



FINSBURY
GROWTH &
INCOME TRUST



Half Year Report & Financial Statements
for the six months ended 31 March 2019

Frostrow
CAPITAL

LINDSELL TRAIN

Company Summary

The Company

The Company is an investment trust and its shares are listed on the premium segment of the Official List and traded on the main market of the London Stock Exchange. The Company is a member of The Association of Investment Companies ("AIC").

Investment Objective

The Company's investment objective is to achieve capital and income growth and to provide shareholders with a total return in excess of that of the FTSE All-Share Index.

Investment Policy

The Company's investment policy is to invest principally in the securities of UK listed companies, whilst up to a maximum of 20% of the Company's portfolio, at the time of acquisition, can be invested in quoted companies outside of the UK.

The portfolio will normally comprise up to 30 investments. Unless driven by market movements, securities in FTSE 100 companies and comparable companies listed on overseas stock exchanges will normally represent between 50% and 100% of the portfolio; securities in FTSE 350 companies and comparable companies listed on overseas stock exchanges will normally represent at least 70% of the portfolio.

Performance

Performance is measured against the FTSE All-Share Index (total return).

Management

Frostrow Capital LLP ("Frostrow") is the appointed Alternative Investment Fund Manager ("AIFM") and provides company management, company secretarial, administrative and marketing services. Lindsell Train Limited ("Lindsell Train") is the appointed Portfolio Manager.

Dividends

A first interim dividend of 8.0p per share (2018: 7.2p) was paid on 16 May 2019 to shareholders who were registered at the close of business on 5 April 2019. The associated ex-dividend date was 4 April 2019.

It is expected that a second interim dividend will be declared in late September 2019 and paid in November 2019.

All dividends are distributed from revenue reserves.

Capital Structure

At 31 March 2019 the Company had 188,126,712 shares of 25p each in issue (30 September 2018: 173,691,712). During the six months under review 14,435,000 new shares were issued raising £112.8 million. Since the end of the half-year, to 13 May 2019, being the latest practical date, a further 4,990,000 new shares have been issued raising £43.1 million. As at 13 May 2019, the Company had 193,116,712 shares in issue.

Contents

Company Summary

2 Company Performance

Reviews

- 3 Chairman's Statement
- 5 Portfolio Manager's Review
- 7 Investment Portfolio
- 8 Comparison of Sector Weightings with the FTSE All-Share Index
- 9 Portfolio Distribution
- 10 Performance

Financial Statements

- 11 Income Statement
- 12 Statement of Changes in Equity
- 13 Statement of Financial Position
- 14 Statement of Cash Flows
- 15 Notes to the Financial Statements

Governance

18 Interim Management Report

Further Information

- 19 Glossary of Terms and Alternative Performance Measures
- 22 How to Invest
- 24 Company Information

Gearing

The Company has a three-year secured fixed term revolving credit facility (the "Facility") of £75 million (with an additional £25 million facility available if required) with Scotiabank Europe PLC. As at 31 March 2019 a total of £36.7 million has been drawn down from this facility (30 September 2018: £36.7 million).

ISA Status

The Company's shares are eligible for Individual Savings Accounts ("ISAs") and for Junior ISAs.

Company Summary/Company Performance

Financial Highlights

	As at 31 March 2019	As at 30 September 2018	% Change
Share price	829.0p	818.0p	+1.3
Net asset value per share	827.6p	812.8p	+1.8
Premium of share price to net asset value per share [^]	0.2%	0.6%	
Gearing ^{1^}	1.3%	1.4%	
Shareholders' funds	£1,557.0m	£1,411.8m	+10.3
Number of shares in issue	188,126,712	173,691,712	+8.3
Share price (total return) ^{2^}	+2.4%	+13.2%	
Net asset value per share (total return) ^{2^}	+2.9%	+13.1%	
FTSE All-Share Index (total return)* (Company benchmark) ^{2,3}	-1.8%	+5.9%	
Ongoing charges ^{1^}	0.7%	0.7%	
First interim dividend	8.0p	7.2p	+11.1
Second interim dividend	Yet to be declared	8.1p	

¹ See glossary on pages 19 to 21

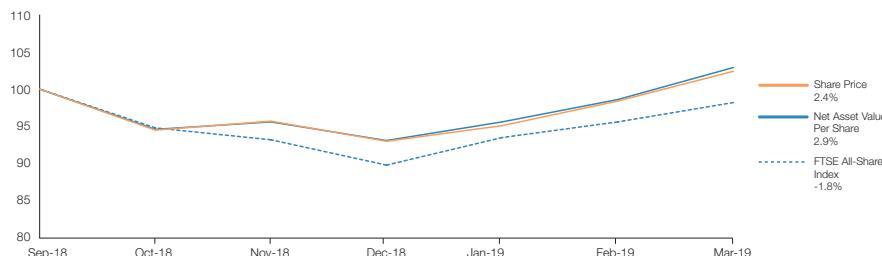
² Source – Morningstar

³ Source – FTSE International Limited ("FTSE") © FTSE 2019*

^Alternative Performance Measures ("APMs")

The disclosures of performance above are considered to represent the Company's APMs. Definitions of these APMs together with how these measures have been calculated can be found in the Glossary on pages 19 to 21.

Six Month Total Return Performance to 31 March 2019



Rebased to 100 as at 30 September 2018

Source: Morningstar

This report contains terminology that may be unfamiliar to some readers. The Glossary on pages 19 to 21 gives definitions for frequently used terms.

Reviews/Chairman's Statement

Performance

In the six months to 31 March 2019 the Company delivered a net asset value total return of 2.9% and a share price total return of 2.4%. It is again pleasing to note that both have outperformed the Company's benchmark, the FTSE All Share index, which fell by 1.8% over the same period. The principal contributors to the Company's net asset value performance were Diageo, Mondelez International and Sage Group. The main detractors were Hargreaves Lansdown, Schroders and Manchester United. Further information on the Company's portfolio can be found in our Portfolio Manager's Review beginning on page 5.

Share Capital

Consistent demand for the Company's shares has led to the issue of a total of 14,435,000 new shares in this half year, raising £112.8 million. As at 31 March 2019 the Company had 188,126,712 shares of 25p each in issue (31 March 2018: 165,646,712). Since the end of the half-year, to 13 May 2019, being the latest practical date, a further 4,990,00 new shares have been issued raising £43.1 million. As at 13 May 2019, the Company had 193,116,712 shares in issue.

Dividend

The Board has declared a first interim dividend of 8.0p per share, compared to last year's first interim dividend of 7.2p per share, an increase of 11.1%. The dividend will be paid on Thursday, 16 May 2019 to shareholders who were on the register on Friday, 5 April 2019. The associated ex-dividend date was Thursday, 4 April 2019.



Anthony Townsend
Chairman

The 11.1% increase to the first interim dividend of 8.0p per share when compared to the corresponding dividend in 2018 has been made to reduce the disparity between the first and second dividends.

The Board expects to declare the second dividend for the year ending 30 September 2019 in late September 2019 and for it to be paid to shareholders in November 2019.

Gearing

As at the half year end the Company was in the final year of its three-year secured fixed term committed revolving credit facility of £75 million with an additional £25 million facility with Scotiabank Europe PLC. The amount currently drawn under the Facility of £36.7 million lies comfortably within the Company' gearing limit of 25% of net assets.

As reported in my last Chairman's Statement in December 2018, it is intended that this facility will be renewed with effect from October 2019.

Reviews/Chairman's Statement

Outlook

As we look forward, our Portfolio Manager remains optimistic about the outlook and opportunities for the companies in our portfolio. Your Board continues to believe that our Portfolio Manager's strategy of investing for the long-term in durable cash generative franchises capable of sustained dividend growth will continue to deliver superior investment returns to shareholders.

Anthony Townsend
Chairman

14 May 2019

Reviews/Portfolio Manager's Review

We know some shareholders are concerned about the possibility of a prolonged period of underperformance from our strategy – because they tell me so. In particular they expect the underperformance to come from one important part of the portfolio. That is they worry about a downturn in the share prices of our consumer branded-goods companies – that downturn to be caused either by the possible overvaluation of such companies or by deterioration in their business performance, or both.

It is true that over 45% of Finsbury Growth & Income Trust PLC's ('FGIT') portfolio is invested in consumer brand owners – A G Barr, Burberry, Diageo, Heineken, Mondelez, Remy and Unilever. And also true that all of these have been wonderful long and short term investments for FGIT. You could also argue that this strong performance has left their valuations looking too high. I disagree. Although by that I don't mean to suggest that they might not go through a period of dull stock market performance – as can happen to any company in any part of the market. Of course they could. But I disagree that they have become perilously expensive. But where I do agree with the sceptics is that there is a bigger question. That being the debate as to whether changes in consumer tastes and the digital disruption of the 21st century are impairing the growth and value of big brands.

Now although we have deliberately picked companies where we have most confidence in the sustainability of their brands, of course we give consideration to this question. And there is evidence that some previously successful brands are struggling, notably in processed foods and household care. To be clear, we know we must sell out of any company where long term brand equity is being lost. Practically what we do is continually monitor the performance of the businesses we are invested in to be alert to warning signals.



Nick Train
Lindsell Train Limited
Portfolio Manager

But so far as FGIT is concerned the signals delivered over the last six months by our consumer companies are encouraging, we think and this has been confirmed by their share price performance.

Over the period four of our top five performers were global brand owners – led by Diageo and including Mondelez, Unilever and Heineken. (Sage was actually the fourth best – a welcome recovery from its poor performance in the first half of 2018.) All of these gave positive returns over a period when the FT All-Share Index was down. Burberry was the only one of our consumer shares to fall.

But returning to the question of the fortunes of big 20th century consumer brands in the 21st century – it's worth thinking about Unilever. Of all our holdings Unilever is undoubtedly the most challenged by changes in consumer tastes and buying behaviour because it has the most mass or mid-market brands. And one might indeed be cautious about the outlook over the next 25 years for the brand power of its packaged foods and washing powder assets. Nonetheless one has to be impressed by the mitigations Unilever has been able to present against these trends and concerns. For instance, the biggest single brand in Unilever is Dove – at about 9% of total group revenues. This global property – it is available in more than 170 countries – "delivered another year of broad based growth" in 2018 and that means just under 8%. Dove's revenues are up 84% over the last decade – that's over 6% CAGR and that rate has accelerated over the last

Reviews/Portfolio Manager's Review

7 years. This does not indicate a moribund, irrelevant 20th century brand. In fact, Dove, established in 1957, sells more and is almost certainly more valuable as we get toward the end of the second decade of the 21st century than any other time in its history. It is an example of the advantages that can accrue from scale for truly global brands, delivered by truly global companies. Another consolation for investors in Unilever is that surely it is right to be optimistic about increasing wealth around the world? And it is indisputable that Unilever is a beneficiary of increasing wealth. Its sales in Asia – 44% of the total – grew by more than 6% last year. Consumers in Europe may be blasé about soap powder, but sales at Unilever's Home Care division were up over 4% last year, led by Sunlight (a 19th century brand) in India and China. We were also reassured by the account given to us by Unilever's new chief executive, Alan Jope. He pointed out that when he joined Unilever as a graduate over 30 years ago the Beauty and Personal Care division accounted for only 8% of Unilever's sales. Today it is 40% and growing more quickly than the rest of the group. This is an example of how big consumer companies can change over time, responding to the changing tastes of consumers and helps explain the longevity of these rare and very valuable companies like a Nestle, P&G and Unilever.

This phenomenon of truly global brands increasing in value in 2019 – even as local/regional brands without the same economies of scale struggle – can be seen in other key properties owned by companies in FGIT. For instance, Diageo's Tanqueray grew over 20% last year, as the global gin boom rolls on. Johnnie Walker net sales were up 6% over the same period too. Heineken's eponymous brand – still the biggest earner in the group – grew by 7.7% last year, its best rate for a decade. Mondelez' Oreo biscuits – the

world's #1 brand – grew high single digits in the US, its biggest market and mid single digits in its second biggest market, which is China. Meanwhile Cadbury (owned by Mondelez and an important reason it is such a major holding in FGIT) grew double digits in India. Remy's cognacs grew 15% year on year.

I know I'm cherry-picking statistics here and that all these companies have portfolios of brands, for some of which trends may not be so encouraging. But already here is a formidable counter-argument to the proposition that big brands are necessarily doomed in the 21st century. To the contrary, it seems to us there is a decent argument that beloved and prestigious brands are more valuable than ever before. That's why IRN-BRU, Burberry's iconic check, Guinness, Tiger Beer, Toblerone, Cointreau and Magnum Ice cream (to name some other great brands FGIT owns) still fill us with enthusiasm. They certainly remain central to our hopes to deliver satisfactory investment returns for FGIT shareholders.

Nick Train
Director
Lindsell Train Limited
Portfolio Manager

14 May 2019

Reviews/Investment Portfolio

as at 31 March 2019

Investments	Sector	Market Value £'000	% of portfolio
Diageo	Consumer Goods	166,283	10.5
Unilever	Consumer Goods	159,231	10.1
RELX	Consumer Services	151,218	9.6
Mondelez International ¹	Consumer Goods	135,060	8.6
London Stock Exchange Group	Financials	128,623	8.2
Hargreaves Lansdown	Financials	121,062	7.7
Burberry Group	Consumer Goods	120,104	7.6
Schroders *	Financials	112,290	7.1
Sage Group	Technology	100,261	6.4
Heineken ²	Consumer Goods	91,301	5.8
Top 10 Investments		1,285,433	81.6
Remy Cointreau ³	Consumer Goods	55,740	3.5
Daily Mail & General Trust (non-voting)	Consumer Services	55,354	3.5
Pearson	Consumer Services	37,228	2.4
A.G. Barr	Consumer Goods	34,891	2.2
Manchester United ¹	Consumer Services	27,876	1.8
Rathbone Brothers	Financials	27,822	1.8
Lindsell Train Investment Trust plc	Financials	14,750	0.9
Euromoney Institutional Investor	Consumer Services	11,830	0.7
Young & Co Brewery (non voting)	Consumer Services	11,025	0.7
Fuller Smith & Turner	Consumer Services	7,875	0.5
Top 20 Investments		1,569,824	99.6
Celtic **	Consumer Services	5,544	0.3
Frostrow Capital LLP ^{4 ***}	Financials	1,885	0.1
Total Investments		1,577,253	100.0

All of the above investments are equities listed in the UK, unless otherwise stated.

¹ Listed in the United States.

² Listed in the Netherlands.

³ Listed in France.

⁴ Unquoted partnership interest.

* Includes Schroders (non-voting) shares, fair value £8,421,000.

** Includes Celtic 6% cumulative convertible preference shares, fair value £294,000.

*** Includes Frostrow Capital LLP AIFM capital contribution, fair value £550,000.

Reviews/Comparison of Sector Weightings with the FTSE All-Share Index

as at 31 March 2019

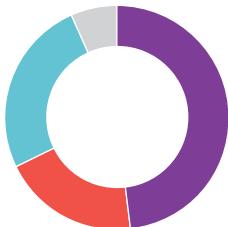
Sector	Finsbury Growth & Income %	FTSE All-Share* %	Finsbury Growth & Income (under)/overweight %
Consumer Goods	48.3	14.6	33.7
Consumer Services	19.5	11.5	8.0
Financials	25.8	25.7	0.1
Technology	6.4	1.1	5.3
Oil & Gas	-	14.2	(14.2)
Basic Materials	-	8.1	(8.1)
Industrials	-	11.0	(11.0)
Telecommunications	-	2.7	(2.7)
Utilities	-	2.8	(2.8)
Health Care	-	8.3	(8.3)
Total	100.0	100.0	0.0

* Source: FTSE International Limited ("FTSE") © FTSE 2019

Reviews/Portfolio Distribution

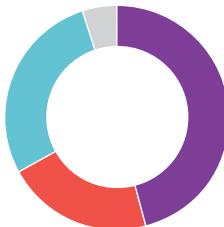
Portfolio Sector Weightings⁺

as at 31 March 2019



Source: Frostrow Capital LLP

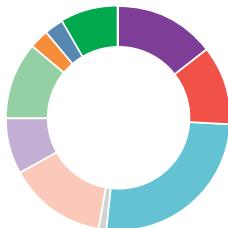
as at 30 September 2018



Source: Frostrow Capital LLP

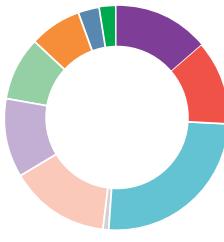
FTSE All-Share Sector Weightings*

as at 31 March 2019



*Source: FTSE International Limited ("FTSE") © FTSE 2019

as at 30 September 2018

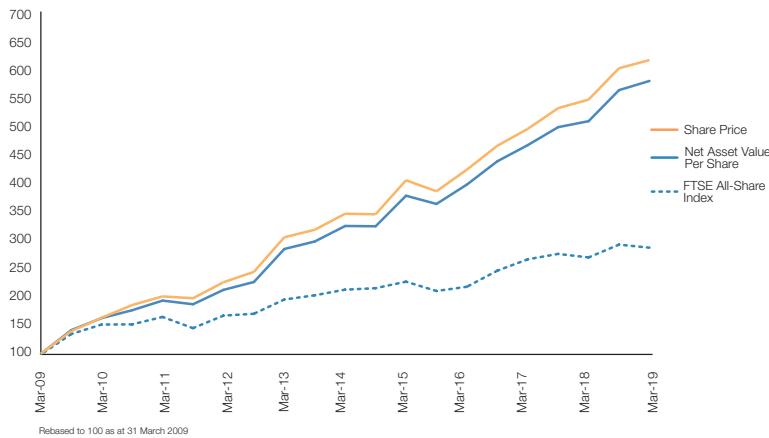


*Source: FTSE International Limited ("FTSE") © FTSE 2018

⁺ FTSE and comparable companies listed on an overseas stock exchange.

Reviews/Performance

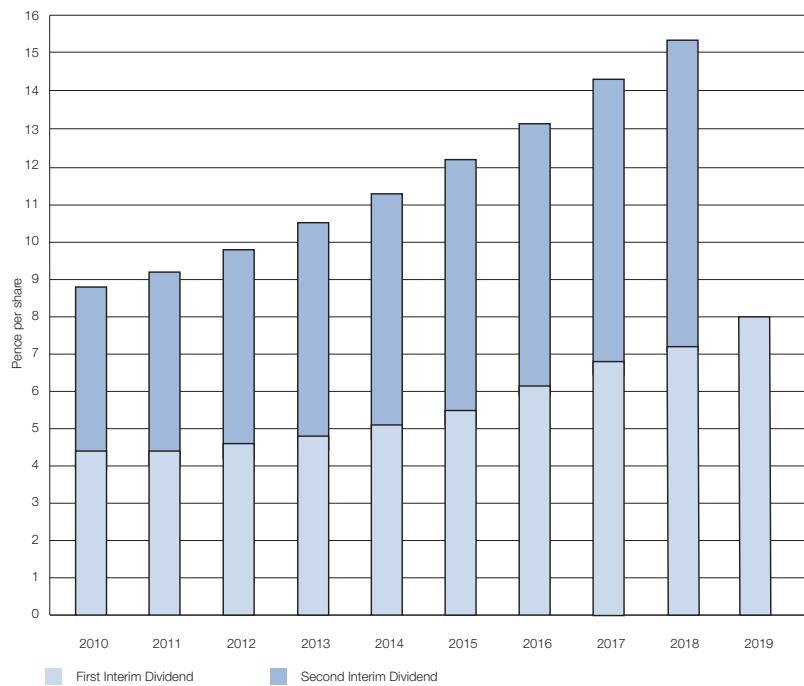
Ten year total return performance to 31 March 2019



Rebased to 100 as at 31 March 2009

Source: Morningstar

Ten year dividend record



Source: Frostrow Capital LLP

Financial Statements/Income Statement

For the six months ended 31 March 2019

	(Unaudited) Six months ended 31 March 2019			(Unaudited) Six months ended 31 March 2018		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Gains on investments at fair value through profit or loss	–	38,642	38,642	–	19,006	19,006
Currency translations	–	(60)	(60)	–	(35)	(35)
Income (note 2)	13,145	–	13,145	9,973	–	9,973
AIFM and Portfolio Management fees (note 3)	(1,354)	(2,748)	(4,102)	(1,193)	(2,423)	(3,616)
Other expenses	(583)	–	(583)	(498)	–	(498)
Return on ordinary activities before finance charges and taxation	11,208	35,834	47,042	8,282	16,548	24,830
Finance charges	(137)	(279)	(416)	(112)	(227)	(339)
Return on ordinary activities before taxation	11,071	35,555	46,626	8,170	16,321	24,491
Taxation on ordinary activities	(209)	–	(209)	(149)	–	(149)
Return on ordinary activities after taxation	10,862	35,555	46,417	8,021	16,321	24,342
Return per share – basic and diluted (note 4)	6.0p	19.8p	25.8p	5.0p	10.0p	15.0p

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

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

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

Financial Statements/Statement of Changes in Equity

for the six months ended 31 March 2019

(Unaudited) Six months ended 31 March 2019	Called up share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Special reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total shareholders funds £'000
At 30 September 2018	43,423	684,726	3,453	–	643,037	37,151	1,411,790
Net return from ordinary activities	–	–	–	–	35,555	10,862	46,417
Reclassification of the special dividend received from Dr. Pepper Snapple*	–	–	–	–	(2,499)	2,499	–
Second interim dividend (8.1p per share) for the year ended 30 September 2018	–	–	–	–	–	(14,077)	(14,077)
Issue of shares	3,609	109,214	–	–	–	–	112,823
At 31 March 2019	47,032	793,940	3,453	–	676,093	36,435	1,556,953

* Dr Pepper Snapple paid a special dividend in July 2018. At that time it was treated as being capital in nature. During the six month period, Dr Pepper Snapple clarified that 28.4% of this dividend should be regarded as revenue. Accordingly £2,499,000 of the special dividend has been transferred from the Company's capital reserve to the revenue reserve.

(Unaudited)
Six months ended 31 March 2018

At 30 September 2017	39,724	572,791	3,453	12,424	515,039	20,990	1,164,421
Net return from ordinary activities	–	–	–	–	16,321	8,021	24,342
Second interim dividend (7.4p per share) for the year ended 30 September 2017	–	–	–	–	–	(11,786)	(11,786)
Issue of shares	1,688	48,904	–	–	–	–	50,592
At 31 March 2018	41,412	621,695	3,453	12,424	531,360	17,225	1,227,569

Financial Statements/Statement of Financial Position

as at 31 March 2019

	(Unaudited) 31 March 2019 £'000	(Audited) 30 September 2018 £'000
Fixed assets		
Investments designated at fair value through profit or loss (note 1)	1,577,253	1,431,672
Current assets		
Debtors	6,576	4,886
Cash and cash equivalents	12,245	13,175
	18,821	18,061
Current liabilities		
Creditors: amounts falling due within one year	(2,421)	(1,243)
Bank loan	(36,700)	–
	(39,121)	(1,243)
Net current (liabilities)/assets	(20,300)	16,818
Total assets less current liabilities	1,556,953	1,448,490
Creditors: amounts falling due after one year		
Bank loan	–	(36,700)
Net assets	1,556,953	1,411,790
Capital and reserves		
Called up share capital	47,032	43,423
Share premium account	793,940	684,726
Capital redemption reserve	3,453	3,453
Capital reserve	676,093	643,037
Revenue reserve	36,435	37,151
Total shareholders' funds	1,556,953	1,411,790
Net asset value per share – basic and diluted (note 5)	827.6p	812.8p

Financial Statements/S statement of Cash Flows

for the six months ended 31 March 2019

	(Unaudited) 31 March 2019 £'000	(Unaudited) 31 March 2018 £'000
Net cash inflow from operating activities before interest (note 7)	7,610	6,147
Interest paid	(400)	(337)
Net cash inflow from operating activities	7,210	5,810
Investing activities		
Purchase of investments	(111,378)	(49,294)
Sale of investments	5,584	3,607
Net cash outflow from investing activities	(105,794)	(45,687)
Financing activities		
Equity dividends paid	(14,077)	(11,786)
Shares issued	111,791	50,036
Net cash inflow from financing activities	97,714	38,250
Decrease in cash and cash equivalents	(870)	(1,627)
Currency translations	(60)	(35)
Cash and cash equivalents at 1 October	13,175	11,482
Cash and cash equivalents at 31 March	12,245	9,820

Financial Statements/Notes to the Financial Statements

1. Basis of preparation

The condensed Financial Statements for the six months to 31 March 2019 have been prepared under the historical cost convention, modified to include the revaluation of investments and in accordance with FRS 104 'Interim Financial Reporting' and with the AIC's Statement of Recommended Practice ("the SORP") for Investment Trust Companies and Venture Capital Trusts issued in November 2014 and updated in January 2017 and February 2018 with consequential amendments, and the Companies Act 2006.

The accounting policies used for the year ended 30 September 2018 have been applied.

Fair Value

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

Level 1 – quoted prices in active markets

Level 2 – prices of recent transactions for identical instruments

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

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

As at 31 March 2019

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total
Equity investments	1,555,074	–	–	1,555,074
Limited liability partnership interest (Frostrow Capital LLP)	–	–	1,335	1,335
AIFM Capital contribution (Frostrow Capital LLP)	–	–	550	550
Preference shares investment	294	–	–	294
	1,555,368	–	1,885	1,557,253

As at 30 September 2018

	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total
Equity investments	1,429,520	–	–	1,429,520
Limited liability partnership interest (Frostrow Capital LLP)	–	–	1,335	1,335
AIFM Capital contribution (Frostrow Capital LLP)	–	–	550	550
Preference shares investment	267	–	–	267
	1,429,787	–	1,885	1,431,672

Financial Statements/Notes to the Financial Statements

2. Income

	(Unaudited) Six months ended 31 March 2019 £'000	(Unaudited) Six months ended 31 March 2018 £'000
Income from investments		
Franked investment income		
– dividends	11,593	8,781
Unfranked investment income		
– overseas dividends	1,527	1,171
– limited liability partnership –		
priority profit-share on AIFM Capital Contribution	25	21
Total income	13,145	9,973

3. AIFM and Portfolio Management fees

	(Unaudited) Six months ended 31 March 2019 £'000	(Unaudited) Six months ended 31 March 2018 £'000
AIFM fee	1,026	904
Portfolio management fee	3,076	2,712
Total fees	4,102	3,616

4. Return per share – basic and diluted

The total return per share is based on the total return attributable to equity shareholders of £46,417,000 (six months ended 31 March 2018: return of £24,342,000) and on 179,928,909 shares (six months ended 31 March 2018: 162,609,813), being the weighted average number of shares in issue during the period.

Revenue return per share is calculated by dividing the net revenue return of £10,862,000 (six months ended 31 March 2018: return of £8,021,000) by the weighted average number of shares in issue as above.

The capital return per share is calculated by dividing the net capital return attributable to shareholders of £35,555,000, (six months ended 31 March 2018: return of £16,321,000) by the weighted average number of shares in issue as above.

During the period there were no dilutive instruments held, therefore the basic and diluted returns per share are the same.

Financial Statements/Notes to the Financial Statements

5. Net asset value per share – basic and diluted

The net asset value per share is based on net assets attributable to shares of £1,556,953,000 (30 September 2018: £1,411,790,000) and on 188,126,712 shares in issue (30 September 2018: 173,691,712).

At 31 March 2019 there were no dilutive instruments held, therefore the basic and diluted net asset value per share are the same.

6. Transaction costs

Purchase transaction costs for the six months ended 31 March 2019 were £548,000 (six months ended 31 March 2018: £247,000). These comprise of stamp duty costs of £498,000 (31 March 2018: £221,000) and commission of £50,000 (31 March 2018: £26,000).

Sales transaction costs for the six months ended 31 March 2019 were £1,000 (six months ended 31 March 2018: £2,000). These comprise solely of commission.

These transaction costs are included within the gains on investments within the Income Statement.

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

	(Unaudited) Six months ended 31 March 2019 £'000	(Unaudited) Six months ended 31 March 2018 £'000
Total return before finance charges and taxation	47,042	24,830
Less: capital return before finance charges and taxation	(35,834)	(16,548)
Net revenue before finance costs and taxation	11,208	8,282
Increase/(decrease) in accrued income and prepayments	(687)	679
Increase/(decrease) in creditors	33	(21)
Taxation – irrecoverable overseas tax paid	(196)	(370)
AIFM and Portfolio management fees charged to capital	(2,748)	(2,423)
Net cash inflow from operating activities	7,610	6,147

8. 2018 accounts

The figures and financial information for the year to 30 September 2018 are extracted from the latest published accounts of the Company and do not constitute statutory accounts for the year.

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

Governance/Interim Management Report

Principal Risks and Uncertainties

The principal risks and uncertainties facing the Company were explained in detail within the Annual Report for the year ended 30 September 2018. The Directors are not aware of any significant new risks or uncertainties and in the view of the Board these principal risks and uncertainties are applicable to the remaining six months of the financial year as they were to the six months under review.

The Company acknowledges the continued uncertainty surrounding the UK's decision to leave the EU.

Related Party Transactions

During the first six months of the current financial year, no transactions with related parties have taken place which have materially affected the financial position or the performance of the Company.

Going Concern

The Directors, having made relevant enquiries, are satisfied that it is appropriate to prepare financial statements on the going concern basis as the net assets of the Company consist primarily of liquid securities, all of which, with the exception of the partnership interest in Frostrow Capital LLP, are traded on recognised stock exchanges. In preparing the financial statements as the Company has adequate resources to continue in operational existence for the foreseeable future. In reviewing the position as at the date of this report, the Board has considered the guidance on this matter issued by the Financial Reporting Council.

Directors' Responsibility Statement

The Directors confirm that, to the best of their knowledge:

- (i) the condensed set of financial statements contained within the Half Year Report has been prepared in accordance with applicable accounting standards;
- (ii) the Interim Management Report includes a fair review of the information required by Disclosure Guidance and Transparency Rule 4.2.7R (an indication of important events that have occurred during the first six months of the financial year and a description of the principal risks and uncertainties for the remaining six months of the financial year); and
- (iii) the Interim Management Report includes a fair review of the information required by Disclosure Guidance and Transparency Rule 4.2.8R (disclosure of related party transactions and changes therein).

In order to provide these confirmations, and in preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business;

and the Directors confirm that they have done so.

The Half Year Report has not been reviewed or audited by the Company's Auditor.

The Half Year Report was approved by the Board on 14 May 2019 and the above responsibility statement was signed on its behalf by:

Anthony Townsend
Chairman

Further Information/Glossary of Terms and Alternative Performance Measures ('APM')

AIC

The Association of Investment Companies.

Alternative Investment Fund Managers Directive (AIFMD)

The Alternative Investment Fund Manager Directive (the "Directive") is a European Union Directive that entered into force on 22 July 2013. The Directive regulates EU fund managers that manage alternative investment funds (this includes investment trusts).

Alternative Performance Measure (APM)

An APM is a numerical measure of the Company's current, historical or future financial performance, financial position or cash flows, other than a financial measure defined or specified in the applicable financial framework. In selecting these Alternative Performance Measures, the Directors considered the key objectives and expectations of typical investors in an investment trust such as the Company.

Discount or Premium (APM)

A description of the difference between the share price and the net asset value per share. The size of the discount or premium is calculated by subtracting the share price from the net asset value per share and is usually expressed as a percentage (%) of the net asset value per share. If the share price is higher than the net asset value per share the result is a premium. If the share price is lower than the net asset value per share, the shares are trading at a discount.

	Page	As at 31 March 2019	As at 30 September 2018
Share Price (p)	2	829.0	818.0
Net Asset value per share (p)	2	827.6	812.8
Premium of share price to net asset value per share	2	0.2%	0.6%

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Further Information/Glossary of Terms and Alternative Performance Measures ('APM') (continued)

Gearing (APM)

Gearing represents prior charges, adjusted for net current assets expressed as a percentage of net assets. Prior charges includes all loans and bank overdrafts for investment purposes.

	Page	31 March 2019 £'000	30 September 2018 £'000
Prior Charges	13	(36,700)	(36,700)
Net Current Assets	—	16,400	16,818
Net Debt	—	(20,300)	(19,882)
Net Assets	13	1,556,953	1,411,790
Gearing	2	1.3%	1.4%

Net Asset Value (NAV)

The value of the Company's assets, principally investments made in other companies and cash being held, less any liabilities. The NAV is also described as 'shareholders' funds' per share. The NAV is often expressed in pence per share after being divided by the number of shares which have been issued. The NAV per share is unlikely to be the same as the share price which is the price at which the Company's shares can be bought or sold by an investor. The share price is determined by the relationship between the demand and supply of the shares.

Net Asset Value Total Return (APM)

The total return on an investment over a specified period assuming dividends paid to shareholders were reinvested at net asset value per share at the time the shares were quoted ex-dividend. This is a way of measuring investment management performance of investment trusts which is not affected by movements in discounts or premiums.

NAV Total Return	Page	31 March 2019	30 September 2018
Opening NAV per share (p)	2	812.8	732.8
Increase in NAV per share (p)	—	14.8	80.0
Closing NAV per share (p)	2	827.6	812.8
% Increase in NAV	2	1.8%	10.9%
Impact of dividends re-invested*	—	1.1%	2.2%
NAV per share total return (p)	2	2.9%	13.1%

* Total dividends paid during the period of 8.1p (14.60p paid during the 2018 financial year) were re-invested at the cum dividend NAV price during the period. Where the dividend is invested and NAV price falls, this will further reduce the return, if it rises, any increase would be greater. The source is Morningstar who have calculated the return on an industry comparative basis.

Further Information/Glossary of Terms and Alternative Performance Measures ('APM') (continued)

Ongoing Charges (APM)

Ongoing charges are calculated by taking the Company's annualised operating expenses expressed as a proportion of the average daily net asset value of the Company over the year. The costs of buying and selling investments are excluded, as are interest costs, taxation, cost of buying back or issuing ordinary shares and other non-recurring costs.

	Page	As at 31 March 2019 £'000	As at 30 September 2018 £'000
Operating Expenses	—	9,638*	8,670
Average Net Assets during the period/year	—	1,392,688	1,291,632
Ongoing Charges	2	0.7%	0.7%

* Estimated expenses for the year ending 30 September 2019, as at 31 March 2019.

Share Price Total Return (APM)

The change in capital value of a company's shares over a given period, plus dividends paid to shareholders, expressed as a percentage of the opening value. The assumption is that dividends paid to shareholders are re-invested in the shares at the time the shares are quoted ex dividend.

Share Price Total Return	Page	31 March 2019	30 September 2018
Opening share price (p)	2	818.0	736.5
Increase in share price (p)	—	11.0	81.5
Closing share price (p)	2	829.0	818.0
% Increase in share price	2	1.3%	11.1%
Impact of dividends re-invested*	—	1.1%	2.1%
Share price total return (p)	2	2.4%	13.2%

* Total dividends paid during the period of 8.1p (14.60p paid during the 2018 financial year) were re-invested at the cum dividend NAV/share price during the period. Where the dividend is invested and NAV/share price falls, this will further reduce the return, if it rises, any increase would be greater. The source is Morningstar who have calculated the return on an industry comparative basis.

Further Information/How to Invest

Treasury Shares

Shares previously issued by a company that have been bought back from shareholders to be held by the Company for potential sale or cancellation at a later date. Such shares are not capable of being voted and carry no rights to dividends.

Retail Investors Advised by IFAs

The Company currently conducts its affairs so that its Shares can be recommended by Independent Financial Advisers ("IFAs") in the UK to ordinary retail investors in accordance with the Financial Conduct Authority (FCA) rules in relations to non-mainstream investment procedures and intends to continue to do so. The Shares are excluded from the FCA's restrictions which apply to non-mainstream investment products because they are shares in an investment trust.

Investment Platforms

The Company's shares are traded openly on the London Stock Exchange and can be purchased through a stock broker or other financial intermediary. The shares are available through savings plans (including Investment Dealing Accounts, ISAs, Junior ISAs and SIPPs) which facilitate both regular monthly investments and lump sum investments in the Company's shares. There are a number of investment platforms that offer these facilities. A list of some of them, that is not comprehensive nor constitutes any form of recommendation, can be found on the Company's website (www.finsburygt.com).

Link Asset Services – Share Dealing Service

A quick and easy share dealing service is available to existing shareholders through the Company's Registrar, Link Asset Services, to either buy or sell shares. An online and telephone dealing facility provides an easy to access and simple to use service.

There is no need to pre-register and there are no complicated forms to fill in. The online and telephone dealing service allows you to trade 'real time' at a known price which will be given to you at the time you give your instruction.

To deal online or by telephone all you need is your surname, investor code, full postcode and your date of birth. Your investor code can be found on your share certificate. Please have the appropriate documents to hand when you log on or call, as this information will be needed before you can buy or sell shares.

For further information on this service, please contact: www.linksharedeal.com (online dealing) Telephone: 0371 664 0445 (Calls are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom are charged at the applicable international rate. Lines are open between 8.00 a.m. – 4.30 p.m., Monday to Friday excluding public holidays in England and Wales).

Further Information/How to Invest

Risk Warnings

- Past performance is no guarantee of future performance.
- The value of your investment and any income from it may go down as well as up and you may not get back the amount invested. This is because the share price is determined, in part, by the changing conditions in the relevant stock markets in which the Company invests and by the supply and demand for the Company's shares.
- As the shares in an investment trust are traded on a stock market, the share price will fluctuate in accordance with supply and demand and may not reflect the underlying net asset value of the shares; where the share price is less than the underlying value of the assets, the difference is known as the 'discount'. For these reasons, investors may not get back the original amount invested.
- Although the Company's financial statements are denominated in sterling, some of the holdings in the portfolio are currently denominated in currencies other than sterling and therefore they may be affected by movements in exchange rates. As a result, the value of your investment may rise or fall with movements in exchange rates.
- Investors should note that tax rates and reliefs may change at any time in the future.
- The value of ISA and Junior ISA tax advantages will depend on personal circumstances. The favourable tax treatment of ISAs and Junior ISAs may not be maintained.

Investment scams are often sophisticated and difficult to spot

How to avoid investment scams	If you're suspicious, report it
1 Reject unexpected offers Scammers usually cold call, but contact can also come by email, post, word of mouth or at a seminar. If you've been offered an investment out of the blue, chances are it's a high risk investment or a scam.	You can report a firm or scam to the Financial Conduct Authority on 0800 111 6768 or through www.fca.org.uk/scamsmart
2 Check the FCA Warning List Use the FCA Warning List to check the risks of a potential investment – you can also search to see if the firm is known to be operating without FCA authorisation.	If you've lost money in a scam, contact Action Fraud on 0300 123 2040 or www.actionfraud.police.uk
3 Get impartial advice Get impartial advice before investing – don't use an adviser from the firm that contacted you.	 Be ScamSmart and visit www.fca.org.uk/scamsmart  Be a ScamSmart Investor

Further Information/Company Information

Directors

Anthony Townsend (Chairman)
Neil Collins
Kate Cornish-Bowden
Simon Hayes
David Hunt, FCA (Chairman of the Audit Committee and Senior Independent Director)
Lorna Tilbian

Financial Calendar

30 September	Financial Year End
December	Final Results Announced
January/February	Annual General Meeting
31 March	Half Year End
May	Half Year Results Announced
May and November	Interim Dividends Payable

Share Prices

The Company's ordinary shares are listed on the London Stock Exchange under 'Investment Companies'. The prices are published daily in the Financial Times and online.

Change of Address

Communications with shareholders are mailed to the address held on the share register. In the event of a change of address or other amendment this should be notified to the Company's Registrars, Link Asset Services, under the signature of the registered holder.

Daily Net Asset Value

The daily net asset value of the Company's shares can be obtained on the Company's website (www.finsburygt.com) and is published daily via the London Stock Exchange.

Registered Office

50 Lothian Road,
Festival Square,
Edinburgh EH3 9WJ

Company Registration Number

SCO13958 (Registered in Scotland)

The Company is an investment company as defined under Section 833 of the Companies Act 2006.

AIFM, Company Secretary and Administrator

Frostrow Capital LLP
25 Southampton Buildings
London WC2A 1AL
Telephone: 0203 008 4910
E-Mail: info@frostrow.com
Website: www.frostrow.com

Authorised and regulated by the Financial Conduct Authority.

If you have an enquiry about the Company or if you would like to receive a copy of the Company's monthly fact sheet by e-mail, please contact Frostrow using the above e-mail address.

Portfolio Manager

Lindsell Train Limited
5th Floor,
66 Buckingham Gate,
London SW1 E 6AU
Telephone: 0207 808 1225
Website: www.lindselltrain.com

Authorised and regulated by the Financial Conduct Authority.



The Association of
Investment Companies

A member of The Association of Investment Companies

Independent Auditors

PricewaterhouseCoopers LLP
7 More London Riverside
London SE1 2RT

Depositary

The Bank of New York Mellon (International) Limited
One Canada Square
London E14 5AL
Website: www.bnymellon.com

Global Custodian

Bank of New York Mellon
160 Queen Victoria Street
London EC4V 4LA

Registrars

Link Asset Services
The Registry,
34 Beckenham Road,
Beckenham,
Kent BR3 4TU
Telephone: (UK) 0371 664 0300†
Facsimile: + 44 (0) 1484 600911
E-Mail: shareholderenquiries@link.co.uk
Website: www.linkassetservices.com

Please contact the Registrars if you have a query about a certificated holding in the Company's shares.

† Calls outside the UK will be charged at the applicable international rate and may be recorded for training purposes. Lines are open from 9.00 a.m. to 5.30 p.m. Monday to Friday excluding public holidays in England and Wales.

Corporate Broker

Winterflood Investment Trusts
The Atrium Building,
Cannon Bridge,
25 Dowgate Hill
London EC4R 2GA

Identification Codes

Shares:	SEDOL:	0781606
	ISIN:	GB0007816068
	BLOOMBERG:	FGT LN
	EPIC:	FGT

Legal Entity Identifier

213800NN42KX2LGIGQ40

Foreign Account Tax Compliance Act ("FATCA")

IRS Registration Number (GLIN):
QH4BH0.99999.SL.826

Disability Act

Copies of this half year report and other documents issued by the Company are available from the Company Secretary. If needed, copies can be made available in a variety of formats, including braille, audio tape or larger type as appropriate. You can contact the Registrar to the Company, Link Asset Services, which has installed telephones to allow speech and hearing impaired people who have their own telephone to contact them directly, without the need for an intermediate operator, for this service please call 0800 731 1888. Specially trained operators are available during normal business hours to answer queries via this service. Alternatively, if you prefer to go through a 'textphone' operator (provided by The Royal National Institute for Deaf People) you should dial 18001 from your textphone followed by the number you wish to dial.

