NEW STAR INVESTMENT TRUST PLC

This announcement constitutes regulated information.

UNAUDITED RESULTS
FOR THE YEAR ENDED 30TH JUNE 2021

New Star Investment Trust plc (the 'Company'), whose objective is to achieve long-term capital growth, announces its consolidated results for the year ended 30th June 2021.

FINANCIAL HIGHLIGHTS

	30th June 2021	30th June 2020	% Change
PERFORMANCE			
Net assets (£ '000)	138,132	113,885	21.3
Net asset value per Ordinary share	194.49p	160.35p	21.3
Mid-market price per Ordinary share	134.00p	106.00p	26.4
Discount of price to net asset value	31.1%	33.9%	n/a
Total Return*	22.16%	0.80%	n/a
IA Mixed Investment 40% - 85% Shares (total return)	17.48%	(0.15)%	n/a
MSCI AC World Index (total return, sterling adjusted)	25.10%	5.72%	n/a
MSCI UK Index (total return)	17.46%	(15.21)%	n/a

	1st July 2020 to 30th June 2021	1st July 2019 to 30th June 2020
Revenue return per Ordinary share	**0.61p**	1.87p
Capital return per share	**34.93 p**	(0.59)p
Return per Ordinary share	**35.54p**	1.28p
TOTAL RETURN*	**22.16%**	0.80%
PROPOSED DIVIDEND PER ORDINARY SHARE	**1.40p**	1.40p

* The total return figure for the Group represents the revenue and capital return shown in the Consolidated Statement of Comprehensive Income divided by the net asset value at the beginning of the period.

CHAIRMAN'S STATEMENT

PERFORMANCE

Your Company generated a positive total return of 22.16% over the year to 30th June 2021, taking the net asset value (NAV) per ordinary share to 194.49p. By comparison, the Investment Association's Mixed Investment 40-85% Shares Index rose 17.48%. The MSCI AC World Total Return Index rose 25.10% in sterling while the MSCI UK Total Return Index rose 17.46%. Over the year, UK government bonds declined 6.48%. Further information is provided in the investment manager's report.

Your Company made a consolidated revenue profit for the year of £429,000 (2020: £1.32 million).

GEARINGS AND DIVIDEND

Your Company has no borrowings. It ended the year under review with cash representing 6.12% of its NAV and is likely to maintain a significant cash position. In respect of the financial year to 30th June 2021, your Directors recommend the payment of a dividend of 1.4p per share (2020: 1.4p). The level of future dividends may, in the short term, be adversely affected by Covid-19-related dividend cuts.

DISCOUNT

During the year under review, your Company's shares continued to trade at a significant discount to their NAV. The Board keeps this issue under review.

OUTLOOK

Monetary and fiscal stimulus programmes, the roll-out of Covid-19 vaccination programmes, the restoration of dividends after cuts imposed during the pandemic lockdowns and economic recovery are likely to support equities over the coming months. Inflation may, however, rise further, raising the prospect of an earlier end to monetary easing than had previously been expected. This may put further pressure on government bonds after their price declines during the year under review.

NET ASSET VALUE

Your Company's unaudited NAV at 31st August 2021 was 199.81p.

INVESTMENT MANAGER'S REPORT

MARKET REVIEW

Global equities gained 39.87% in local currencies over the year to 30th June 2021 but only 25.10% in sterling due to the pound's strength while global bonds returned 2.63% in local currencies but fell 8.20% in sterling. Ultra-loose monetary policies, unprecedented fiscal stimulus programmes and some successful Covid-19 vaccination programmes led to a rebound in the world economy. The strength of sterling, up 15.02%, 11.80% and 5.89% respectively against the yen, dollar and euro, resulted from the European Union-UK trade agreement, which averted a hard Brexit. Gold and gold equities fell 14.07% and 14.01% respectively in sterling as investors favoured risky assets over some safe-havens such as gold.

Leading central banks eased monetary policies to support economic recovery and mitigate the impact of fresh waves of the pandemic. The Federal Reserve bought more than $80 billion of treasury securities and $40 billion of agency mortgage-backed securities per month in pursuit of its dual mandate to deliver maximum employment and price stability. In August 2020, in a significant policy shift, the Federal Reserve moved its inflation target from a fixed 2% to a 2% average. The move implies that inflation may exceed 2% for some time before monetary policy tightens.

In June and December 2020, the European Central Bank (ECB) increased its Pandemic Emergency Purchase Programme bond purchases by €600 billion and €500 billion respectively to increase the programme from €750 billion to €1,850 billion. Market purchases will continue at least until March 2022 and maturing principal payments will be reinvested until the end of 2023. In July 2021, the ECB followed the Fed's lead, shifting from a target to keep inflation "below but close to 2%" to a 2% average. The Bank of England remained dovish, fearing that "premature tightening" might undermine the UK's recovery. In August 2021, the Bank's monetary policy committee voted to maintain the total target stock of bond purchases at £895 billion.

Since the 2008 global financial crisis, central bankers have encouraged governments to support monetary easing with fiscal easing. Covid-19 lockdowns provided the catalyst for major stimulus programmes. By autumn 2021, fiscal measures were winding down in some countries but the new US president, Joe Biden, had introduced measures that emulated Roosevelt's New Deal in the 1930s in their scope. In November's elections, the Democrats gained control, albeit by a narrow margin, of both houses of Congress in addition to the presidency. The $1.9 trillion American Rescue Plan was enacted in March 2021, resulting in cash distributions to households. In August 2021, agreement was reached on the $1 trillion Bipartisan Infrastructure Investment and Jobs Act although its passage was delayed to allow debate over a potential $3.5 trillion of additional measures.

Inflation, particularly in the US and UK, was stronger than anticipated over the year under review despite higher unemployment and lower workforce participation compared to pre-pandemic levels. Pent-up consumer demand, materials shortages and disrupted supply chains contributed to inflation rising above central bank targets. US headline inflation in July rose to 5.4% and the personal consumption expenditures index, the Fed's chosen inflation measure, reached 3.6%. UK headline inflation was 2.1% in July while the initial estimate for eurozone inflation in August was 3%. Jerome Powell, the Fed chairman, became more hawkish, suggesting higher inflation might prove "more persistent" rather than "transitory". Price pressures may ease as supply catches up with demand and reduced lockdown restrictions lead to higher demand for consumer services at the expense of consumer goods. Manufacturers may, however, retreat from globalisation policies and increase their resilience by increasing supplier numbers and holding higher stocks of raw materials and finished goods. Consumers are likely to face higher prices as companies move from "just in time" to higher-cost "just in case" manufacturing. Over the longer term, monetary easing, fiscal easing, demographics, as workforces shrink relative to ageing populations, and decarbonisation goals may all contribute to rising inflation.

PORTFOLIO REVIEW

Your company's total return over the year under review was 22.16%. By comparison, the Investment Association Mixed Investment 40-85% Shares Sector, a peer group of funds with a multi-asset approach to investing and a typical investment in global equities in the 40-85% range, rose 17.48%. The MSCI AC World Total Return Index rose 25.10% in sterling while the MSCI UK Total Return Index rose 17.46%. Your company benefited from its allocations to UK smaller companies and emerging markets but allocations to dollar cash and gold equities hurt performance. Income fell due to dividend cuts resulting from Covid-19 lockdowns. Such cuts are, however, likely to be temporary and further investments in equity income holdings were made during the year.

UK equities lagged foreign equities for two main reasons: the pound's strength and the bias of the London stockmarket towards cyclical companies, leading to larger dividend cuts than experienced by companies in Europe excluding the UK and the US. UK smaller companies outperformed, however, rising 49.77% as Britain's relatively successful vaccination programme led to the lifting of some lockdown restrictions, fuelling a domestic recovery that exceeded expectations. Aberforth Split Level Income, which has a bias towards UK smaller value stocks, was your Company’s best performer, rising 97.66% as strong investment returns were magnified by the leverage provided by its split capital structure.

In July 2020, the UK equity allocation reduced through the sale of the SPDR FTSE UK All Share exchange-traded fund (ETF), which had been bought after stockmarket falls triggered by the initial lockdowns in March 2020. In January 2021, the allocation to higher-yielding UK smaller companies increased through an addition to Chelverton UK Equity Income, which gained 44.65% but lagged the gain for smaller companies overall as dividend cuts narrowed the opportunities to generate equity income. Brompton UK Recovery and Man GLG UK Income also benefited from their bias towards smaller companies, rising 30.35% and 23.32% respectively. Trojan Income lagged, however, up only 8.16% because of its focus on large stocks in defensive sectors such as consumer staples, accounting for 27% of its portfolio at the year end.

Equities in emerging markets and Asia excluding Japan gained 26.43% and 25.25% respectively in sterling as Covid-19 was initially contained following stringent lockdowns in China and other Asian countries. In July 2020, the allocation to Asia ex-Japan equities increased through the purchase of Matthews Asia ex Japan Dividend. The Chinese economy rebounded strongly at first but there were signs in the weeks after your Company’s year end that growth was slowing. There were also fears that Beijing’s focus on “common prosperity” might lead to regulation to reduce corporate profits.

At 30 June 2021, Matthews Asia ex Japan Dividend was underweight in China and overweight in Vietnam and South Korea. Vietnam benefits from manufacturers shifting production out of China to reduce costs and mitigate the impact of poor China-US trade relations. Vietnam Enterprise Investments, which invests mainly in quoted companies, was added to increase your Company’s exposure to this fast-growing economy. Your Company’s emerging markets allocation increased in February through the addition of JP Morgan Emerging Markets Income, an open-ended fund that follows a similar strategy to the JP Morgan Global Emerging Markets Income investment trust, an existing holding, which gained 40.11% over the year. Somerset Asia Income Fund, previously Liontrust Asia Income, also outperformed, rising 28.60%.

Among your Company’s single-country Asian and emerging market investments, Stewart Investors Indian Subcontinent Sustainability rose 47.52%, outperforming the 40.41% gain for Indian equities in sterling as investors shrugged off rising Covid-19 infections exacerbated by the more infectious delta variant and focused on the longer-term impact of Narendra Modi’s liberalisation of employment and agricultural laws. The HSBC MSCI Russia Capped ETF rose 22.96% while Russian equities gained 24.96% in sterling. The Russian market, which has a bias towards energy stocks, benefited from the strong oil price, up 61.63% in sterling, but currency weakness resulting from rising political risk in the wake of the US election, proved a headwind. Lindsell Train Japanese Equity fell 8.01%, lagging the 10.71% gain for Japanese stocks in sterling, because of its bias towards quality companies during a year in which cyclical stocks such as banks outperformed.

Investments in dollar cash and BlackRock Gold & General, which holds gold miners, provide diversification and may offer some capital protection should equity markets fall. Both investments were hurt during the year under review by currency swings as exceptional monetary and fiscal measures weakened the dollar and the Brexit deal buoyed the pound. Gold and gold equities fell 14.07% and 14.01% respectively in sterling, contributing to a 15.46% fall by BlackRock Gold & General. The holding in dollar cash suffered from the dollar’s 10.56% fall against sterling although the impact was muted because some cash was invested during the year in new opportunities, predominantly in equity markets.

All six of the EF Brompton Global multi-asset funds were ranked above the median for performance in their respective Investment Association (IA) peer group with four funds in the top quartile and two funds in the second quartile.

Amongst your Company's private equity investments, there was good news regarding the holding in Embark, which accounted for 6.14% of net assets at the start of the year. In July 2021, Lloyds Banking Group said it had reached agreement, subject to regulatory approval, to buy the majority of Embark's business. As a result, your Company recognised an additional net £7.9 million in respect of this investment.

OUTLOOK

Over the late summer of 2020, the outlook for equities remained positive given the monetary and fiscal support in place and the possibility that further stimulus measures might be forthcoming, particularly in the US. By July, leading indicators for some of the world's major economies had risen significantly, implying that a global economic recovery was on the horizon. Your Company did, however take some profits from investments in equity funds shortly after the year end because of uncertainty regarding the spread of Covid-19. In June, the World Health Organisation warned the worst could be to come.

In the early autumn of 2021, there were grounds to be positive on the prospects for equities given the strong economic bounce-back fuelled by exceptional monetary and fiscal stimulus programmes. Dividends fell over the year as companies cut or deferred dividends but such cuts are likely to be temporary and your Company has added to its income-oriented equity investments.

Inflation may prove higher and more persistent than central bankers expect, raising the prospect of monetary tightening. Equities may perform well in an environment of moderate inflation but longer-dated bonds, in which your Company has no direct investments, may fall. Gold equities should provide diversification and the potential for gains in an environment where inflation is above interest rates. Low-risk multi-asset and alternative investments may also provide some protection in a falling market.

SCHEDULE OF LARGEST HOLDINGS AT 30TH JUNE 2021

	Market value 30 June 2020 £'000	Purchases/ (Sales) £'000	Market movement £'000	Market value 30 June 2021 £'000	% of net assets
Embark Group	6,990	-	7,852	14,842	10.74
Fundsmith Equity Fund	8,561	-	2,092	10,653	7.71
Polar Capital Global Technology	7,381	-	1,918	9,299	6.73
TM Crux European Special Situations Fund	4,921	-	982	5,903	4.27
Matthews Asia Ex Japan Fund	-	4,500	1,339	5,839	4.23
MI Chelverton UK Equity Income Fund	3,013	1,000	1,374	5,387	3.90
EF Brompton Global Conservative Fund	4,358	-	408	4,766	3.45
BlackRock Continental European Income Fund	3,931	-	500	4,431	3.21
Aquilus Infection Fund	4,076	-	302	4,378	3.17
Aberforth Split Level Income Trust	2,253	-	1,959	4,212	3.05
BlackRock Gold & General	4,985	-	(790)	4,195	3.04
Baillie Gifford Global Income Growth	3,354	-	721	4,075	2.95
EF Brompton Global Equity Fund	2,972	-	754	3,726	2.70
First State Indian Subcontinent Fund	2,446	-	1,162	3,608	2.61
EF Brompton Global Opportunities Fund	2,923	-	622	3,545	2.57
EF Brompton Global Growth Fund	2,758	-	551	3,309	2.40
Liontrust Asia Income Fund	2,622	-	611	3,233	2.34
Lindsell Train Japanese Equity Fund	3,531	-	(332)	3,199	2.32
MI Brompton UK Recovery Unit Trust	2,317	-	703	3,020	2.19
EF Brompton Global Balanced Fund	2,314	-	355	2,669	1.93
Man GLG UK Income Fund	2,206	-	378	2,584	1.87
EF Brompton Global Income Fund	2,070	-	284	2,354	1.70
SPDR FTSE UK All Share	5,544	(5,551)	7	-	-
Artemis Global Income Fund	3,361	(3,381)	20	-	-
	88,887	(3,432)	23,772	109,227	79.08
Balance not held in investments above	14,128	4,217	2,155	20,500	14.84
Total investments (excluding cash)	103,015	785	25,927	129,727	93.92

The investment portfolio, excluding cash, can be further analysed as follows:

	£ '000
Investment funds	100,642
Investment companies and exchange traded funds	10,375
Unquoted investments, including loans of £1.4m	17,246
Other quoted investments	1,464
	129,727

STRATEGIC REVIEW

The Strategic Review is designed to provide information primarily about the Company's business and results for the year ended 30th June 2021. The Strategic Review should be read in conjunction with the Chairman's Statement and the Investment Manager's Report, which provide a review of the year's investment activities of the Company and the outlook for the future. The Directors' Report and the Corporate Governance Statement form part of this Strategic Report.

STATUS

The Company is an investment company under section 833 of the Companies Act 2006. It is an Approved Company under the Investment Trust (Approved Company) (Tax) Regulations 2011 (the 'Regulations') and conducts its affairs in accordance with those Regulations so as to retain its status as an investment trust and maintain exemption from liability to United Kingdom capital gains tax.

The Company is a small registered Alternative Investment Fund Manager under the European Union Markets in Financial Instruments Directive.

PURPOSE CULTURE AND VALUES

The Directors acknowledge the expectation under the UK Code on Corporate Governance issued by the Financial Reporting Council in July 2018 (the 'Code') that they formally define a purpose for the Company. The Directors have reviewed this requirement and consider that the Company's purpose is to deliver the Company's stated investment objective to achieve long-term capital growth for the benefit of its investors.

Similarly, the Directors have also considered the Company's culture and values in line with Code requirements. The Board has formed the view that as the Company has no direct employees, and with operational management outsourced to the Investment Manager, the Administrator and the Company Secretary, the Company's culture and values have to be those of the Board. Having a stable composition and established working practices, the Board is defined by experienced membership, trust and robust investment challenge. These are therefore the key characteristics of the Company's culture and values.

STAKEHOLDER RESPONSIBILITIES (S.172 STATEMENT UNDER COMPANIES ACT 2006)

The Directors are aware of their responsibilities to stakeholders under both the Code and legislation through regular governance updates from the Company Secretary. As a UK listed investment trust, the Directors outsource operational management of the Company, including day to day management of the investment portfolio, to third parties. As a consequence, the Directors consider their key stakeholder groups to be limited to the Company's shareholders, its third party advisers and service providers, and individual Board members.

The Company's Articles of Association, the Board's commitment to follow the principles of the Code and the involvement of the independent Company Secretary in Board matters enable the Directors to meet their responsibilities towards individual shareholder groups and Board members. Governance procedures are in place which allow both investors and Directors to ask questions or raise concerns appropriately. The Board is satisfied that those governance procedures mean the Company can act fairly between individual shareholders and takes account of Mr Duffield's significant shareholding. In considering the payment of the minimum dividend required to maintain investment trust tax status, the recommendations to vote in favour of the resolutions at the AGM and the asset allocation within the investment portfolio, the Board assessed the potential benefits to shareholders and the manager of the investment portfolio.

The Board also regularly considers the performance of its independent third party service providers. Those third party service providers in turn have regular opportunities to report on matters meriting the attention of the Board, including in relation to their own performance. The Board is therefore confident that its responsibilities to each of its key stakeholder groups are being discharged effectively.

As the Company does not have any employees, the Board does not consider it necessary to establish means for employee engagement with the Board as required by the latest version of the Code.

INVESTMENT OBJECTIVE AND POLICY

Investment Objective
The Company's investment objective is to achieve long-term capital growth.

Investment Policy
The Company's investment policy is to allocate assets to global investment opportunities through investment in equity, bond, commodity, real estate, currency and other markets. The Company's assets may have significant weightings to any one asset class or market, including cash.

The Company will invest in pooled investment vehicles, exchange traded funds, futures, options, limited partnerships and direct investments in relevant markets. The Company may invest up to 15% of its net assets in direct investments in relevant markets.

The Company will not follow any index with reference to asset classes, countries, sectors or stocks. Aggregate asset class exposure to any one of the United States, the United Kingdom, Europe ex UK, Asia ex Japan, Japan or Emerging Markets and to any individual industry sector will be limited to 50% of the Company's net assets, such values being assessed at the time of investment and for funds by reference to their published investment policy or, where appropriate, the underlying investment exposure.

The Company may invest up to 20% of its net assets in unlisted securities (excluding unquoted pooled investment vehicles) such values being assessed at the time of investment.

The Company will not invest more than 15% of its net assets in any single investment, such values being assessed at the time of investment.

Derivative instruments and forward foreign exchange contracts may be used for the purposes of efficient portfolio management and currency hedging. Derivatives may also be used outside of efficient portfolio management to meet the Company's investment objective. The Company may take outright short positions in relation to up to 30% of its net assets, with a limit on short sales of individual stocks of up to 5% of its net assets, such values being assessed at the time of investment.

The Company may borrow up to 30% of net assets for short-term funding or long-term investment purposes.

No more than 10%, in aggregate, of the value of the Company's total assets may be invested in other closed-ended investment funds except where such funds have themselves published investment policies to invest no more than 15% of their total assets in other listed closed-ended investment funds.

Information on the Company's portfolio of assets with a view to spreading investment risk in accordance with its investment policy.

FINANCIAL REVIEW

Net assets at 30th June 2021 amounted to £138,132,000 compared with £113,885,000 at 30th June 2020. In the year under review, the NAV per Ordinary share increased by 21.29% from 160.35p to 194.49p, after paying a dividend of 1.4p per share.

The Group's gross revenue fell to £1,522,000 (2020: £2,419,000), mainly as a result of dividends received being adversely impacted by the Covid-19 pandemic. The pandemic did not impact dividends significantly last year, with the full impact being felt in the year under review. After deducting expenses and taxation, the revenue profit for the year was £429,000 (2020: £1,325,000).

Total expenses for the year were almost unchanged at £1,093,000 after an increased management fee (2020: £1,094,000 before the performance fee of £623,000). In the year under review the investment management fee increased to £774,000 (2020: £697,000), reflecting the Company's increasing NAV throughout the period. Last year a performance fee of £623,000 was payable in respect of the period to 31st December 2019. Since then, the performance fee arrangement has ceased. The performance fee was allocated to the Capital account in accordance with the Company's accounting policy.

Historically, dividends have not formed a central part of the Company's investment objective. The increased investment in income focused funds over the last few years has enabled the Directors to declare an increased dividend in recent years. The Company's fall in dividend income this year is seen as temporary, and the Directors have decided to utilise retained earnings to maintain the dividend. The Directors propose a final dividend of 1.40p per Ordinary share in respect of the year ended 30th June 2021 (2020: 1.40p). If approved at the Annual General Meeting, the dividend will be paid on 30th November 2021 to shareholders on the register at the close of business on 5th November 2021 (ex-dividend 4th November 2021).

The primary source of the Company's funding is shareholder funds.

While the future performance of the Company is dependent, to a large degree, on the performance of international financial markets, which in turn are subject to many external factors, the Board's intention is that the Company will continue to pursue its stated investment objective in accordance with the strategy outlined above. Further comments on the short-term outlook for the Company are set out in the Chairman's Statement and the Investment Manager's report.

PERFORMANCE MEASUREMENT AND KEY PERFORMANCE INDICATORS

Throughout the year the Group's investments included seven funds managed by the Investment Manager (2020: seven). No investment management fees were payable directly by the Company in respect of these investments.

In order to measure the success of the Company in meeting its objectives, and to evaluate the performance of the Investment Manager, the Directors review at each meeting: net asset value, income and expenditure, asset allocation and attribution, share price of the Company and the discount. The Directors take into account a number of different indicators as the Company does not have a formal benchmark, and performance against these is shown in the Financial Highlights.

Performance is discussed in the Chairman's Statement and Investment Manager's Report.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks identified by the Board, and the steps the Board takes to mitigate them, are discussed below. The audit committee reviews existing and emerging risks on a six monthly basis. The Board has closely monitored the societal, economic and market focused implications of the events in 2020 and 2021.

Investment strategy

Inappropriate long-term strategy, asset allocation and fund selection could lead to underperformance. The Board discusses investment performance at each of its meetings and the Directors receive reports detailing asset allocation, investment selection and performance.

Business conditions and general economy

The Company's future performance is heavily dependent on the performance of different equity and currency markets. The Board cannot mitigate the risks arising from adverse market movements. However, diversification within the portfolio will reduce the impact. Further information is given in portfolio risks below.

Macro-economic event risk

The Covid pandemic was felt globally in 2020 and 2021 although economies and markets have recovered. The scale and potential adverse impact of a macro-economic event, such as the Covid pandemic, has highlighted the possibility of a number of identified risks such as market risk, currency risk, investment liquidity risk and operational risk having an adverse impact at the same time. The risk may impact on: the value of the Company's investment portfolio, its liquidity, meaning investments cannot be realised quickly, or the Company's ability to operate if the Company's suppliers face financial or operational difficulties. The Directors closely monitor these areas and currently maintain a significant cash balance.

Portfolio risks - market price, foreign currency and interest rate risks

The largest investments are listed above. Investment returns will be influenced by interest rates, inflation, investor sentiment, availability/cost of credit and general economic and market conditions in the UK and globally. A significant proportion of the portfolio is in investments denominated in foreign currencies and movements in exchange rates could significantly affect their sterling value. The Investment Manager takes all these factors into account when making investment decisions but the Company does not normally hedge against foreign currency movements. The Board's policy is to hold a spread of investments in order to reduce the impact of the risks arising from the above factors by investing in a spread of asset classes and geographic regions.

Net asset value discount

The discount in the price at which the Company's shares trade to net asset value means that shareholders cannot realise the real underlying value of their investment. Over the last few years the Company's share price has been at a significant discount to the Company's net asset value. The Directors review regularly the level of discount, however given the investor base of the Company, the Board is very restricted in its ability to influence the discount to net asset value.

Investment Manager
The quality of the team employed by the Investment Manager is an important factor in delivering good performance and the loss of key staff could adversely affect returns. A representative of the Investment Manager attends each Board meeting and the Board is informed if any major changes to the investment team employed by the Investment Manager are proposed. The Investment Manager regularly informs the Board of developments and any key implications for either the investment strategy or the investment portfolio.

Tax and regulatory risks
A breach of The Investment Trust (Approved Company) (Tax) Regulations 2011 (the 'Regulations') could lead to capital gains realised within the portfolio becoming subject to UK capital gains tax. A breach of the FCA Listing Rules could result in suspension of the Company's shares, while a breach of company law could lead to criminal proceedings, financial and/or reputational damage. The Board employs Brompton Asset Management LLP as Investment Manager, and Maitland Administration Services Limited as Secretary and Administrator, to help manage the Company's legal and regulatory obligations.

Operational
Disruption to, or failure of, the Investment Manager's or Administrator's accounting, dealing or payment systems, or the Custodian's records, could prevent the accurate reporting and monitoring of the Company's financial position. The Company is also exposed to the operational risk that one or more of its suppliers may not provide the required level of service. How the Board monitors its service providers, with an emphasis on their business interruption procedures, is set out in the Corporate Governance Statement.

The Directors confirm that they have carried out a robust assessment of the risks and emerging risks facing the Company, including those that would threaten its business model, future performance, solvency and liquidity.

VIABILITY STATEMENT
The assets of the Company consist mainly of securities that are readily realisable or cash and it has no significant liabilities and no financial commitments. Investment income has exceeded annual expenditure and current liquid net assets cover current annual expenses for many years. Accordingly, the Company is of the opinion that it has adequate financial resources to continue in operational existence for the long term which is considered to be in excess of five years. Five years is considered a reasonable period for investors when making their investment decisions. In reaching this view the Directors reviewed the anticipated level of annual expenditure against the cash and liquid assets within the portfolio. The Directors have also considered the risks the Company faces in making this viability statement.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE ISSUES
The Company has no employees, with day-to-day operational and administration of the Company being delegated by the Board to the Independent Investment Manager and the Administrator. The Company's portfolio is managed in accordance with the investment objective and policy approved by shareholders. The Company is primarily invested in investment funds and exchange traded funds, where it has no direct dialogue with the underlying investments. Environmental, social and governance considerations of underlying investee companies are not a key driver when evaluating existing and potential investments.

GREENHOUSE GAS EMISSIONS

As the Company has no premises, properties or equipment of its own, the Directors deem the Company to be exempt from making any disclosures under the Companies Act 2006 (Strategic Reports and Directors' Reports) Regulations 2013.

STREAMLINED ENERGY AND CARBON REPORTING

The Company is categorised as a lower energy user under the HMRC Environmental Reporting Guidelines March 2019 and is therefore not required to make the detailed disclosures of energy and carbon information set out within the guidelines. The Company's energy and carbon information is not therefore disclosed in this report.

MODERN SLAVERY ACT

The Directors rely on undertakings given by its independent third party advisers that those companies continue to have no instances of modern slavery either within their businesses or supply chains. Given the financial services focus and geographical location of all third-party suppliers to the Company, the Directors perceive the risks of a contravention of the legislation to be very low.

GENDER DIVERSITY

The Board of Directors comprises three male directors, and currently no female board members. Composition of the Board has not changed since 2017, and the Board has benefitted from stable membership and strong working relationships between individual directors in that time. For this reason, the Board does not currently anticipate making future changes.

The Board is committed to the benefits of diversity, including gender, ethnicity and background when considering new appointments to the Board, whilst always seeking to base any decision on merit, measured by knowledge, experience and ability to make a positive contribution to the Board's decision making.

LISTING RULE 9.8.4

Listing rule 9.8.4 requires the Company to include certain information in a single identifiable section of the Annual Report or a cross-reference table indicating where the information is set out. The Directors confirm that there were no disclosures to be made in this regard.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME AT 30TH JUNE 2021

	Notes	**Year ended 30th June 2021** Revenue Return £ '000	Capital Return £ '000	Total £ '000	Year ended 30th June 2020 Revenue Return £ '000	Capital Return £ '000	Total £ '000
INVESTMENT INCOME	*2*	**1,519**	**-**	**1,519**	2,169	-	2,169
Other operating income	*2*	**3**	**-**	**3**	250	-	250
		1,522	**-**	**1,522**	2,419	-	2,419
GAINS AND LOSSES ON INVESTMENTS							
Gains/(losses) on investments at fair value through profit or loss	*9*	**-**	**25,927**	**25,927**	-	(212)	(212)
Other exchange (losses)/gains		**-**	**(1,119)**	**(1,119)**	-	414	414
Trail rebates		**-**	**4**	**4**	-	4	4
		1,522	**24,812**	**26,334**	2,419	206	2,625
EXPENSES							
Management and performance fees	*3*	**(774)**	**-**	**(774)**	(697)	(623)	(1,320)
Other expenses	*4*	**(319)**	**-**	**(319)**	(397)	-	(397)
		(1,093)	**-**	**(1,093)**	(1,094)	(623)	(1,717)
PROFIT BEFORE TAX		**429**	**24,812**	**25,241**	1,325	(417)	908
Tax	*5*	**-**	**-**	**-**	-	-	-
PROFIT FOR THE YEAR		**429**	**24,812**	**25,241**	1,325	(417)	908
EARNINGS PER SHARE							
Ordinary shares (pence)	*7*	**0.61p**	**34.93p**	**35.54p**	1.87p	(0.59)p	1.28p

The total column of this statement represents the Group's profit and loss account, prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and prepared in accordance with international financial reporting standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union. The supplementary Revenue Return and Capital Return columns are both 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 did not have any income or expense that was not included in 'Profit for the year'. Accordingly, the 'Profit for the year' is also the 'Total comprehensive income for the year', as defined in IAS1 (revised) and no separate Statement of Comprehensive Income has been presented.

No operations were acquired or discontinued during the year.

All income is attributable to the equity holders of the parent company. There are no minority interests.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30TH JUNE 2021

	Note	Share capital £ '000	Share premium £ '000	Special reserve £ '000	Retained earnings £ '000	Total £ '000
AT 30th JUNE 2020		**710**	**21,573**	**56,908**	**34,694**	**113,885**
Total comprehensive income for the year		**-**	**-**	**-**	**25,241**	**25,241**
Dividend paid	*8*	**-**	**-**	**-**	**(994)**	**(994)**
AT 30th JUNE 2021		**710**	**21,573**	**56,908**	**58,941**	**138,132**

Included within Retained earnings were £1,960,000 of Company reserves available for distribution.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30TH JUNE 2020

	Note	Share capital £ '000	Share premium £ '000	Special reserve £ '000	Retained earnings £ '000	Total £ '000
AT 30th JUNE 2019		**710**	**21,573**	**56,908**	**34,780**	**113,971**
Total comprehensive income for the year		**-**	**-**	**-**	**908**	**908**
Dividend paid	*8*	**-**	**-**	**-**	**(994)**	**(994)**
AT 30th JUNE 2020		**710**	**21,573**	**56,908**	**34,694**	**113,885**

Included within Retained earnings were £2,018,000 of Company reserves available for distribution.

CONSOLIDATED BALANCE SHEET AT 30TH JUNE 2021

	Notes	**30th June 2021 £ '000**	30th June 2020 £ '000
NON-CURRENT ASSETS			
Investments at fair value through profit or loss	*9*	**129,727**	103,015
CURRENT ASSETS			
Other receivables	*11*	**235**	137
Cash and cash equivalents	*12*	**8,440**	10,962
		8,675	11,099
TOTAL ASSETS		**138,402**	114,114
CURRENT LIABILITIES			
Other payables	*13*	**(270)**	(229)
TOTAL ASSETS LESS CURRENT LIABILITIES		**138,132**	113,885
NET ASSETS		**138,132**	113,885
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS			
Called-up share capital	*14*	**710**	710
Share premium	*15*	**21,573**	21,573
Special reserve	*15*	**56,908**	56,908
Retained earnings	*15*	**58,941**	34,694
TOTAL EQUITY		**138,132**	113,885
NET ASSET VALUE PER ORDINARY SHARE	*16*	**194.49p**	160.35p

CONSOLIDATED CASH FLOW STATEMENTS AT 30TH JUNE 2021

	Notes	**Year ended 30th June 2021 Group £ '000**	Year ended 30th June 2020 Group £ '000
NET CASH INFLOW FROM OPERATING ACTIVITIES		**376**	382
INVESTING ACTIVITIES			
Purchase of investments		**(9,717)**	(12,725)
Sale of investments		**8,932**	3,280
NET CASH OUTFLOW FROM INVESTING ACTIVITIES		**(785)**	(9,445)
FINANCING			
Equity dividends paid	*8*	**(994)**	(994)
NET CASH OUTFLOW FROM FINANCING		**(994)**	(994)
DECREASE IN CASH		**(1,403)**	(10,057)
RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN CASH & CASH EQUIVALENTS			
Decrease in cash resulting from cash flows		**(1,403)**	(10,057)
Exchange movements		**(1,119)**	414
Movement in net funds		**(2,522)**	(9,643)
Net funds at start of the year		**10,962**	20,605
CASH & CASH EQUIVALENTS AT END OF YEAR	*17*	**8,440**	10,962
RECONCILIATION OF PROFIT BEFORE FINANCE COSTS AND TAXATION TO NET CASH FLOW FROM OPERATING ACTIVITIES			
Profit before finance costs and taxation*		**25,241**	908
(Gains)/Losses on investments		**(25,927)**	212
Exchange differences		**1,119**	(414)
Capital trail rebates		**(4)**	(4)
Net revenue gains before finance costs and taxation		**429**	702
(Increase)/Decrease in debtors		**(90)**	81
Increase/(Decrease) in creditors		**41**	(407)
Taxation		**(8)**	2
Capital trail rebates		**4**	4
NET CASH INFLOW FROM OPERATING ACTIVITIES		**376**	382

*Includes dividends received in cash of £1,273,000 (2020: £1,977,000), accumulation income of £187,000 (2020: £245,000) and interest received of £3,000 (2020: £270,000).

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 30TH JUNE 2020

1. ACCOUNTING POLICIES

The financial statements have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and prepared in accordance with international financial reporting standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union.

These financial statements are presented in pounds sterling, the Group's functional currency, being the currency of the primary economic environment in which the Group operates, rounded to the nearest thousand.

(a) *Basis of preparation*: The financial statements have been prepared on a going concern basis (see 1(p)). The principal accounting policies adopted are set out below.

Where presentational guidance set out in the Statement of Recommended Practice 'Financial Statements of Investment Trust Companies and Venture Capital Trusts' ('SORP') issued by the Association of Investment Companies ('AIC') in November 2014 and updated in February 2018 and October 2019 with consequential amendments is consistent with the requirements of IFRS, the Directors have sought to prepare the financial statements on a basis compliant with the recommendations of the SORP.

(b) Basis of consolidation: The consolidated financial statements include the accounts of the Company and its subsidiary made up to 30th June 2021. No statement of comprehensive income is presented for the parent company as permitted by Section 408 of the Companies Act 2006.

The Company is an investment entity as defined by IFRS 10 and assets are held at their fair value. The consolidated accounts include subsidiaries which are an integral part of the Group and not investee companies.

Subsidiaries are consolidated from the date of their acquisition, being the date on which the Company obtains control, and continue to be consolidated until the date that such control ceases. The financial statements of the subsidiary used in the preparation of the consolidated financial statements are based on consistent accounting policies. All intra-group balances and transactions, including unrealised profits arising therefrom, are eliminated. Subsidiaries are valued at fair value, which is considered to be their NAV, in the accounts of the Company.

(c) *Presentation of Statement of Comprehensive Income*: In order to better reflect the activities of an investment trust company and in accordance with guidance issued by the AIC, supplementary information which analyses the consolidated statement of comprehensive income between items of a revenue and capital nature has been presented alongside the consolidated statement of comprehensive income.

In accordance with the Company's Articles of Association, net capital returns may not be distributed by way of a dividend. Additionally, the net revenue profit is the measure the Directors believe is appropriate in assessing the Group's compliance with certain requirements set out in the Investment Trust (Approved Company) (Tax) Regulations 2011.

(d) *Use of estimates*: The preparation of financial statements requires the Group to make estimates and assumptions that affect items reported in the consolidated and parent company balance sheets and consolidated statement of comprehensive income and the disclosure of contingent assets and liabilities at the date of the financial statements. Although these estimates are based on the Directors' best knowledge of current facts, circumstances and, to some extent, future events and actions, the Group's actual results may ultimately differ from those estimates, possibly significantly. The most significant estimate relates to the valuation of unquoted investments (see note 18(h)).

(e) *Revenue*: Dividends and other such revenue distributions from investments are credited to the revenue column of the consolidated statement of comprehensive income on the day in which they are quoted ex-dividend. Where the Company has elected to receive its dividends in the form of additional shares rather than in cash and the amount of the cash dividend is recognised as income, any excess in the value of the shares received over the amount recognised is credited to the capital reserve. Deemed revenue from offshore funds is credited to the revenue account. Interest on fixed interest securities and deposits is accounted for on an accruals basis.

(f) *Expenses*: Expenses are accounted for on an accruals basis. Management fees, administration and other expenses, with the exception of transaction charges, are charged to the revenue column of the consolidated statement of comprehensive income. Performance fees and transaction charges are charged to the capital column of the consolidated statement of comprehensive income.

(g) *Investments held at fair value*: Purchases and sales of investments are recognised and derecognised on the trade date where a purchase or sale is under a contract whose terms require delivery within the timeframe established by the market concerned, and are initially measured at fair value.

All investments are classified as held at fair value through profit or loss on initial recognition and are measured at subsequent reporting dates at fair value, which is either the bid price or the last traded price, depending on the convention of the exchange on which the investment is quoted. Investments in units of unit trusts or shares in OEICs are valued at the bid price for dual priced funds, or single price for non-dual priced funds, released by the relevant investment manager. Unquoted investments are valued by the Directors at the balance sheet date based on recognised valuation methodologies, in accordance with International Private Equity and Venture Capital ('IPEVC') Valuation Guidelines such as dealing prices or third party valuations where available, net asset values and other information as appropriate.

(h) *Taxation*: The charge for taxation is based on taxable income for the year. Withholding tax deducted from income received is treated as part of the taxation charge against income. Taxation deferred or accelerated can arise due to temporary differences between the treatment of certain items for accounting and taxation purposes. Full provision is made for deferred taxation under the liability method on all temporary differences not reversed by the Balance Sheet date. No deferred tax provision is made against deemed reporting offshore funds. Deferred tax assets are only recognised when there is more likelihood than not that there will be suitable profits against which they can be applied.

(i) *Foreign currency*: Assets and liabilities denominated in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. Foreign currency transactions are translated at the rates of exchange applicable at the transaction date. Exchange gains and losses are taken to the revenue or capital column of the consolidated statement of comprehensive income depending on the nature of the underlying item.

(j) *Capital reserve*: The following are accounted for in this reserve:
- gains and losses on the realisation of investments together with the related taxation effect;
- foreign exchange gains and losses on capital transactions, including those on settlement, together with the related taxation effect;
- revaluation gains and losses on investments;
- performance fees payable to the investment manager; and
- trail rebates received from the managers of the Company's investments.

The capital reserve is not available for the payment of dividends.

(k) *Revenue reserve*: This reserve includes net revenue recognised in the revenue column of the Statement of Comprehensive Income.

(l) *Special reserve*: The special reserve can be used to finance the redemption and/or purchase of shares in issue.

(m) *Cash and cash equivalents*: Cash and cash equivalents comprise current deposits and balances with banks. Cash and cash equivalents may be held for the purpose of either asset allocation or managing liquidity.

(n) *Dividends payable*: Dividends are recognised from the date on which they are irrevocably committed to payment.

(o) *Segmental Reporting*: The Directors consider that the Group is engaged in a single segment of business with the primary objective of investing in securities to generate long term capital growth for its shareholders. Consequently no business segmental analysis is provided.

(p) *Going concern basis of preparation:* The financial statements are prepared on a going concern basis under the historical cost convention, and on the assumption that approval as an investment trust under section 1158 of the Corporation Tax Act 2010 and the Investment Trust (Approved Company) (Tax) Regulations 2011 will be retained.

(q) *New standards, interpretations and amendments effective for the periods beginning on or after 1st July 2020:* There are no new standards, amendments to standards and interpretations that have impacted the Group and should be disclosed.

(r) *New standards, interpretations and amendments issued which are not yet effective and applicable for the periods beginning on or after 1st July 2021*: There are no new standards, amendments to standards and interpretations that will impact the Group and should be disclosed.

2. INVESTMENT INCOME

	Year ended 30th June 2021 £ '000	Year ended 30th June 2020 £ '000
INCOME FROM INVESTMENTS		
UK net dividend income	**1,278**	1,844
Unfranked investment income	**238**	325
UK fixed interest	**3**	-
	1,519	2,169
OTHER OPERATING INCOME		
Bank interest receivable	**3**	250
	3	250
TOTAL INCOME COMPRISES		
Dividends	**1,516**	2,169
Other income	**6**	250
	1,522	**2,419**

The above dividend and interest income has been included in the profit before finance costs and taxation included in the cash flow statements.

3. MANAGEMENT AND PERFORMANCE FEES

	Year ended 30th June 2021			Year ended 30th June 2020		
	Revenue £ '000	**Capital £ '000**	**Total £ '000**	Revenue £ '000	Capital £ '000	Total £ '000
Investment management fee	**774**	**-**	**774**	697	-	697
Performance fee	**-**	**-**	**-**	-	623	623
	774	**-**	**774**	697	623	1,320

At 30th June 2021 there were amounts accrued of £214,000 (2020: £177,000) for investment management fees and £nil (2020: £623,000) for performance fees.

4. OTHER EXPENSES

	Year ended 30th June 2021 £ '000	Year ended 30th June 2020 £ '000
Directors' remuneration	**65**	65
Administrative and secretarial fee	**95**	95
Auditors' remuneration		
- Audit	**41**	32
- Interim review	**8**	8
Other	**110**	197
	319	397
Allocated to:		
- Revenue	**319**	397
- Capital	**-**	-
	319	397

5. TAXATION

(a) Analysis of tax charge for the year:

	Year ended 30th June 2021			Year ended 30th June 2020		
	Revenue Return £ '000	**Capital Return £ '000**	**Total £ '000**	Revenue Return £ '000	Capital Return £ '000	Total £ '000
Overseas tax	**9**	**-**	**9**	1	-	1
Recoverable income tax	**(9)**	**-**	**(9)**	(1)	-	(1)
Total current tax for the year	**-**	**-**	**-**	-	-	-
Deferred tax	**-**	**-**	**-**	-	-	-
Total tax for the year (note 5b)	**-**	**-**	**-**	-	-	-

(b) Factors affecting tax charge for the year:

The charge for the year of £nil (2020: £nil) can be reconciled to the profit per the consolidated statement of comprehensive income as follows:

	Year ended 30th June 2021 £ '000	Year ended 30th June 2020 £ '000
Total profit before tax	**25,241**	908
Theoretical tax at the UK corporation tax rate of 19.00% (2020: 19.00%)	**4,796**	172
Effects of:		
Non-taxable UK dividend income	**(243)**	(350)
Gains and losses on investments that are not taxable	**(4,714)**	(38)
Excess expenses not utilised	**188**	249
Overseas dividends which are not taxable	**(27)**	(33)
Overseas tax	**9**	1
Recoverable income tax	**(9)**	(1)
Total tax for the year	**-**	-

Due to the Company's tax status as an investment trust and the intention to continue meeting the conditions required to maintain approval of such status in the foreseeable future, the Company has not provided tax on any capital gains arising on the revaluation or disposal of investments.

There is no deferred tax (2020: £nil) in the capital account of the Company. There is no deferred tax charge in the revenue account (2020: £nil).

At the year-end there is an unrecognised deferred tax asset of £669,000 (2020: £643,000) based on the enacted tax rates of 19% for financial years beginning 1st April 2021, as a result of excess expenses.

6. COMPANY RETURN FOR THE YEAR

The Company's total return for the year was £25,241,000 (2020: £908,000).

7. RETURN PER ORDINARY SHARE

Total return per Ordinary share is based on the Group total return on ordinary activities after taxation of £25,241,000 (2020: £908,000) and on 71,023,695 (2020: 71,023,695) Ordinary shares, being the weighted average number of Ordinary shares in issue during the year.

Revenue return per Ordinary share is based on the Group revenue profit on ordinary activities after taxation of £429,000 (2020: £1,325,000) and on 71,023,695 (2020: 71,023,695) Ordinary shares, being the weighted average number of Ordinary shares in issue during the year.

Capital return per Ordinary share is based on net capital gains/(losses) for the year of £24,812,000 (2020: £(417,000)) and on 71,023,695 (2020: 71,023,695) Ordinary shares, being the weighted average number of Ordinary shares in issue during the year.

8. DIVIDENDS ON EQUITY SHARES

Amounts recognised as distributions in the year:

	Year ended 30th June 2021 £ '000	Year ended 30th June 2020 £ '000
Dividends paid during the year	**994**	994
Dividends payable in respect of the year ended:		
30th June 2021: 1.4p (2020: 1.4p) per share	**994**	994

It is proposed that a dividend of 1.4p per share will be paid in respect of the current financial year.

9. INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	Year ended 30th June 2021 £ '000	Year ended 30th June 2020 £ '000
GROUP AND COMPANY	**129,727**	103,015

ANALYSIS OF INVESTMENT PORTFOLIO – GROUP AND COMPANY

	Quoted* £ '000	**Unquoted £ '000**	**Total £ '000**
Opening book cost	**67,731**	**8,448**	**76,179**
Opening investment holding gains	**26,816**	**20**	**26,836**
Opening valuation	**94,547**	**8,468**	**103,015**
Movement in period			
Purchases at cost	**8,737**	**980**	**9,717**
Sales			
- Proceeds	**(8,932)**	**-**	**(8,932)**
- Realised gains/(losses) on sales	**745**	**-**	**745**
Movement in investment holding gains for the year	**17,384**	**7,798**	**25,182**
Closing valuation	**112,481**	**17,246**	**129,727**
Closing book cost	**68,281**	**9,428**	**77,709**
Closing investment holding gains	**44,200**	**7,818**	**52,018**
Closing valuation	**112,481**	**17,246**	**129,727**

* Quoted investments include unit trust and OEIC funds and one monthly priced fund.

	Year ended 30th June 2021 £ '000	Year ended 30th June 2020 £ '000
ANALYSIS OF CAPITAL GAINS AND LOSSES		
Realised gains/(losses) on sales of investments	**745**	(2,086)
Increase in investment holding gains	**25,182**	1,874
Net gains on investments attributable to ordinary shareholders	**25,927**	(212)

Transaction costs

The purchase and sale proceeds figures above include transaction costs on purchases of £680 (2020: £2,002) and on sales of £nil (2020: £nil).

10. INVESTMENT IN SUBSIDIARY UNDERTAKING

The Company owns the whole of the issued share capital (£1) of JIT Securities Limited, a company registered in England and Wales.

The financial position of the subsidiary is summarised as follows:

	Year ended 30th June 2021 £ '000	Year ended 30th June 2020 £ '000
Net assets brought forward	**506**	506
Dividend paid to parent	**(506)**	-
Net assets carried forward	**-**	506

11. OTHER RECEIVABLES

	30th June 2021 Group £ '000	30th June 2020 Group £ '000
Prepayments and accrued income	**223**	133
Taxation	**12**	4
	235	137

12. CASH AND CASH EQUIVALENTS

	30th June 2021 Group £ '000	30th June 2020 Group £ '000
Cash at bank and on deposit	**8,440**	10,962

13. OTHER PAYABLES

	30th June 2021 Group £ '000	30th June 2020 Group £ '000
Accruals	**270**	229
Amounts owed to subsidiary undertakings	**-**	-
	270	229

14. CALLED UP SHARE CAPITAL

	30th June 2021 £ '000	30th June 2020 £ '000
Authorised		
305,000,000 (2020: 305,000,000) Ordinary shares of £0.01 each	**3,050**	3,050
Issued and fully paid		
71,023,695 (2020: 71,023,695) Ordinary shares of £0.01 each	**710**	710

15. RESERVES

	Share Premium account £ '000	Special Reserve £ '000	Retained earnings £ '000
GROUP			
At 30th June 2020	**21,573**	**56,908**	**34,694**
Increase in investment holding gains	**-**	**-**	**25,182**
Net gains on realisation of investments	**-**	**-**	**745**
Losses on foreign currency	**-**	**-**	**(1,119)**
Trail rebates	**-**	**-**	**4**
Retained revenue profit for year	**-**	**-**	**429**
Dividend paid	**-**	**-**	**(994)**
At 30th June 2021	**21,573**	**56,908**	**58,941**

The components of retained earnings are set out below:

	30th June 2021 £ '000	30th June 2020 £ '000
GROUP		
Capital reserve - realised	**5,316**	5,686
Capital reserve - revaluation	**52,018**	26,836
Revenue reserve	**1,607**	2,172
	58,941	34,694

16. NET ASSET VALUE PER ORDINARY SHARE

The net asset value per Ordinary share is calculated on net assets of £138,132,000 (2020: £113,885,000) and 71,023,695 (2020: 71,023,695) Ordinary shares in issue at the year end.

17. ANALYSIS OF CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR

	At 1st July 2020 £ '000	Cash flow	Exchange movement	**At 30th June 2021 £ '000**
GROUP				
Cash at bank and on deposit	10,962	(1,403)	(1,119)	**8,440**

18. FINANCIAL INFORMATION

2021 Financial information

The figures and financial information for 2021 are unaudited and do not constitute the statutory accounts for the year. The preliminary statement has been agreed with the Company's auditors and the Company is not aware of any likely modification to the auditor's report required to be included with the annual report and accounts for the year ended 30th June 2021.

2020 Financial information

The figures and financial information for 2020 are extracted from the published Annual Report and Accounts for the year ended 30th June 2020 and do not constitute the statutory accounts for the year. The Annual Report and Accounts for the year-end 30th June 2020 (available on the Company's website www.nsitplc.com) has been delivered to the registrar of Companies and includes the Independent Auditors report which was unqualified and did not contain a statement under either section 498 (2) or section 498 (3) of the Companies Act 2006.

Annual Report and Accounts

The accounts for the year ended 30th June 2021 will be sent to shareholders in October 2021 and will be available on the Company's website or in hard copy format at the Company's registered office, 1 Knightsbridge Green, London SW1X 7QA and will be available for inspection. A copy will also be submitted to the FCA's National Storage Mechanism.

The Annual General Meeting of the Company will be held on 16th November 2021 at 11.00am at 1 Knightsbridge Green, London SW1X 7QA.

23rd September 2021