018		
4.	**Management fees**	**Revenue return £'000**	**Capital return £'000**	**Total return £'000**	Revenue return £'000	Capital return £'000	Total return £'000
	Investment management	**1,437**	**3,352**	**4,789**	1,344	3,136	4,480
		-------	**-------**	**-------**	-------	-------	-------
		1,437	**3,352**	**4,789**	1,344	3,136	4,480
		====	**====**	**====**	====	====	====

A summary of the terms of the management agreement is given in the Annual Report.

		2019			2018		
5.	**Taxation**	**Revenue return £'000**	**Capital return £'000**	**Total return £'000**	Revenue return £'000	Capital return £'000	Total return £'000
	a) Analysis of the charge for the year						
	Overseas tax suffered	**2,291**	**3**	**2,294**	2,121	-	2,121
	Overseas tax reclaimable	**(393)**	**-**	**(393)**	(295)	-	(295)
	Income tax recovered	**-**	**-**	**-**	(3)	-	(3)
		-------	-------	-------	-------	-------	-------
	Total tax charge for the year	**1,898**	**3**	**1,901**	1,823	-	1,823
		====	====	====	====	====	====

b) Factors affecting the tax charge for the year
The differences are explained below:

	2019 Revenue return £'000	2019 Capital return £'000	2019 Total return £'000	2018 Revenue return £'000	2018 Capital return £'000	2018 Total return £'000
Profit/(loss) before taxation	**28,395**	**99,898**	**128,293**	27,296	(17,888)	9,408
Corporation tax for the year at 19.00% (2018: 19.00%)	**5,395**	**18,981**	**24,376**	5,186	(3,400)	1,786
Non taxable UK dividends	**(2,281)**	**-**	**(2,281)**	(2,112)	-	(2,112)
Overseas income and non taxable scrip dividends	**(3,414)**	**-**	**(3,414)**	(3,493)	-	(3,493)
Overseas withholding tax suffered	**1,898**	**3**	**1,901**	1,826	-	1,826
Income tax recovered	**-**	**-**	**-**	(3)	-	(3)
Excess management expenses and loan relationships	**259**	**956**	**1,215**	371	897	1,268
Interest capping restriction	**41**	**85**	**126**	48	106	154
Capital (gains)/ losses not subject to tax	**-**	**(20,022)**	**(20,022)**	-	2,397	2,397
	1,898	**3**	**1,901**	1,823	-	1,823

c) Provision for deferred taxation
No provision for deferred taxation has been made in the current year or in the prior year.

The Company has not provided for deferred tax on capital gains or losses arising on the revaluation or disposal of investments as it is exempt from tax on these items because of its status as an investment trust, which it intends to maintain for the foreseeable future.

d) Factors that may affect future tax charges
The Company has not recognised a deferred tax asset totalling £9,432,000 (2018: £8,263,000) based on a prospective corporation tax rate of 17.0% (2018: 17.0%). The deferred tax asset arises as a result of having unutilised management expenses and unutilised non-trade loan relationship deficits. These expenses will only be utilised, to any material extent, if the Company has profits chargeable to corporation tax in the future because changes are made either to the tax treatment of the capital gains made by investment trusts or to the Company's investment profile which require them to be used.

6. Earnings per ordinary share
The total earnings per ordinary share is based on the net profit attributable to the ordinary shares of £126,392,000 (2018: £7,585,000) and on 122,606,783 ordinary shares (2018: 122,606,783), being the weighted average number of shares in issue during the year. The total earnings can be further analysed as follows:

	2019 £'000	2018 £'000
Revenue profit	**26,497**	25,473
Capital (loss)/profit	**99,895**	(17,888)
Profit for the year	**126,392**	7,585
Weighted average number of ordinary shares	**122,606,783**	122,606,783
Revenue earnings per ordinary share	**21.61p**	20.78p
Capital earnings per ordinary share	**81.48p**	(14.59p)
Earnings per ordinary share	**103.09p**	6.19p

The Company does not have any dilutive securities, therefore basic and diluted earnings are the same.

7. Called up share capital

	Number of shares held in treasury	Number of shares entitled to dividend	Total number of shares	Nominal value of shares £'000
Ordinary shares of 25p each				
At 1 November 2018	**1,338,509**	**122,606,783**	**123,945,292**	**30,986**
	----------------	----------------	----------------	-----------
At 31 October 2019	**1,338,509**	**122,606,783**	**123,945,292**	**30,986**
	=========	=========	===========	======

	Number of shares held in treasury	Number of shares entitled to dividend	Total number of shares	Nominal value of shares £'000
Ordinary shares of 25p each				
At 1 November 2017	1,338,509	122,606,783	123,945,292	30,986
	----------------	----------------	----------------	-----------
At 31 October 2018	1,338,509	122,606,783	123,945,292	30,986
	==========	==========	==========	======

During the year, no ordinary shares were issued or purchased. In the year ended 31 October 2019, no ordinary shares were issued or purchased.

Since the year end, the Company has sold out of treasury 1,338,509 shares and has issued 1,011,491 new shares for a total consideration of £23,481,000.

8. Net asset value per ordinary share

The net asset value per ordinary share is based on net assets attributable to ordinary shares of £1,163,209,000 (2018: £1,061,583,000) and on 122,606,783 ordinary shares in issue at 31 October 2019 (2018: 122,606,783). The Company has no securities in issue that could dilute the net asset value per ordinary share.

The movements during the year in net assets attributable to the ordinary shares were as follows:

	2019 £'000	2018 £'000
Net assets attributable to ordinary shares at start of year	**1,061,583**	1,077,563
Total net profit on ordinary activities after taxation	**126,392**	7,585
Dividends paid	**(24,766)**	(23,565)
	-------------	-------------
Net assets attributable to ordinary shares at end of year	**1,163,209**	1,061,583
	=======	======

9. Dividend

A final dividend of 5.35p per share, if approved by shareholders at the Annual General Meeting, will be paid on 28 February 2020 to shareholders on the register on 24 January 2020. The shares go ex-dividend on 23 January 2020. This final dividend, together with the three interim dividends already paid brings the total dividend for the year to 20.90p.

10. 2019 Financial Information

The figures and financial information for the year ended 31 October 2019 are extracted from the Company's annual financial statements for that period and do not constitute statutory accounts. The Company's annual financial statements for the year to 31 October 2019 have been audited but have not yet been delivered to the Registrar of Companies. The Auditor's report on the 2019 annual financial statements was unqualified, did not include a reference to any matter to which the Auditor drew attention without qualifying the report, and did not contain any statements under Section 498 of the Companies Act 2006.

11. 2018 Financial Information

The figures and financial information for the year ended 31 October 2018 are compiled from an extract of the published accounts for that year and do not constitute statutory accounts. 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 statement under Sections 498(2) or 498(3) of the Companies Act 2006.

12. Annual Report

Copies of the Annual Report will be posted to shareholders by the end of January 2020 and will be available on the Company's website (www.bankersinvestmenttrust.com) or in hard copy format from the Registered Office, 201 Bishopsgate, London EC2M 3AE.

13. Annual General Meeting

The Annual General Meeting will be held on Wednesday 26 February 2020 at 12 noon at Trinity House, London, EC3N 4DH.

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