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THE CITY OF LONDON INVESTMENT TRUST PLC

Annual financial results for the year ended 30 June 2020

This announcement contains regulated information

INVESTMENT OBJECTIVE

The Company's objective is to provide long-term growth in income and capital, principally by investment in equities listed on the London Stock Exchange. The Board continues to recognise the importance of dividend income to shareholders.

CHAIRMAN'S COMMENT

"At a time when many of our investee companies cut their dividends, we increased ours by 2.2%. In respect of the current year ending 30 June 2021, we expect to pay a greater amount, thereby increasing the dividend for a 55th consecutive year."

PERFORMANCE AT 30 JUNE

	2020	2019
Total Return Performance:		
Net asset value per ordinary share ("NAV")[1]	**-14.6%**	2.7%
Share price[2]	**-16.2%**	3.0%
FTSE All-Share Index (Benchmark)	**-13.0%**	0.6%
AIC UK Equity Income sector[3]	**-14.3%**	-0.8%
IA UK Equity Income OEIC sector	**-13.7%**	-2.6%

	2020	2019
NAV per ordinary share	**344.0p**	421.2p
NAV per ordinary share (debt at fair value)	**338.7p**	416.3p
Share price	**340.0p**	425.5p
(Discount)/premium	**(1.2)%**	1.0%
Premium (debt at fair value)	**0.4%**	2.2%
Gearing at year end	**9.7%**	7.9%
Revenue earnings per share	**15.7p**	19.8p
Dividends per share	**19.0p**	18.6p
Ongoing charge for the year[4]	**0.36%**	0.39%
Revenue reserve per share	**11.0p**	15.4p

1 Net asset value per ordinary share total return with debt at fair value (including dividends reinvested)
2 Share price total return using mid-market closing price
3 AIC UK Equity Income sector size weighted average NAV total return (shareholders' funds)
4 Calculatd using the methodology prescribed by the Association of Investment Companies ("AIC")

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

CHAIRMAN'S STATEMENT

This has been an extraordinary year for financial markets reeling from the economic impact of Covid-19, and particularly for equity income funds faced with a significant fall in dividend income received from investee companies. Almost half of FTSE 100 companies, in which the Company is principally invested, have passed or cut their dividends in 2020.

City of London's net asset value total return was a negative 14.6%, which was behind our benchmark, the FTSE All-Share Index, which returned a negative 13.0%. The Board decided to raise the dividend to shareholders by 2.2%, the 54th consecutive annual increase, partly funded from revenue reserves.

The Markets

It was a year of two halves. In the first six months, there was steady economic growth for the UK and overseas economies. The decisive general election victory for the Conservatives removed the risk of nationalisation of the utilities and various other measures which would not have been helpful for UK businesses. The FTSE All-Share Index returned 5.5% for the six months to 31 December 2020. The second six months was dominated by the emergence of Covid-19 in China and its spread to other countries. The unprecedented lockdowns caused a big fall in economic activity. At its lowest point, on 23 March, the FTSE All-Share Index had fallen by 35% from where it had started the year. Massive fiscal and monetary support from governments and central banks to support the economy helped the markets, as did the easing of the lockdowns. By the end of June, the FTSE All-Share Index had made a significant recovery from its lowest point, but had still produced a negative return of 17.5% for the second six months.

Performance

Earnings

The height of the coronavirus crisis in March coincided with the season for UK companies with 31 December financial year ends to report results and declare final dividends. Given the huge uncertainty and the need for many companies to prioritise conserving cash, there were widespread dividend cuts, cancellations and omissions. This has had an obviously negative impact on City of London's revenue earnings per share, which fell by 20.4% to 15.7p. Special revenue dividends, which made up 2.2% of gross revenue, were £1.5 million compared with £3.7 million last year.

Expenses remained under tight control and the ongoing charge ratio was 0.36%, down from 0.39% and reflecting last year's cut in the management fee rate. Our costs remain very competitive compared with other actively managed equity funds.

Net asset value total return

City of London's net asset value total return for the 12 months was a negative 14.6%, which was 1.6% behind the FTSE All-Share Index, mainly due to the negative impact of gearing. Stock selection outperformed by 0.9%. The biggest stock contributors (relative to the FTSE All-Share Index) were being underweight in Royal Dutch Shell and HSBC. Two overseas listed stocks, Microsoft and Nestlé, were respectively third and fifth biggest stock contributors. Greene King, the pub group which was taken over by CK Asset Holdings of Hong Kong, was also a notable contributor. The biggest stock detractor was AstraZeneca, which is held in the portfolio but in which we are underweight. The second biggest stock detractor was not owning London Stock Exchange, followed by the holdings in insurance group Hiscox and Lloyds Banking.

The ability to gear is an advantage that investment trusts have in rising equity markets. With falling markets, it had the opposite effect over the 12-month period. In addition, the fair value of our Private Placement Notes rose due to the fall in gilt yields. Gearing, which was in an 8% to 11% range during the year, detracted by 2.4%. By historical standards, the cost of the £85 million of long-term debt which we have taken out since 2014 is extremely low and should enhance shareholder returns in the mid to long term. The last of our expensive debenture stock is due for redemption in January 2021 and the Board is currently considering how best to refinance this.

City of London is behind the FTSE All-Share Index over the last five years, which has been a period of outperformance for lower yielding shares. Over ten years, City of London is well ahead, with a total return of 120.1% compared with 91.8% for the FTSE All-Share Index. Against the AIC UK Equity Income sector average and the IA UK Equity Income OEIC sector, the Company was behind by 0.3% and 0.9% respectively, but is ahead of each of these comparators over three, five and ten years.

Share issues

For most of the year, City of London's ordinary shares were in strong demand, such that by May 2020 we had issued a total of 37.3 million shares at a premium to net asset value for proceeds of £148.6 million. This all but exhausted the authority granted by shareholders at last year's Annual General Meeting, so we took the opportunity to renew it at a general meeting held on 11 May 2020. Paradoxically, since then the market supply and demand for the Company's shares have been broadly in balance, the shares have settled at a small discount and only a further 225,000 shares have been issued.

Our Investment and Dividend Philosophy

The past ten years

The Company's objective is to provide long-term growth in income and capital, principally by investment in equities listed on the London Stock Exchange; the Board continues to recognise the importance of dividend income to shareholders. Consequently, we place emphasis on dividend returns to shareholders but net asset value and share price growth are of equal importance in terms of our objective and hence our investment strategy.

On 30 June 2010, City of London's net asset value was £511 million (245p per share) and the share price 240p. Ten years later, on 30 June 2020, the net asset value was £1.43 billion (344p per share) and the share price stood at 340p. During that time, shareholders have received 155p in dividends and share price appreciation of 100p, an appropriate balance, I believe, given our objective. Total returns have comfortably exceeded those from the FTSE All-Share Index, the Company's benchmark, and our dividend has grown by significantly more than the rate of inflation.

Over that same ten-year period, City of London's share capital has almost doubled, from 209 million to 416 million shares. Given that our share price has stood at a modest premium to net asset value for all but short periods within that time, we have been a regular issuer of shares throughout. This has enabled us to achieve our aim for the Company's share price to reflect closely its underlying asset value, and also to reduce volatility and have a liquid market in the shares. We believe this to be in the best interests of both current shareholders and those wishing to make new investments in City of London.

Recent months

We have made several announcements in the last few months, emphasising various points:

- Over the last ten years, we have set aside over £30 million into revenue reserves to underpin future dividends in circumstances such as we face now, when our annual income has come under pressure from the dividend cuts made by many of our investee companies. These reserves stood at £58.3 million at 30 June 2019. If, at the end of June 2020, we needed to draw on those reserves to maintain our unique record of dividend growth, then it was our intention to do so.

  In the event, in paying total dividends of 19p per share for the year, an increase of 2.2% over last year, we will have recourse to those reserves to the tune of £14.4 million.

- In respect of the current year ending 30 June 2021, we would expect to pay ordinary dividends in excess of those paid last year, thereby increasing the dividend for a 55th consecutive year. This was likely to be funded from a combination of income received during the year and revenue reserves.

- The Company holds capital reserves arising from gains realised from investments sold, and therefore available for distribution to shareholders, calculated to be in excess of £270 million at 30 June 2020.

  Now that our accounts for the year have been audited, these reserves have been confirmed at £271.8 million.

The future

At the end of my Chairman's Statement last year, I wrote of my confidence in the future given the quality of the companies in which we are invested and the advantages which our closed end investment trust status gives us. Despite the recent market turmoil and the inevitable uncertainties this creates, this remains my view today.

Job Curtis focuses on companies with cash generative businesses able to grow their dividends with attractive yields. The portfolio is well diversified, biased towards international companies invested in economies likely to grow faster than the UK. This is an investment approach which has served shareholders well over the longer term, as our ten-year record shows.

Shareholder returns will continue to be derived from a mixture of capital growth and income. The dividend cuts which abound in the market today have an inevitable impact on the income received by City of London, and so on the dividends which we ourselves can pay out of current income. Our open-ended cousins have no choice but to cut the amounts which they can distribute to their members. By contrast, one of the benefits which we, as an investment trust, enjoy is the ability to supplement our annual income with income both from revenue reserves, squirrelled away in past years, and, if required, from capital reserves established through realising gains on our investments.

The ability to do this allows the Fund Manager additional flexibility in how he manages the portfolio for the long term. He will continue to have a bias towards income producing stocks, but he has no need in the current environment to chase a dwindling group of higher yielding corporates, running the inherent risk of dividend traps, in order to build on City of London's unique dividend record. He can continue to focus too on holdings selected for their above average growth potential, albeit on lowish yields, some of which may well be listed overseas, providing greater diversification and which have contributed positively to City of London's outperformance over the years.

The Board

After serving as Chairman for nine years, I shall be retiring at the Annual General Meeting on 27 October 2020. It has been a huge privilege to be associated with City of London and I have enjoyed the support, and benefited from the wisdom, of all my fellow Directors during this time. I have been a shareholder for over 50 years and intend to follow the Company's fortunes in the future as closely as you all do. I shall be handing over to Sir Laurie Magnus who joined the Board earlier this year and who has deep experience of the investment trust world.

Annual General Meeting

Due to the ongoing restrictions on large gatherings, it will unfortunately not be possible for shareholders to attend the Annual General Meeting on 27 October 2020 in person. Voting on the resolutions to be proposed will be conducted on a poll, and shareholders are encouraged to submit their Forms of Proxy. If you have any questions in relation to the Annual Report or the Company's performance over the year, please email ITSecretariat@janushenderson.com in advance of the meeting. All questions received will be considered and responses will be available on the Company's website. A presentation from Job Curtis, our Fund Manager, will be available to watch on the Company's website on the day of the Annual General Meeting.

Outlook

Looking forward, there are an unusually large number of uncertainties, which mainly relate to Covid-19. It is possible that there could be a second wave of infections in the autumn/winter. If so, governments are likely to try to implement local rather than nationwide lockdowns which would be less damaging for the economy. Alternatively, it may be that the worst of the virus has been seen and there are strong hopes for an effective vaccine in 2021. The policy response to the lockdown has been extraordinary, but it is not clear what will be the long-term effect of the build up of government debt or how the central banks will ever reduce their stock of government bonds. Another major uncertainty remains the future trading relationship between the UK and the European Union, which is scheduled to have been agreed by the end of 2020.

UK companies responded to the crisis with a wave of dividend cuts, omissions and cancellations. In the July/August half year reporting season, there were tentative signs of an improving mood with several of our investee companies restoring dividends, including BAE Systems, Direct Line Insurance and Persimmon. The large fall in dividends paid has taken down the true yield of the UK equity market to between 3% and 4%, and in line with our objective City of London's yield stands at a premium to that. This remains significantly in excess of the main alternatives of fixed interest and bank deposit rates. To the extent that confidence grows that a base has been found and the market is set to return to dividend growth, UK equities could achieve pleasing returns.

Philip Remnant CBE
Chairman
17 September 2020

FUND MANAGER'S REPORT

Investment Background

There was a marked contrast between the performance of the UK equity market during the first half of the period under review compared with the second half. Over the six months to 31 December 2019, UK equities produced a total return of 5.5%, as measured by the FTSE All-Share Index. In December, the decisive Conservative general election victory boosted domestic sectors given the end of the political paralysis. Utilities, which had been threatened with nationalisation by Labour, did particularly well.

During the six months to 30 June 2020, the direction of the equity market was driven by the spread of Covid-19 across the globe, the government enforced lockdown of the economy and then the easing of those restrictions. From 31 December 2019 to the low point on 23 March 2020, the FTSE All-Share fell by 35%. There followed a significant rally which reduced the losses, so the FTSE All-Share Index produced a negative return of 13.0% for the 12 months to 30 June 2020.

Globally and in the UK, governments and central banks responded to the lockdown of economies with an unprecedented level of policy stimulus. In the UK, the government paid 80% of wages of those furloughed and introduced loan schemes for businesses. The Bank of England cut its base rate from 0.75% to 0.10% in two stages. The 10-year Gilt yield, which was 0.84% at 30 June 2019, ended the 12-month period at 0.12%, reflecting the low base rate, investors' perception of weak growth and inflation prospects and also the large purchases of gilts that were made by the Bank of England. The dividend yield of the equity market remained significantly higher than the base rate and the 10-year Gilt yield. Given the huge uncertainty during March and April, a large number of dividends were cut, cancelled or omitted as companies prioritised the preservation of cash.

The oil price suffered from the global decline in economic activity. There was a big drop in demand for oil with there being much less travelling whether by car, aeroplane or cruise ship as people stayed in their homes. In addition, oil producing countries were slow to respond by reducing supply because of a dispute between Saudi Arabia and Russia.

Sterling started the 12 months at a 1.24 exchange rate to the US dollar and rallied to 1.32 after the general election in December. Sterling fell to 1.15 at the height of the crisis in March when the US dollar was attracting investors as a safe haven. It recovered to end the 12 months at 1.24, which was the same as where it started. Sterling's performance against the euro was similar to its performance against the US dollar.

Over the 12 months to 30 June 2020, the FTSE 350 Higher Yield Index (the higher dividend yielding half of the largest 350 shares listed in the UK) underperformed the FTSE 350 Lower Yield Index (the lower yielding half othe largest 350 shares listed in the UK), reflecting poor returns from the banks (-40%) and oil and gas (-44%) sectors.

Estimated performance attribution analysis ***(relative to FTSE All-Share Index total return)***

	2020 **%**	2019 %
Stock selection	**+0.90**	+2.99
Gearing	**-2.40**	-0.61
Expenses	**-0.36**	-0.39
Share issues	**+0.26**	+0.11
Total	**-1.60**	+2.10

Source: Janus Henderson

Stock selection was positive over the year, with the biggest sector contributor being under-represented in oil & gas, mainly through the underweight position in Royal Dutch Shell, which was the biggest stock contributor. The second biggest stock contributor was being underweight in HSBC, followed by owning Microsoft, not holding Rolls Royce and owning Nestlé and pub group Greene King, which was taken over by CK Asset Holdings of Hong Kong.

The biggest detracting sector was being under-represented in pharmaceuticals and the underweight holding in AstraZeneca, which was the biggest stock detractor. AstraZeneca has benefited from the success of new drugs brought to the market and has grown to be the largest stock by market capitalisation in the UK index. Not owning London Stock Exchange was the second biggest stock detractor, followed by owning Hiscox and Lloyds Banking, not owning Experian and owning Carnival.

The main reason that City of London's net asset value total return underperformed the FTSE All-Share Index over the 12 months was the effect of gearing, which detracted by 2.4%. Gearing started the 12-month period at 7.9% and stayed below 10% until March, when it peaked at 11.1% before falling back to 9.7% at 30 June 2020. In rising markets, gearing enhances the rise in net asset value, but it has the opposite effect in a falling market, such as over the 12 months to 30 June 2020. In addition, City of London's Private Placement Notes rose in value, which detracted from the net asset value with debt at fair value.

Over the long term, City of London has significantly outperformed the FTSE All-Share Index. For example, over 10 years, City of London's net asset value total return is 120.1% compared with 91.8% for the FTSE All-Share Index.

Portfolio Review

Over the last three years, the number of holdings has been reduced from 115 at 30 June 2017 to 97 at 30 June 2019 and to 90 at 30 June 2020. In our view, while it is beneficial for a conservative portfolio to be diversified, at 90 holdings there is more focus with each holding having more impact.

The sector which had the largest number of holdings sold from it was travel & leisure. Pub group Greene King was sold after it accepted a takeover bid from CK Asset Holdings of Hong Kong at a level significantly in excess of its previously prevailing share price. Travel group TUI was sold in December 2019 amid concern about its rising debt and after it cut its dividend for a second time. This proved to be a very good sale given the effect of the restrictions on tourism on TUI in 2020. In our view, the social distancing rules brought in as a result of Covid-19 had a particularly severe effect on the leisure and hospitality sectors, which would be slow to recover. Therefore, complete sales were made of the holdings in Cineworld (cinema operator), Compass (contract caterer) and Whitbread (hotel operator). 60% of the holding in cruise operator Carnival was also sold. In addition, William Hill was sold given the continuing structural challenge of its betting shops.

One new holding was bought in travel & leisure: La Française des Jeux ("FDJ"), which has been the operator of the French national lottery since it was created in 1933 and has an exclusive license for the next 25 years. An initial holding was bought in FDJ when it was privatised by the French government in November 2019 and additional purchases were made in the aftermarket. FDJ is a cash-generative business with a strong balance sheet and its shares have performed well.

The banks sector was also badly affected by the lockdown of the economy and its aftermath. Although UK banks have much higher levels of capital than at the time of the financial crisis (2007-2009), they remain leveraged institutions and vulnerable to economic downturn. In addition, the regulator of the UK banks, The Prudential Regulatory Authority, banned them from paying dividends in 2020 in order to conserve their capital given the uncertainty. The holding in Royal Bank of Scotland, which had been bought in the second half of 2019, was sold. The other bank holdings (HSBC, Lloyds and Barclays) were reduced but smaller positions were retained given the recovery potential.

The portfolio has been under-represented in general retailers because of the structural threat to retailers on the High Street and in shopping centres and retail parks from the growth in internet shopping. The lockdown of the economy accelerated this trend, with all but essential shops having to be closed for a period. Given its challenges and the suspension of its dividend, the holding in Marks & Spencer was sold.

By contrast, food retailers were, of course, allowed to remain open. They benefited from the closing of restaurants and pubs with more food and drink consumed at home having been bought in supermarkets. It was therefore disappointing that Sainsbury omitted to pay a final dividend and the holding was sold. A new holding had been bought in Wm Morrison, which has a relatively strong balance sheet and a differentiated strategy, including producing around half the fresh food it sells. Subsequently, the holding in Sainsbury was replaced with Tesco, the UK's largest food retailer. Tesco has been turned around in recent years with the disposal of most of its overseas operations, net debt reduced, prices in stores more competitive and fewer promotions.

The oil & gas sector was a relative loser from the lockdown, with significantly reduced demand as well as supply issues causing oil price weakness as discussed above. With the oil price at a level where its dividend was a long way from being covered by free cash flow, Royal Dutch Shell cut its dividend for the first time since 1943. BP also cut its dividend in August 2020. Both companies are intending to invest more in renewable energy. The portfolio has been underweight relative to the FTSE All-Share Index in both Royal Dutch Shell and BP. Reductions were made to the stake in Royal Dutch Shell after its dividend cut. A new holding was bought in Total, the French listed international oil company, which has a lower cost of production than Royal Dutch Shell and BP and a stronger balance sheet.

The iron ore price was relatively stable over the 12 months, supported by Chinese steel demand. Iron ore is the most important commodity for Rio Tinto and BHP. Additions were made to the stakes in both companies, which were highly cash-generative at the iron ore prices that prevailed and they both increased their ordinary dividends.

In life assurance, Prudential split into two businesses, Prudential and M&G. The larger, Prudential, operates in Asia Pacific and the US; M&G owns the UK business and is classified in the financial services sector. Additions were made to M&G given the scope for capital generation and dividends. The sale of the holding in Aviva was completed in January 2020 and it subsequently did not pay a final dividend. A new holding in Legal & General was bought on an attractive yield after it confirmed its dividend.

The UK telecommunications sector has been very competitive and with tough regulation for many years. The incumbent, BT, has been struggling and decided to stop paying a dividend. City of London's holding in BT was sold and reinvested in Deutsche Telekom, Vodafone and Orange. For several years, the largest telecommunications holding in the portfolio has been Verizon Communications, the US operator, which has a steady record of dividend growth.

The utilities sector had a good year with the general election removing the threat of nationalisation. City of London benefited by being overweight in utilities relative to the FTSE All-Share Index, with the largest holding being National Grid. One new holding was bought, Pennon, which is the water utility covering the south west of England. Pennon sold its waste business for a good price leaving it with a strong balance sheet and good dividend growth prospects.

Sales were made in four other small holdings. Senior is an aerospace supplier adversely affected by weaker demand for its products. For Royal Mail, the decline in revenues from letters is not being offset by the growth in parcels and cost reductions are hard to achieve. Bank note printer De La Rue is faced with the trend to electronic payments as well as losing the UK passport contract. Connect Group's diversification away from its core newspaper distribution operation was very costly and caused the suspension of its dividend.

The portion of the portfolio invested in overseas listed companies increased over the year from 10% to 14%. This was offset by reductions in the portions invested in large UK-listed companies from 78% to 75% and in medium-sized and small UK-listed companies from 12% to 11%.

Large companies (FTSE 100) underperformed medium-sized (FTSE 250) and small (FTSE Small Cap) companies over the 12-month period, with a key factor being the poor performance of banks and oil companies, which are mainly in the FTSE 100.

Portfolio Outlook

The portfolio is structured to have a solid base of companies which are defensive, being relatively less exposed to the cyclicality of the economy. In addition, there is some exposure to companies where share price valuations are depressed and there is significant recovery potential.

Consumer staples or makers and sellers of essential products comprise 21.5% of the portfolio and includes companies in the following sectors: beverages, food producers, household goods, personal goods, tobacco and food retailing. City of London's largest three holdings, British American Tobacco, Unilever and Diageo, are consumer staples stocks. They are global leaders, have built brands over decades but need continually to invest in product innovation to grow.

The pharmaceutical sector is a second reliable area for profits so long as the companies spend on research and development to discover new drugs to replace those where patents are expiring. City of London has a significant part of the portfolio invested in pharmaceutical companies, at 8.5% of the total, although this is below the FTSE All-Share Index level. Utilities should also be a defensive source of income, subject to satisfactory regulatory regimes. 6.6% of City of London's portfolio is invested in this area. 5.1% of the portfolio is invested in telecommunications operators, which should be stable provided regulation is fair or competition not too intense. Within financials, life insurance and financial services companies have been much more reliable dividend payers than banks. 6.5% of the portfolio is invested in life assurance and 5.3% in financial services.

It is encouraging that, since the start of City of London's new financial year (on 1 July 2020), a number of companies have returned to paying dividends, such as BAE Systems, Persimmon, Direct Line Insurance, IMI and Mondi. There are other companies in the portfolio, which did not pay dividends in the first half of 2020, where positions have been retained (sometimes reduced from the previous size of holding) where there is significant recovery potential and scope to pay dividends, such as in the banks, home construction and real estate investment trust sectors.

Although it is disappointing that Royal Dutch Shell and BP cut their dividends, they remain dividend payers and should benefit from a recovery in global economic activity. In addition to some oil & gas exposure, 6.0% of the portfolio is invested in mining companies (Rio Tinto, BHP and Anglo American) which derive their profits from important commodities, such as iron ore and copper, which should be underpinned from increased infrastructure spending as governments act to support economic recovery.

It has been a very difficult period for company profits and dividends because of the Covid-19 virus and associated lockdowns of economies. There are clear signs that the worst point has been experienced and an improvement should be seen going forward. In our view, the portfolio is predominantly invested in defensive, relatively stable companies but also has some exposure to areas with significant recovery potential.

Job Curtis
Fund Manager
17 September 2020

FORTY LARGEST INVESTMENTS as at 30 June 2020

Position	Company	Sector	Market value £'000	Portfolio %
1	**British American Tobacco**	Tobacco	**66,747**	4.25
2	**Unilever**	Personal Goods	**53,784**	3.42
3	**Diageo**	Beverages	**53,089**	3.38
4	**GlaxoSmithKline**	Pharmaceuticals & Biotechnology	**52,371**	3.33
5	**RELX**	Media	**47,704**	3.04
6	**Royal Dutch Shell**	Oil & Gas Producers	**46,979**	2.99
7	**HSBC**	Banks	**42,025**	2.68
8	**Rio Tinto**	Mining	**41,396**	2.63
9	**National Grid**	Gas, Water & Multi-utilities	**39,073**	2.49
10	**BP**	Oil & Gas Producers	**38,246**	2.43
Top 10			**481,414**	**30.64**
11	**Prudential**	Life Insurance	**38,187**	2.43
12	**Reckitt Benckiser**	Household Goods & Home Construction	**37,160**	2.37
13	**AstraZeneca**	Pharmaceuticals & Biotechnology	**33,684**	2.14
14	**Phoenix**	Life Insurance	**31,234**	1.99
15	**Verizon Communications**	Fixed Line Telecommunications	**31,187**	1.99
16	**BHP**	Mining	**30,321**	1.93
17	**M&G**	Financial Services	**29,070**	1.85
18	**BAE Systems**	Aerospace & Defense	**29,004**	1.85
19	**SSE**	Electricity	**28,655**	1.82
20	**Vodafone**	Mobile Telecommunications	**28,349**	1.80
Top 20			**798,265**	**50.81**
21	**Imperial Brands**	Tobacco	**28,078**	1.79
22	**Nestlé**	Food Producers	**26,838**	1.71
23	**St. James's Place**	Life Insurance	**23,582**	1.50
24	**Schroders**	Financial Services	**22,770**	1.45
25	**Anglo American**	Mining	**22,066**	1.40
26	**Lloyds Banking**	Banks	**20,887**	1.33
27	**Tesco**	Food & Drug Retailers	**20,529**	1.31
28	**Croda International**	Chemicals	**19,710**	1.25
29	**Microsoft**	Software & Computer Services	**19,451**	1.24
30	**Persimmon**	Household Goods & Home Construction	**19,431**	1.24
Top 30			**1,021,607**	**65.03**
31	**Severn Trent**	Gas, Water & Multi-utilities	**18,593**	1.18
32	**Novartis**	Pharmaceuticals & Biotechnology	**18,514**	1.18
33	**Barclays**	Banks	**18,422**	1.17
34	**Taylor Wimpey**	Household Goods & Home Construction	**18,324**	1.17
35	**Munich Re**	Non-life Insurance	**18,144**	1.15
36	**Land Securities**	Real Estate Investment Trusts	**16,590**	1.06
37	**Merck**	Pharmaceuticals & Biotechnology	**16,439**	1.05
38	**Segro**	Real Estate Investment Trusts	**16,110**	1.02
39	**Wm Morrison**	Food & Drug Retailers	**15,244**	0.97
40	**Direct Line Insurance**	Non-life Insurance	**14,905**	0.95
Top 40			**1,192,892**	**75.93**

Convertibles, all classes of equity and all written call option positions in any one company are treated as one investment.

PRINCIPAL RISKS

The Board, with the assistance of the Manager, has carried out a robust assessment of the principal risks and uncertainties facing the Company, including those that would threaten its business model, future performance, solvency and liquidity.

The Board regularly considers the principal risks facing the Company and has drawn up a matrix of risks. 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 principal risks which have been identified and the steps taken by the Board to mitigate these are set out in the table below. The principal financial risks were detailed in note 16 to the financial statements.

The Board has also considered the impact of the Covid-19 pandemic on the Company. Originally identified as an emerging risk, the pandemic developed significantly and quickly, triggering sharp falls in global stock markets and resulting in uncertainty about the ongoing impact on markets and companies, and around future dividend income. The risks associated with the pandemic were therefore moved from emerging into one of the principal risks facing the Company.

Principal risks	**Mitigation measure**
Global pandemic The impact of the coronavirus pandemic on the Company's investments and its direct and indirect effects, including the effect on the global economy.	The Fund Manager maintains close oversight of the Company's portfolio, and in particular the dividend strategies of investee companies. Changes were made to move the portfolio away from sectors that were likely to be slow to recover, such as travel & leisure, towards less sensitive areas, such as consumer staples. Regular stress testing of the revenue account under different scenarios for dividends is carried out.
Portfolio and market price 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. A fall in the market value of the Company's portfolio would have an adverse effect on equity shareholders' funds. The market uncertainty arising from the UK's negotiations to leave the EU ("Brexit") and the potential for adverse negotiations to impact the Company's investments.	The Board reviews the portfolio at the seven Board meetings held each year and receives regular reports from the Company's brokers. A detailed liquidity report is considered on a regular basis. The Fund Manager closely monitors the portfolio between meetings and mitigates this risk through diversification of investments. The Fund Manager periodically presents the Company's investment strategy in respect of current market conditions. Performance relative to the FTSE All-Share Index, other UK equity income trusts and IA UK Equity Income OEICs is also monitored. The majority of the Company's investments are multi-national companies with operations in local markets. If Brexit leads to weakness in sterling, that would benefit the Company in the translation of overseas profits and dividends for UK-listed companies.
Dividend income A reduction in dividend income could adversely affect the Company's dividend record.	The Board reviews income forecasts at each meeting. The Company has revenue reserves of £45.6 million (before payment of the fourth interim dividend) and distributable capital reserves of £271.8 million.
Investment activity, gearing and performance 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.	The Board has an annual meeting focused on strategy at which investment performance, the level of gearing and the level of premium/discount is reviewed. The Board also reviews a schedule of expenses and revenue forecasts at each meeting.
Tax and regulatory Changes in the tax and regulatory environment could adversely affect the Company's financial performance, including the return on equity.	The Manager provides its services, inter alia, through suitably qualified professionals and the Board receives internal control reports produced by the Manager on a quarterly basis, which confirm legal and regulatory

A breach of s.1158/9 could lead to a loss of investment trust status, resulting in capital gains realised within the portfolio being subject to corporation tax. A breach of the Listing Rules could result in suspension of the Company's shares, while a breach of the Companies Act 2006 could lead to criminal proceedings, or financial or reputational damage. The Company must also ensure compliance with the Listing Rules of the New Zealand Stock Exchange.	compliance. The Fund Manager also considers tax and regulatory change in his monitoring of the Company's underlying investments.
Operational Disruption to, or failure of, the Manager's or its administrator's (BNP Paribas Securities Services) accounting, dealing or payment systems or the Depositary's records could prevent the accurate reporting and monitoring of the Company's financial position. Cyber crime could lead to loss of confidential data. The Company is also exposed to the operational risk that one or more of its suppliers may not provide the required level of service.	The Board monitors the services provided by the Manager and its other suppliers and receives reports on the key elements in place to provide effective internal control. Cyber security is closely monitored and the Audit Committee receives an annual presentation from Janus Henderson's Head of Information Security. The Board considers the loss of the Fund Manager as a risk but this is mitigated by the experience of the team at Janus Henderson as detailed in the Annual Report.

Emerging risks
In addition to the principal risks facing the Company, the Board also regularly considers potential emerging risks, which are defined as potential trends, sudden events or changing risks which are characterised by a high degree of uncertainty in terms of the probability of them happening and the possible effects on the Company. Should an emerging risk become sufficiently clear, it may be moved to a significant risk, as described above in relation to the coronavirus pandemic.

The Board has identified heightened political tensions in and among a number of countries around the world which have the potential of increasing the risk of market volatility. The Fund Manager keeps the global political and economic picture under review as part of the investment process.

BORROWINGS

The Company has a borrowing facility of £120.0 million (2019: £120.0 million) with HSBC Bank plc, of which £20.9 million was drawn at the year end (2019: £8.2 million). The Company also has a debenture totalling £30.0 million (2019: £40.0 million) and £84.4 million (2019: £84.4 million) of secured notes. The level of gearing at 30 June 2020 was 9.7% of net asset value (2019: 7.9%).

The debenture stock is due to be repaid on 31 January 2021.

VIABILITY STATEMENT

The AIC Code of Corporate Governance includes a requirement for 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 that the Company seeks to deliver long-term performance.
- The Company's investment objective, strategy and policy, which are subject to regular Board monitoring, mean that the Company is invested mainly in readily realisable, UK listed securities and that the level of borrowings is restricted.
- The Company is a closed end investment company and therefore does not suffer from the liquidity issues arising from unexpected redemptions.
- The Company has an ongoing charge of 0.36%, which is lower than other comparable investment trusts.

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

- 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 8½% debenture stock 2021, 4.53% secured notes 2029 and 2.94% secured notes 2049 which are also subject to formal agreements, including financial covenants with which the Company complied in full during the year. The 10¼% debenture stock 2020 was repaid on 30 April 2020. The value of long-term borrowing is relatively small in comparison to the value of net assets, being 5.9%.
- 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 and considered emerging risks that could have a future impact on the Company.

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, grow dividend payments and retain investors and the potential need for share buybacks to maintain a narrow share price discount. The Directors assess viability over five-year rolling periods, taking account of foreseeable severe but plausible scenarios. In coming to this conclusion, the Directors have considered the impact of the Covid-19 pandemic, in particular the impact on income and the Company's ability to meet its investment objective.

The Directors believe that a rolling five-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 five-year period to June 2025.

RELATED PARTY TRANSACTIONS

The Company's transactions with related parties in the year were with the Directors and the Manager. There have been no material transactions between the Company and its Directors during the year and the only amounts paid to them were in respect of expenses and remuneration for which there were no outstanding amounts payable at the year end. Directors' shareholdings are disclosed in the Annual Report.

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 have been no material transactions with the Manager affecting the financial position of the Company during the year under review. More details on transactions with the Manager, including amounts outstanding at the year end, are given in the Annual Report.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Each of the Directors, who are listed in the Annual Report, confirms that, to the best of his or her knowledge:

- the Company's financial statements, which have been prepared in accordance with UK Accounting Standards on a going concern basis, give a true and fair view of the assets, liabilities, financial position and loss of the Company; and

- the Strategic Report and financial statements include 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.

On behalf of the Board

Philip Remnant CBE
Chairman
17 September 2020

INCOME STATEMENT

Notes		Year ended 30 June 2020 Revenue return £'000	Capital return £'000	Total return £'000	Year ended 30 June 2019 Revenue return £'000	Capital return £'000	Total return £'000
	Losses on investments held at fair value through profit or loss	**-**	**(291,388)**	**(291,388)**	-	(21,023)	(21,023)
2	Income from investments held at fair value through profit or loss	**67,779**	**-**	**67,779**	77,438	-	77,438
3	Other interest receivable and similar income	**176**	**-**	**176**	288	-	288
	Gross revenue and capital losses	**67,955**	**(291,388)**	**(223,433)**	77,726	(21,023)	56,703
	Management fee	**(1,457)**	**(3,400)**	**(4,857)**	(1,519)	(3,545)	(5,064)
	Other administrative expenses	**(696)**	**(7)**	**(703)**	(726)	-	(726)
	Net return before finance costs and taxation	**65,802**	**(294,795)**	**(228,993)**	75,481	(24,568)	50,913
	Finance costs	**(2,163)**	**(4,681)**	**(6,844)**	(2,277)	(4,946)	(7,223)
	Net return before taxation	**63,639**	**(299,476)**	**(235,837)**	73,204	(29,514)	43,690
	Taxation	**(1,176)**	**-**	**(1,176)**	(1,181)	-	(1,181)
	Net return after taxation	**62,463**	**(299,476)**	**(237,013)**	72,023	(29,514)	42,509
4	**Return per ordinary share basic and diluted**	**15.73p**	**(75.42p)**	**(59.69p)**	19.76p	(8.10p)	11.66p

The total columns of this statement represent the Income Statement of the Company. The revenue return and capital return columns are supplementary to this and are prepared under guidance published by the Association of Investment Companies. All revenue and capital items in the above statement derive from continuing operations. The Company has no recognised gains or losses other than those recognised in the Income Statement. There is no material difference between the net return before taxation and the net return after taxation stated above and their historical cost equivalents.

STATEMENT OF CHANGES IN EQUITY

Notes	**Year ended 30 June 2020**	**Called up share capital £'000**	**Share premium account £'000**	**Capital redemption reserve £'000**	**Other capital reserves £'000**	**Revenue reserve £'000**	**Total £'000**
	At 1 July 2019	**94,709**	**613,711**	**2,707**	**826,337**	**58,259**	**1,595,723**
	Net return after taxation	**-**	**-**	**-**	**(299,476)**	**62,463**	**(237,013)**
7	Issue of 37,570,000 new ordinary shares	**9,392**	**139,256**	**-**	**-**	**-**	**148,648**
6	Dividends paid	**-**	**-**	**-**	**-**	**(75,099)**	**(75,099)**
	At 30 June 2020	**104,101**	**752,967**	**2,707**	**526,861**	**45,623**	**1,432,259**

	Year ended 30 June 2019	Called up share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Other capital reserves £'000	Revenue reserve £'000	Total £'000
	At 1 July 2018	88,603	520,701	2,707	855,851	53,135	1,520,997
	Net return after taxation	-	-	-	(29,514)	72,023	42,509
7	Issue of 24,425,000 new ordinary shares	6,106	93,010	-	-	-	99,116
6	Dividends paid	-	-	-	-	(66,899)	(66,899)
	At 30 June 2019	94,709	613,711	2,707	826,337	58,259	1,595,723

STATEMENT OF FINANCIAL POSITION

Notes		30 June 2020 £'000	30 June 2019 £'000
	Fixed assets		
	Investments held at fair value through profit or loss		
	Listed at market value in the United Kingdom	**1,359,435**	1,556,025
	Listed at market value overseas	**211,589**	165,525
	Investment in subsidiary undertakings	**347**	347
		1,571,371	1,721,897
	Current assets		
	Debtors	**5,962**	14,932
		5,962	14,932
	Creditors: amounts falling due within one year	**(59,327)**	(25,350)
	Net current liabilities	**(53,365)**	(10,418)
	Total assets less current liabilities	**1,518,006**	1,711,479
	Creditors: amounts falling due after more than one year	**(85,747)**	(115,756)
	Net assets	**1,432,259**	1,595,723
	Capital and reserves		
7	Called up share capital	**104,101**	94,709
	Share premium account	**752,967**	613,711
	Capital redemption reserve	**2,707**	2,707
	Other capital reserves	**526,861**	826,337
	Revenue reserve	**45,623**	58,259
5	**Total shareholders' funds**	**1,432,259**	1,595,723
5	**Net asset value per ordinary share – basic and diluted**	**343.96p**	421.22p

NOTES TO THE FINANCIAL STATEMENTS

1. Accounting policies

Basis of accounting

The Company is a registered investment company as defined in Section 833 of the Companies Act 2006 and is incorporated in the UK. It operates in the UK and is registered at the address in the Annual Report.

The financial statements have been prepared in accordance with the Companies Act 2006, FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland and with the Statement of Recommended Practice: Financial Statements of Investment Trust Companies and Venture Capital Trusts ("the SORP") issued in October 2019.

The principal accounting policies applied in the presentation of these financial statements are set out in the Annual Report. These policies have been consistently applied to all the years presented.

As an investment fund the Company has the option, which it has taken, not to present a cash flow statement. A cash flow statement is not required when an investment fund meets all the following conditions: substantially all of the entity's investments are highly liquid, substantially all of the entity's investments are carried at market value, and the entity provides a Statement of Changes in Equity. The Directors have assessed that the Company meets all of these conditions.

The financial statements have been prepared under the historical cost basis except for the measurement at fair value of investments. In applying FRS 102, financial instruments have been accounted for in accordance with Sections 11 and 12 of the standard. All of the Company's operations are of a continuing nature.

The financial statements of the Company's three subsidiaries have not been consolidated on the basis of immateriality and dormancy. Consequently, the financial statements present information about the Company as an individual entity. The Directors consider that the value of the subsidiary undertakings are not less than the amounts at which they are included in the financial statements.

The preparation of the Company's financial statements on occasion requires the Directors to make judgements, estimates and assumptions that affect the reported amounts in the primary financial statements and the accompanying disclosures. These assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in the current and future periods, depending on circumstance.

The decision to allocate special dividends as income or capital is a judgement but not deemed to be material. The allocation of expenses to income or capital is a judgement as well, but also is not deemed to be material.The Directors do not believe that any accounting judgements or estimates have been applied to this set of financial statements that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

Going Concern
The assets of the Company consist of securities that are readily realisable and, accordingly, the Directors believe that the Company has adequate resources to continue in operational existence for at least twelve months from the date of approval of the financial statements. The Directors have also considered the impact of Covid-19, including cash flow forecasting, a review of covenant compliance including the headroom above the most restrictive covenants and an assessment of the liquidity of the portfolio. They have concluded that the Company is able to meet its financial obligations, including the repayment of the bank overdraft, as they fall due for a period of 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 Board has determined that it is appropriate for the financial statements to be prepared on a going concern basis.

2. Income from investments held at fair value through profit or loss

	2020 £'000	2019 £'000
UK dividends:		
Listed – ordinary dividends	**54,320**	59,566
Listed – special dividends	**1,505**	3,702
	55,825	63,268
Other dividends:		
Dividend income – overseas investments	**10,360**	11,575
Dividend income – UK REIT	**1,594**	2,595
	11,954	14,170
	67,779	77,438

3. Other interest receivable and similar income

	2020 £'000	2019 £'000
Underwriting commission (allocated to revenue)[1]	**4**	14
Stock lending revenue	**172**	274
	176	288

[1] During the year the Company was not required to take up shares in respect of its underwriting commitments (2019: none).

At 30 June 2020, the total value of securities on loan by the Company for stock lending purposes was £135,773,000 (2019: £192,872,000). The maximum aggregate value of securities on loan at any one time during the year ended 30 June 2020 was £296,705,000 (2019: £279,272,000). The Company's agent holds collateral at 30 June 2020 with a value of £142,771,000 (2019: £208,546,000) in respect of securities on loan, the value of which is reviewed on a daily basis and comprises CREST Delivery By Value ("DBVs") and Government Bonds with a market value of 105% (2019: 108%) of the market value of any securities on loan.

4. Return per ordinary share – basic and diluted

The return per ordinary share is based on the net return attributable to the ordinary shares of £237,013,000 (2019: £42,509,000) and on 397,078,092 ordinary shares (2019: 364,414,801), being the weighted average number of ordinary shares in issue during the year.

The return per ordinary share is analysed between revenue and capital as below:

	2020	2019
	£'000	£'000
Net revenue return	**62,463**	72,023
Net capital return	**(299,476)**	(29,514)
Net total return	**(237,013)**	42,509
Weighted average number of ordinary shares in issue during the year	**397,078,092**	364,414,801

	2020	2019
	Pence	Pence
Revenue return per ordinary share	**15.73**	19.76
Capital return per ordinary share	**(75.42)**	(8.10)
Total return per ordinary share	**(59.69)**	11.66

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

5. Net asset value per ordinary share

The net asset value per ordinary share is based on the net assets attributable to the ordinary shares of £1,432,259,000 (2019: £1,595,723,000) and on 416,404,868 (2019: 378,834,868) shares in issue on 30 June 2020.

An alternative net asset value per ordinary share can be calculated by deducting from the total assets less current liabilities of the Company the preference and preferred ordinary stocks, the debenture stock and secured notes at their market (or fair) values rather than at their par (or book) values. The net asset value per ordinary share at 30 June 2020 calculated on this basis was 338.67p (2019: 416.32p).

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

	£'000
Total net assets attributable to the ordinary shares at 1 July 2019	**1,595,723**
Total net return after taxation	**(237,013)**
Dividends paid on ordinary shares in the year	**(75,099)**
Issue of shares	**148,648**
Total net assets attributable to the ordinary shares at 30 June 2020	**1,432,259**

The Company does not have any dilutive securities.

6. Dividends paid on ordinary shares

	Record date	**Payment date**	**2020 £'000**	2019 £'000
Fourth interim dividend (4.55p) for the year ended 30 June 2018	27 July 2018	31 August 2018	**-**	16,174
First interim dividend (4.55p) for the year ended 30 June 2019	19 October 2018	30 November 2018	**-**	16,319
Second interim dividend (4.55p) for the year ended 30 June 2019	25 January 2019	28 February 2019	**-**	16,633
Third interim dividend (4.75p) for the year ended 30 June 2019	26 April 2019	31 May 2019	**-**	17,773

Fourth interim dividend (4.75p) for the year ended 30 June 2019	26 July 2019	30 August 2019	**18,013**	-
First interim dividend (4.75p) for the year ended 30 June 2020	25 October 2019	29 November 2019	**18,341**	-
Second interim dividend (4.75p) for the year ended 30 June 2020	24 January 2020	28 February 2020	**19,041**	-
Third interim dividend (4.75p) for the year ended 30 June 2020	24 April 2020	29 May 2020	**19,704**	-
			75,099	66,899

In accordance with FRS 102, interim dividends payable to equity shareholders are recognised in the Statement of Changes in Equity when they have been paid to shareholders.

All dividends have been paid or will be paid out of revenue profits.

The total dividends payable in respect of the financial year which form the basis of the test under Section 1158 of the Corporation Tax Act 2010 are set out below.

	2020 £'000	2019 £'000
Revenue available for distribution by way of dividend for the year	**62,463**	72,023
First interim dividend of 4.75p (2019: 4.55p)	**(18,341)**	(16,319)
Second interim dividend of 4.75p (2019: 4.55p)	**(19,041)**	(16,633)
Third interim dividend of 4.75p (2019: 4.75p)	**(19,704)**	(17,773)
Fourth interim dividend of 4.75p (2019: 4.75p) paid on 28 August 2020[1]	**(19,779)**	(18,012)
Undistributed revenue for Section 1158 purposes[2]	**(14,402)**	3,286

1 Based on 416,404,868 ordinary shares in issue at 30 July 2020 (the ex-dividend date) (2019: 379,209,868)
2 The deficit of (£14,402,000) (2019: surplus of £3,286,000) has been taken (from)/to the revenue reserve

Since the year-end, the Board has announced a first interim dividend of 4.75p per ordinary share, in respect of the year ending 30 June 2021. This will be paid on 30 November 2020 to holders registered at the close of business on 30 October 2020. This dividend is to be paid from the Company's revenue account. The Company's shares will go ex-dividend on 29 October 2020.

7. Called up share capital

	Shares in issue	**Nominal value of total shares in issue £'000**
Allotted and issued ordinary shares of 25p each:		
At 1 July 2019	**378,834,868**	**94,709**
Issue of new ordinary shares	**37,570,000**	**9,392**
At 30 June 2020	**416,404,868**	**104,101**
Allotted and issued ordinary shares of 25p each:		
At 1 July 2018	354,409,868	88,603
Issue of new ordinary shares	24,425,000	6,106
At 30 June 2019	378,834,868	94,709

During the year, the Company issued 37,570,000 (2019: 24,425,000) ordinary shares with total proceeds of £148,648,000 (2019: £99,116,000) after deduction of issue costs of £575,000 (2019: £151,000). The average price of the ordinary shares that were issued was 395.7p (2019: 405.8p).

8. 2020 financial information

The figures and financial information for the year ended 30 June 2020 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 30 June 2020 have been audited but have not yet been delivered to the Registrar of Companies. The Independent Auditors' Report on the 2020 annual financial statements was unqualified, did not include a reference to any matter to which the auditors drew attention without qualifying the report, and did not contain any statements under Sections 498(2) or 498(3) of the Companies Act 2006.

9. 2019 financial information

The figures and financial information for the year ended 30 June 2019 are compiled from an extract of the published financial statements for that year and do not constitute statutory accounts. Those financial statements have been delivered to the Registrar of Companies and included the report of the auditors which was unqualified, did not include a reference to any matter to which the auditors drew attention without qualifying the report, and did not contain any statements under Sections 498(2) or 498(3) of the Companies Act 2006.

10. Annual Report and Annual General Meeting

The Annual Report will be posted to shareholders in late September 2020 and will be available on the Company's website www.cityinvestmenttrust.com or in hard copy format from the Company's registered office, 201 Bishopsgate, London, EC2M 3AE thereafter.

The Annual General Meeting will be held on Tuesday, 27 October 2020 at 2.30pm. Due to the ongoing restrictions on large gatherings, shareholders will be unable to attend the Annual General Meeting on 27 October 2020 in person and it will be held as a 'closed meeting'. Voting on the resolutions to be proposed will be conducted on a poll, and shareholders will be able to submit their Forms of Proxy electronically as well as by post. A presentation from the Fund Manager will be available to watch on the Company's website on the day of the Annual General Meeting. The Notice of Meeting will be sent to shareholders with the Annual Report.

For further information please contact:

Job Curtis
Fund Manager
The City of London Investment Trust plc
Telephone: 020 7818 4367

James de Sausmarez
Director and Head of Investment Trusts
Janus Henderson Investors
Telephone: 020 7818 3349

Laura Thomas
Investment Trust PR Manager
Janus Henderson Investors
Tel: 020 7818 2636