CT UK Capital and Income Investment Trust PLC

Report and Accounts
For the Year Ended
30 September 2024

COLUMBIA THREADNEEDLE INVESTMENTS

Forward looking statements

This document may contain forward looking statements with respect to the financial condition, results of operations and business of CT UK Capital and Income Investment Trust PLC. Such statements involve risk and uncertainty because they relate to future events and circumstances that could cause actual results to differ materially from those expressed or implied by forward looking statements. The forward looking statements are based on the Directors' current view and on information known to them at the date of this document. Nothing should be construed as a profit forecast.

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Financial calendar	
Fourth interim dividend for 2024	20 December 2024
Annual General Meeting	6 March 2025
First interim dividend for 2025	March 2025
Interim results for 2025 announced	May 2025
Second interim dividend for 2025	June 2025
Third interim dividend for 2025	September 2025
Final results for 2025 announced	November 2025
Fourth interim dividend for 2025	December 2025

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the action you should take, you are recommended to seek your own independent financial advice from your stockbroker, bank manager, solicitor, accountant or other independent financial adviser authorised under the Financial Services and Markets Act 2000 if you are in the United Kingdom or, if not, from another appropriately authorised financial adviser. If you have sold or otherwise transferred all your ordinary shares in CT UK Capital and Income Investment Trust PLC please forward this document, together with the accompanying documents, immediately to the purchaser or transferee or to the stockbroker, bank or agent through whom the sale or transfer was effected for transmission to the purchaser or transferee. If you have sold or otherwise transferred only part of your holding of shares, you should retain these documents.

Company Overview

Consistently growing income from investing in some of the UK's best businesses

With an objective to secure long term capital and income growth from a portfolio consisting mainly of FTSE All-Share companies, we offer Shareholders a reliable income while at the same time seeking to grow the size of your investment.

We have been searching out the very best of the UK's large and medium sized businesses since 1992 to give our Shareholders access to a range of quality UK stocks in one place.

We carefully identify companies that are growing and profitable today and have the sustainable foundations to be able to continue that profitable growth into the future.

We choose to invest in companies we strongly believe in. Most of them generate much of their revenues outside the UK which means you benefit from international growth and diversification.

Our fund manager, Julian Cane, has managed the Company's investments for over 27 years, outperforming its Benchmark over that period. The Manager's results have driven the increase in dividend every year since the launch of the Company, through the market's ups and downs.

We are an "AIC Dividend Hero" in recognition of 31 consecutive years of increased annual dividends.

Our Ongoing Charges figure of 0.67% represents very good value for Shareholders.

Whether you are looking for regular income now, or to reinvest your dividends for long term growth, we believe that CT UK Capital and Income Investment Trust can play an important part in your investments.

Visit our website at **ctcapitalandincome.co.uk**

aic DIVIDEND HERO

Registered in England and Wales with company registration number 02732011. Legal Entity Identifier: 21380052ETTRKV2A6Y19

Financial Highlights
for the year ended 30 September 2024

12.50p

Ordinary dividends – 31st consecutive annual increase
Dividends for the year represent a 2.9% (2023: 3.0%) increase on the prior year (2023: 12.15p), our thirty-first consecutive annual rise.

3.7%

Dividend Yield
The annual dividend yield for the Company is 3.7% (2023: 4.1%) based on the paid and proposed dividends for the 2024 financial year and the share price as at 30 September of 334.0p (2023: 298.0p).

18.4%

Net Asset Value per share total return*
The Net Asset Value per share total return for the year was 18.4% (2023: 13.1%). This is in comparison to the Benchmark FTSE All-Share Index which returned 13.4% (2023: 13.8%).

16.6%

Share price total return*
The share price total return for the year was 16.6% (2023: 10.9%). The share price as at 30 September 2024 was 334.0p (2023: 298.0p).

(2.9)%

Shares ended the year at a discount* of 2.9% (2023: 1.2%)
The shares traded at an average discount to NAV of 3.8% (2023: 3.1%) over the year.

* See Alternative Performance Measures on pages 91 and 92 for explanation

Chair's Statement

"During the past year the Company has delivered an 18.4% Net Asset Value Total Return, a 5.0% outperformance of the FTSE All-Share benchmark. As an active managed investment, it is impossible to guarantee consistent performance in excess of the Index, but our performance when markets have been stable or rising has more than outweighed the periods of more challenging performance."

Jane Lewis, Chair

Dear Shareholder,

I am pleased to write to you with my report for the year to 30 September 2024.

Over the year, the total return gain in our Net Asset Value (**"NAV"**) per share was 18.4%, comfortably outperforming the total return over the same period of 13.4% for the Company's Benchmark, the FTSE All-Share Index (**"the Index"**). The Fund Manager's Review, which follows, gives more detail on market movements and our performance.

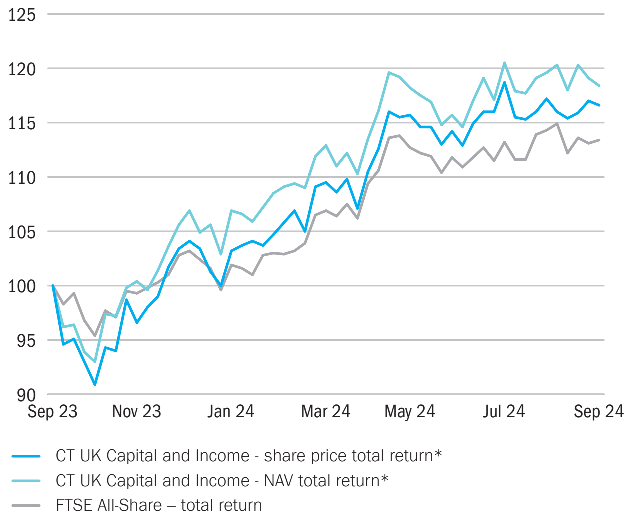
Although it has been a challenging year, stock markets have generally been positive. The global geo-political situation was troubled before the year began as Russia's invasion of Ukraine continues, but into this, the escalating conflict in the Middle East has added yet greater uncertainty and misery. Economic growth in the UK has shown some improvement after the mild recession of the second half of 2023, but growth rates are pretty lacklustre by historic standards.

More positively, inflation, which had escalated rapidly with the recovery from COVID-19, continued to decrease and having started our financial year at 6.7%, the UK Consumer Price Index (**"CPI"**) fell to 2.2% at our year end, having been at the Bank of England's target level of 2.0% in the summer. This reduction in inflationary pressure was supportive for equity markets as it was expected to be the prelude to meaningful interest rate cuts.

Total Return – The Company offers a reliable income while at the same time seeking to grow the size of your investment

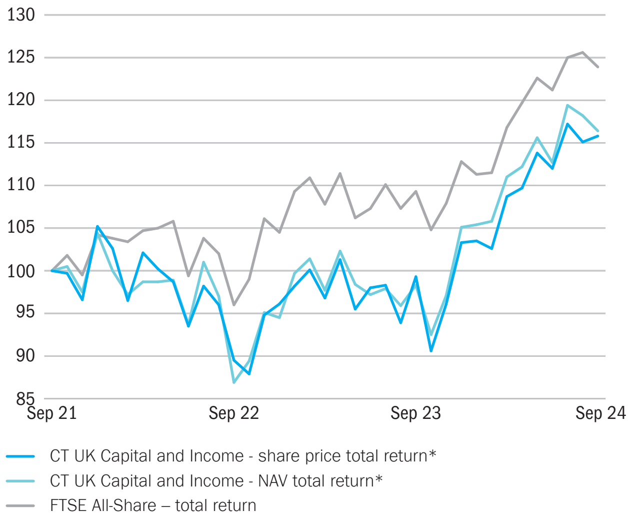
Looking at our performance over the last three years. Our performance somewhat lagged that of the Index in 2022 in an environment of

Performance over 1 year:
NAV total return +18.4%, FTSE All-Share +13.4%



Source: Refinitiv Eikon   Rebased to 100 at 30 September 2023

Performance over 3 years:
NAV total return +16.4%, FTSE All-Share +23.9%



Source: Refinitiv Eikon   Rebased to 100 at 30 September 2021

*See Alternative Performance Measures on pages 91 and 92 for explanation.

rising interest rates and particularly around the period of the infamous mini-budget that caused so much turmoil in investment markets. With conditions more stable over the last year, we have produced stronger results and a large part of the deficit has been clawed back.

Over the longer term, looking at the 10 and 25 year periods shown below, our performance has been well ahead of the Index. As an active managed investment, it is impossible to guarantee consistent performance in excess of the Index, but our performance when markets have been stable or rising has more than outweighed the periods of more challenging performance, which have generally coincided with times when the equity market has suffered more turmoil. Our investment process and its attention to long-term fundamentals has generated positive absolute investment returns and outperformance of the Index over the long-term, and our attractive dividend yield and annual dividend growth are an integral part of this.

Income Growth – The Company has increased its dividend every year since it was launched, through the market's ups and downs

Our earnings fell last year as the dividends paid to us by our investee companies declined. At face value, this is surprising given the strength of the UK stock market and our own NAV growth. The decline in our income should not be taken as a negative indicator for performance either historically or prospectively, but partly as a change in the balance between capital and income returns that we happened to receive last year.

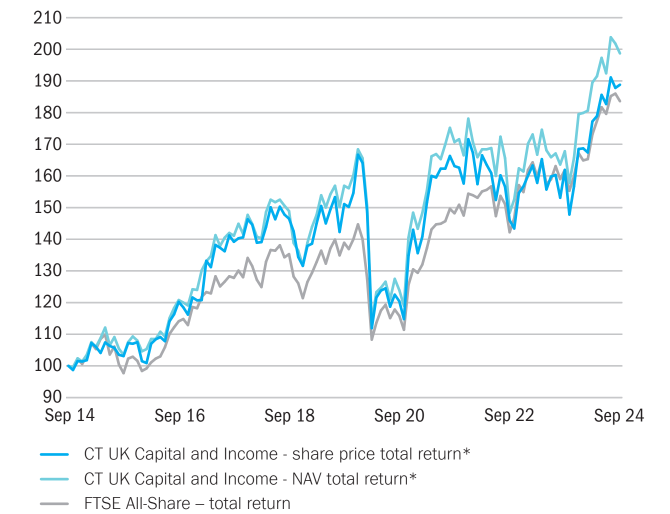
The reasons behind this are explained in detail in the Fund Manager's Review, but in summary there were three major factors at play. First, our previous year's figures had been boosted by special dividends which were not repeated this year. Secondly, one of our major investments has decided to redirect its cash return to shareholders into a share buy back programme and this is arguably leading to greater capital growth in that investment, albeit at the expense of dividend income. And thirdly, corporate activity has led to the take-overs of a number of our higher yielding investments, again boosting capital returns, but reducing our dividend income.

With these results, the Board is declaring a dividend for our fourth quarter of 3.95 pence per share to give a total for the year of 12.50 pence. This is a rate of increase over one year of 2.9%, which compares to CPI of 1.7%. The Board recognises the importance to Shareholders of reliable and growing dividends. Our steady, incremental approach to increasing the dividend has led to considerable outperformance of CPI and the implied dividend from our main benchmark, the FTSE All-Share Index over the longer term. For example, over 25 years, growth in these three comparators has been 160% in our dividend, 85% for CPI and 138% for the dividend from the FTSE All-Share Index.

Translating these figures to compound annual rates of growth, over 25 years we have grown your Company's dividend by a rate of 3.2%, compared to 2.5% for CPI and 2.9% for the FTSE All-Share Index.

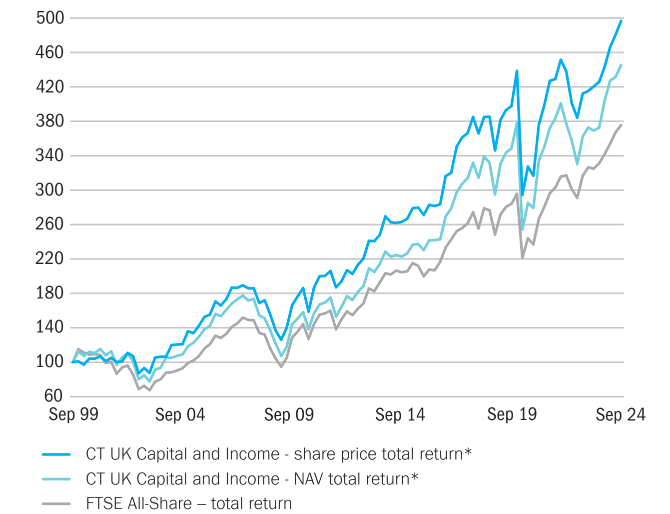
In addition to the growth in the dividend, the starting yield is also of significance to Shareholders, and as at 30 September 2024, the yield on the shares was 3.7% compared to 3.6% from the FTSE All-Share Index.

Performance over 10 years:
NAV total return +98.7%, FTSE All-Share +83.6%



Source: Refinitiv Eikon Rebased to 100 at 30 September 2014

Performance over 25 years:
NAV total return +342.5%, FTSE All-Share +275.5%



Source: Refinitiv Eikon Rebased to 100 at 30 September 1999

*See Alternative Performance Measures on pages 91 and 92 for explanation.

We are proud that your Company is an AIC Dividend Hero and has increased its dividend every year since launch in 1992. It is firmly our intention to continue this record of dividend growth and we are supported in that ambition by the strength of our revenue reserve, currently at £11.1 million. As in other years when our earnings were not quite sufficient to match our dividend, we have drawn from this reserve this year in order to grow the dividend, and we are confident that in years to come, where earnings exceed the dividend, this reserve will be added to.

Share Price discount to NAV

Over the year, the Company's shares traded at an average discount to the underlying NAV of 3.8% and within a range of -1.4% and -5.8%.

The focus in my statement up to this point has been on NAV per share, as that is what your investment manager is most directly able to influence. However, the Board is very aware that the investment experience of Shareholders is directly linked to the Company's share price. The Board has long believed it is in Shareholders' interests that the Company's shares should not trade at prices that are too detached from the underlying NAV per share. To try to create the right conditions for this, the Company has the ability to buyback its own shares if the share price stands at a discount compared to the underlying NAV per share and to issue its own shares if the share price is at a sufficient premium.

Last year, your Company bought back 4.3 million of its own shares at an average discount of 4.2% and increasing the NAV of the Company by 0.2%. This is more than in any other year and is in large part a consequence of selling by the beneficiaries of maturing Child Trust Funds, set up in the early 2000's, many of which bought shares in your Company.

At the forthcoming Annual General Meeting, the Board will again ask Shareholders to renew its authorities to issue shares at a premium and buyback at a discount. This will assist the Board in continuing to protect the discount to NAV at which the Company's shares may trade.

Gearing

We have borrowed additional funds to invest in our portfolio throughout the year. These borrowings are on a flexible, short-term basis with the cost being linked to short-term interest rates. Borrowing for additional investment adds value for Shareholders if the cost of the borrowing is less than the additional returns achieved by extra investments and that was clearly the case last year.

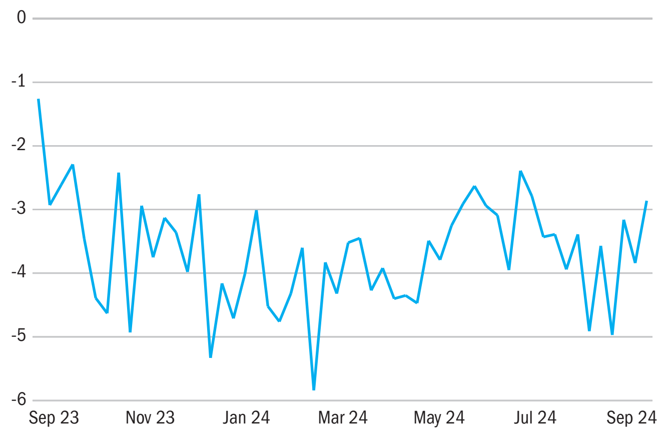
Costs

Costs are an inevitable drag on performance and it is one of our objectives to run your Company as efficiently as possible. The largest expense is the contract for the investment management of our portfolio. This is directly related to the value of the investment assets and so increased over the last year. Other expenses also rose across the board as a result of inflation-linked price increases. Press and publication expenses increased 20% as the Company marketed its proposition to Shareholders. Overall, the cost ratio at 0.67% still remains at a competitive level.

ESG

Your investment manager integrates the consideration of financially material Environmental, Social and Governance (**"ESG"**) factors into its research and investment process. Pages 24 to 27 explain Columbia Threadneedle Investment's ESG policies and how these are implemented with respect to management of the investment portfolio. There are also examples of its engagement with our investee companies.

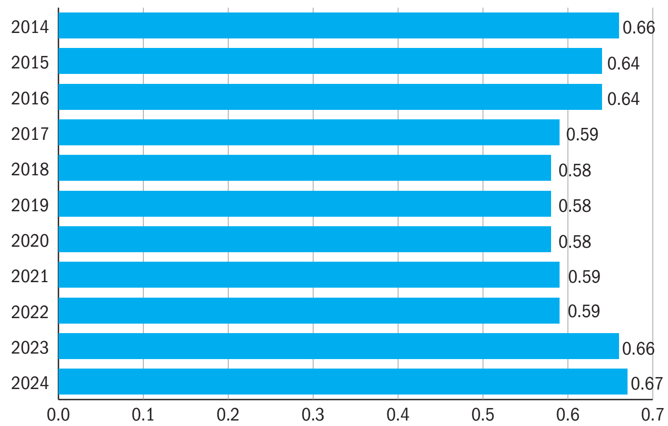
Share price discount to NAV over one year (%)*



Source: Columbia Threadneedle Investments

*See Alternative Performance Measures on pages 91 and 92 for explanation.

Cost of running the Company as a % of average net assets*



Source: Columbia Threadneedle Investments

*See Alternative Performance Measures on pages 91 and 92 for explanation.

Directorate Change

I was appointed to the Board in November 2015 and became Chair with effect from 1 July 2023. As part of the Board's ongoing succession planning and in accordance with corporate governance best practice, I will retire from the Board at the conclusion of the Company's 2025 Annual General Meeting.

Upon my retirement, it is intended that Nicky McCabe, the Company's Senior Independent Director, who was appointed to the Board in January 2021 will become Chair. Nicky has extensive sector experience as she was formerly Head of Product and Investment Trusts at Fidelity International as well as a director and Chief Operating Officer of a number of Fidelity companies. Nicky is currently a non-executive director of abrdn Asian Income Fund Ltd, Artemis Investment Management Limited and EFG Asset Management (UK) Limited. I am delighted that the Company and Shareholders will benefit from her extensive experience, knowledge and leadership.

As she becomes Chair, Nicky will hand over her other roles within the Company to Board colleagues. Thus at the conclusion of the 2025 AGM, it is intended that Patrick Firth will be appointed Senior Independent Director and Christopher Metcalfe will become Chair of the Management Engagement Committee.

As a further part of the Board's succession planning a search company was commissioned to find a new Director for the Board. It is anticipated that a new Director will be appointed to the Board shortly.

Cancellation of Share Premium Account

The Board agreed during the year to propose the cancellation of the Company's share premium account at the forthcoming Annual General Meeting (**"AGM"**). The Company has a sizeable share premium account which is non-distributable and the Board believes that converting the share premium account to a distributable reserve will provide a significant pool of reserves which can be used in future, if required, to fund dividends, share buybacks and other returns of capital in accordance with applicable law.

AGM

The AGM will be held at 12.30pm on 6 March 2025 at the offices of Columbia Threadneedle Investments, Cannon Place, 78 Cannon Street, London, EC4N 6AG. This will be followed by a presentation by our manager, Julian Cane, on the Company and its investment portfolio.

For Shareholders who are unable to attend, any questions they may have regarding the resolutions proposed at the AGM or the performance of the Company can be directed to a dedicated email account, ctukagm@columbiathreadneedle.com, by Thursday 27 February 2025. We will endeavour, in so far as reasonably practicable, to address all such questions at the meeting. In addition, the meeting will be recorded and will be available to view on the Company's website, www.ctcapitalandincome.co.uk shortly thereafter.

To ensure that your votes will count, I would encourage all Shareholders especially those that cannot attend in person to complete and submit their Form of Proxy or Form of Direction in advance of the AGM.

Outlook

While there may be many uncertainties to be faced in the coming year and beyond, there should be recognition that the UK and the world have been largely able to navigate the hugely difficult environment of recent years. This resilience should help to give some confidence about the future.

The challenges, including COVID-19, geo-political issues, war in Europe, inflationary bursts and interest rates rising rapidly from all-time low levels, have definitely played a part in setting future direction. 2024 has been the year of democracy with around 2 billion people eligible to vote across the world in key elections. That these outcomes are now largely known and settled should allow a course of greater clarity next year and into the following electoral cycle. In turn, this should help companies to plan better and therefore to invest and execute their strategies more efficiently.

The inflationary surge experienced across most of the world brought on largely by the impact on supply chains from responses to COVID-19 and the monetary and fiscal support to keep economies operating, seems to be easing in most places. This is clearly a positive development and should allow short-term interest rates to be reduced in most key economies, but the battle against inflation may yet prove to be more protracted and hence the reduction in rates may consequentially be somewhat delayed. As and when rates are lowered, this should be advantageous for economic growth and stock markets. As ever, skilled stock selection will be key.

It has been a great honour to serve on the Company's Board first as a non-executive director and latterly as its Chair. I would like to thank Julian Cane, our Fund Manager, for his continuing quiet professionalism throughout my tenure regardless of what the markets and the geo-political landscape deliver, ensuring always that Shareholders benefit from his investment skills honed through a long career. Further thanks are due to Scott McEllen, our Company Secretary for his diligence and good natured keeping of order at Board meetings and to Marrack Tonkin, Columbia Threadneedle's head of investment trusts, who treads a difficult line between representing the management house and supporting an independent Board.

Finally, on behalf of the Board, I would like to thank Shareholders for their continued support.

Jane Lewis
Chair
28 November 2024

More Than Three Decades of Dividend Growth

by investing in top UK businesses

The Company has increased its annual dividend paid to Shareholders every year since 1993. This is despite facing diverse challenges including the UK recession of the early 1990s, the Asian Financial Crisis, the September 11 attack on the New York World Trade Centre, the Global Financial Crisis, COVID-19 and more recently the ongoing war in Ukraine.

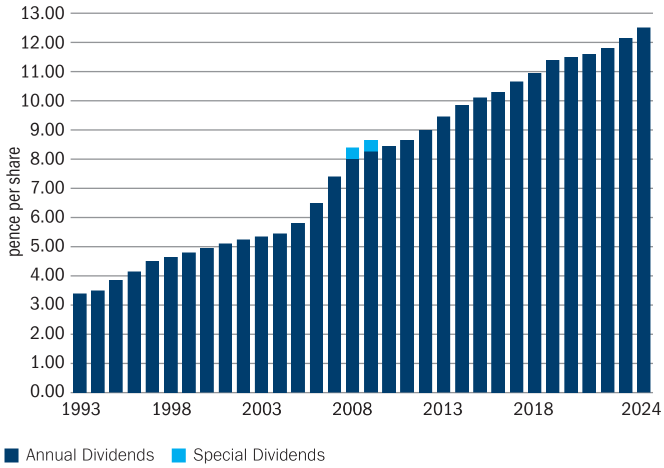
A key feature of the structure of an investment trust is that it allows companies such as ours to accumulate a Revenue Reserve from undistributed income in good years and then to draw down from it when circumstances are more challenging. The Board knows that Shareholders appreciate a steadily rising dividend and, for example, during COVID-19, chose to pay dividends to Shareholders in two years that were not fully covered by annual earnings.

Over that time, an initial investment of **£1,000** in **CT UK CAPITAL AND INCOME INVESTMENT TRUST** has yielded **£2,501** in gross income, assuming dividends had not been reinvested.

This compares to just **£1,112** paid out on the **FTSE ALL-SHARE INDEX** based on the annual dividend yield, and

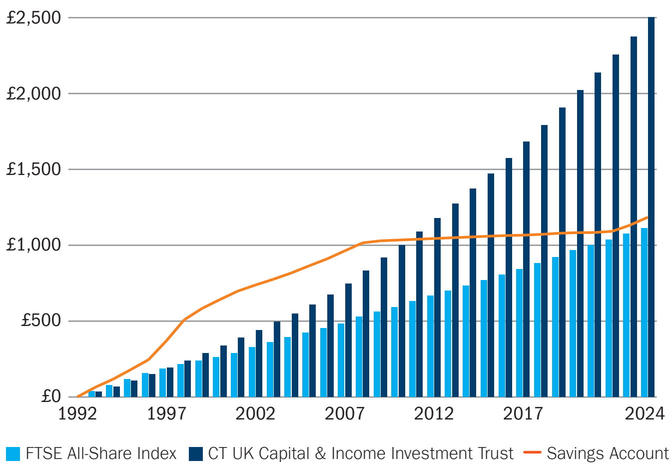
£1,185 earned from a **SAVINGS ACCOUNT** paying the Bank of England base rate over the same period.

Dividend Progression since launch in September 1992



Source: Columbia Threadneedle Investments

Cumulative income received by Shareholders from a £1,000 investment at launch in September 1992



Source: Columbia Threadneedle Investments and Refinitiv Eikon

AIC Dividend Hero

Companies which have consistently grown their annual dividend for over twenty years are classed by the AIC as Dividend Heroes. Our Company is one of a small group of investment trusts which have achieved this standard. The Board is proud that the Company is an AIC Dividend Hero and it is our intention to continue to extend this record of continuous growth in annual dividend.

aic DIVIDEND HERO

Fund Manager's Review

"Whether looking at the price/earnings ratio or dividend yield, UK equities appear to be more cheaply valued than the historic average."

Julian Cane, Fund Manager

Review of the UK Stockmarket

The UK stock market made good progress in the year under review to 30 September 2024 with a total return gain in the FTSE All-Share Index of 13.4%. The general background appeared not to be overly conducive to strong investment returns as economic growth in the UK was slow by historic standards, the geopolitical situation was deteriorating and there was considerable political uncertainty, both in the UK and internationally. Yet the UK equity market recorded a stronger than average return.

There are a number of strands of explanation to this apparent contradiction. Arguably the most important elements were that expectations were already low – both for economic growth and improving geopolitics – and that valuations were correspondingly undemanding. As we moved through the year, the UK economy left behind its very mild recession and subsequent growth, although not at a rapid pace, has been ahead of many peers. Political uncertainty was reduced in the UK through an earlier than expected General Election and landslide victory by the Labour Party. The size of the Labour majority has largely been taken as an indicator that the new Government will follow a moderate path without having to pander to the more extreme elements of the party. The UK equity market reached its high point for the year shortly after the election.

Also of great significance during the year was the fall in inflation. It was already firmly on a declining trend having peaked at more than 11% in 2022, but CPI was still at 6.7% at the start of our financial year. The continued reduction, even touching the Bank of England's target rate of 2.0% during the summer, allowed the Bank of England's Monetary Policy Committee sufficient leeway to make monetary policy less restrictive and as a consequence the Official Bank Rate was cut from 5.25% to 5.0% in August 2024 and subsequently reduced to 4.75%. These cuts were taken symbolically as the start of a series of rate reductions.

Individual Stock Performance

Table A on page 10 shows the list of the strongest and weakest share prices in the portfolio over the last year. Of this year's strongest performers, three, Intermediate Capital, CRH and Vistry, were in the same list for the previous year, thus compounding one year's strong performance with another; two, IG and OSB, had been amongst the weakest performers in the previous year, thus rebounding and justifying the decision to continue to back these companies after weaker share price performance. Three of the strongest risers, CRH, Vistry and Ibstock, are in the building or building product industries and therefore were beneficiaries of better than expected economic growth and the expectation that interest rates will be reducing. The strength of the share price in DS Smith was a result of the take-over approaches the company had from both Mondi and International Paper, with a take-over by International Paper eventually being agreed.

The list of the weakest share prices shows the impact of difficult trading and profit warnings for a number of companies. Burberry has struggled with a sharp slow-down in demand for luxury products from China and from its own repositioning in the sector, while Close Brothers has been particularly heavily hit by the FCA's motor finance review. We are confident that both of these companies will recover in time. XP Power has found its end markets disrupted, but in a show of confidence in the business, it was bid for by an industry peer at a level considerably above the current share price. The share price of BP was impacted both by an unscheduled change of senior management and a weak oil price (despite the growing war in the Middle East). Rentokil was a new addition to the portfolio during the year. We knew it was finding trading in the US difficult after having made a substantial acquisition, but we are confident that this will be resolved in time.

Table B, below, shows the ten stocks that made the greatest contribution (both positive and negative) to our performance relative to that of the Index. This analysis builds on Table A as it also takes into account the impact of the size of the investment position in the portfolio as well as the size and performance of every stock included in the Benchmark Index.

Many of the strongest absolute performers also were amongst the strongest contributors to relative performance as their strong share price performances were combined with good weightings within the portfolio relative to the Index; Intermediate Capital and Vistry were in the top three for the second successive year. The benefit of not having invested in Reckitt and Glencore, both large component parts of the Index and weak performers is also clear, as is the positive contribution from not having a full Index weighting in Shell and BP, both of whose share prices were weak.

The list of the negative contributors shows the effect of not owning a number of large companies whose share prices performed well, Rolls-Royce, 3i, Barclays, Lloyds Banking, NatWest and Tesco. We have chosen not to invest in the main UK banks, but in OSB instead, believing that its smaller, more niche operations should be capable of greater growth and better returns, while the company is also valued at a discount to its larger peers.

Table A: Absolute performance of stocks held during the year

10 Strongest share prices	Portfolio Average Weight (%)	Total Return to the Company (%)
Bridgepoint Group	0.4	84.5
DS Smith	1.3	68.4
Intermediate Capital Group	5.5	67.6
CRH	2.8	57.3
IG Group	1.6	51.0
Experian	1.5	48.0
Vistry Group	5.0	43.2
Beazley	3.5	40.3
Ibstock	1.5	34.7
OSB Group	5.2	29.4

10 Weakest share prices	Portfolio Average Weight (%)	Total Return to the Company (%)
Heineken Holding	1.0	-6.7
St. James's Place	0.6	-9.4
Diageo	3.2	-11.6
Burford Capital	3.6	-11.7
Rentokil Initial	0.3	-20.4
BP	2.1	-22.5
FDM Group (Holdings)	0.3	-22.6
XP Power	1.2	-44.2
Close Brothers Group	0.6	-50.8
Burberry Group	0.6	-61.1

Source: Columbia Threadneedle Investments

Table B: Relative to the Benchmark Index

Top 10 Contributors	Portfolio Average Weight (%)	Average Weight Relative to the Index (%)	Total Return to the Company (%)	Contribution To Relative Performance (%)
Intermediate Capital Group	5.5	5.2	67.6	1.9
Vistry Group	5.0	4.8	43.2	1.2
CRH	2.8	2.8	57.3	0.9
Beazley	3.5	3.4	40.3	0.7
OSB Group	5.2	5.1	29.4	0.6
Shell	3.2	-4.3	-3.2	0.6
Reckitt	–	-1.5	–	0.5
BP	2.1	-1.3	-22.5	0.5
Glencore	–	-2.3	–	0.5
DS Smith	1.3	1.1	68.4	0.4

Bottom 10 Contributors	Portfolio Average Weight (%)	Average Weight Relative to the Index (%)	Total Return to the Company (%)	Contribution To Relative Performance (%)
Tesco	–	-0.9	–	-0.2
NatWest Group	–	-0.7	–	-0.2
Lloyds Banking Group	–	-1.4	–	-0.3
Barclays	–	-1.2	–	-0.3
3i Group	–	-1.1	–	-0.4
Burberry Group	0.6	0.4	-61.1	-0.5
Close Brothers Group	0.6	0.6	-50.8	-0.5
XP Power	1.2	1.1	-44.2	-0.7
Burford Capital	3.6	3.6	-11.7	-0.9
Rolls-Royce Holdings	–	-1.3	–	-0.9

Source: Columbia Threadneedle Investments

Portfolio Turnover

All of our investments are made with a long-term perspective in mind. We do not set a particular time frame in which to realise our investments as our aim is to invest in high quality companies that are able to compound returns over many years and drive considerable long-term value. We are not looking for short-term trading opportunities, or where there are only relatively small gaps between a share price and our estimation of a company's fair value. At the outset, it is often difficult to assess when greater value will be realised in an investment, but we are willing to be patient and it is our intention to be stable, supportive shareholders and for our returns to be driven by a combination of share price appreciation, dividends and dividend growth.

Total sales from the portfolio in the year under review were £43.0m and total new investments (excluding share buybacks) were £32.1m. The total number of investee companies in the portfolio remained at 47, as one complete sale, one take-over and a merger of two of our holdings were replaced by three new additions. Compared to average fair value of investments of £354m, the rate of turnover was 11%.

Revenue and Earnings Per Share

Historically, our income receipts have shown reasonably steady progression, but in more recent years that has not been the case. The disruption caused to the economy and companies by COVID-19 is the most obvious cause of part of this. Traditionally, companies were reluctant to reduce or forego their dividends as it was taken as a negative sign for the companies' prospects, but that habit was broken by the pandemic. Arguably, ever since, even though the stressed conditions brought on by the pandemic have long since passed, the strict discipline around progressive dividend payments has weakened for operating companies, even though we know how important this is for many shareholders.

This observation is not meant as a value judgement as it may be better for companies to redirect their cash in different ways, most obviously, companies may assess that they can add more value by investing more in their own business, by acquiring other businesses or by buying back their own shares. This evolution in dividend paying culture does bring about some greater volatility into our dividend receipts from companies, but arguably should add to our own total returns.

The percentage of companies in our portfolio actively buying back their own shares is 46%. There are a couple of reasons behind the growing focus on share buybacks in preference to dividends. First, buybacks can be more opportunistic and flexible: paying a dividend sets up an expectation the same or more will be paid next year; that is not true for share buybacks. Secondly, a company may calculate that its share price does not reflect the proper value of the business and that a purchase of those shares will create more value for shareholders than other investments. Historically, some companies may have paid surplus cash to shareholders in the form of special dividends (irregular payments as opposed to regular dividends) but a combination of taxation and low share prices may have made share buybacks more attractive to companies and shareholders.

For example, looking at the four companies in the portfolio that contributed the greatest proportion of our income in our prior year, dividend payments from OSB to us have decreased as the previous year the company paid a special dividend which was not repeated this year, but the company has been active with a share buyback programme. OSB's ordinary dividend has increased on an annual basis. Our second largest dividend payer was Legal & General; its ordinary dividend has also increased, but more surplus cash is being directed towards a share buyback. Thirdly, Vistry is in the process of refocusing its business activities and is foregoing dividend payments entirely and returning cash to shareholders via share buybacks instead. It is notable that this is a much more common practice amongst US companies. Fourthly, Rio Tinto, the mining company, has explicitly linked its dividend payment to its profitability and although our total dividends for the year from Rio Tinto were higher than the previous year, the latest dividend was lower than its prior year equivalent, showing the inherent volatility that comes from linking dividends to profits that come from commodity-related companies.

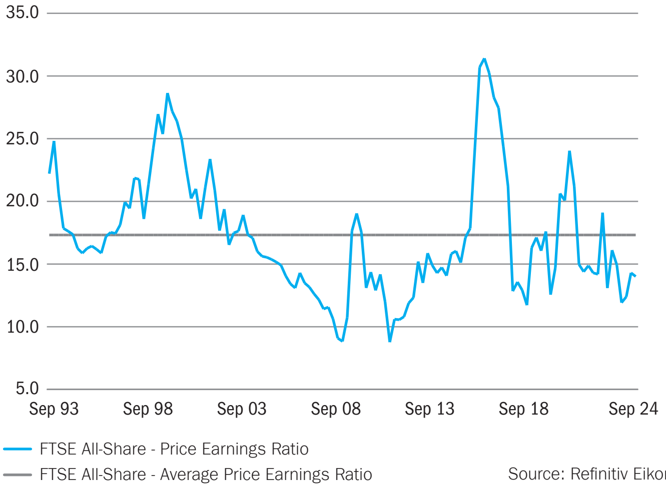
Beyond these factors, last year we also received dividends from Hipgnosis Songs Fund and Round Hill Music Royalty Fund. Both of these companies have been taken over and while we benefited from the rise in the share prices as they were acquired, it also meant that there would be no more income to be received from them.

Valuation

There are very many ways of assessing the valuation of equities and equity markets with a range of attractions and shortcomings. Amongst the most straightforward are the price/earnings (p/e) multiple and the dividend yield. These have the benefit of being easy to calculate and understand, as well as there being a great deal of historic information for comparison. The p/e multiple relates the price of an index (or share) to the earnings that are generated by the index (or share) in a year. In essence, it shows how many years of earnings that the price represents, so all other things being equal a lower p/e is a sign of a cheaper investment. The dividend yield by contrast records the cash dividend received in a year from an investment relative to the price, so a higher dividend yield will be more attractive than a lower yield.

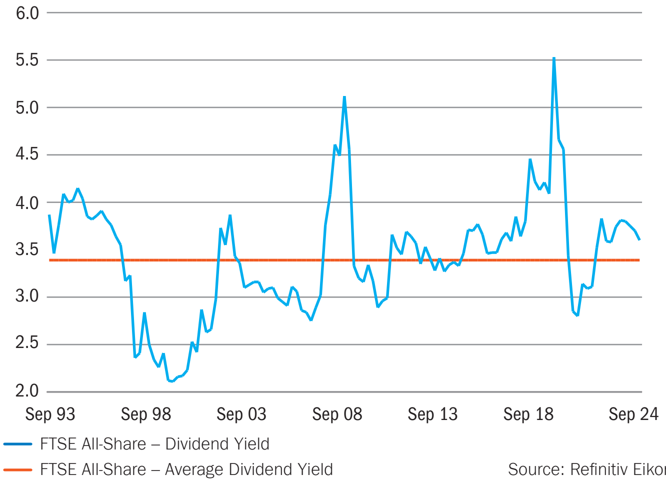
The charts on page 12 show how these two ratios have changed over the last 30 years and in very crude terms it is possible, for example, to see how investment markets were expensive in the run up to 2000 with the Technology, Media and Telecom boom (higher than average p/e and lower than average dividend yield) and how markets became cheap during and after the COVID-19 pandemic with a low p/e and high yield. The ratios are far from perfect measures of value and are backward looking, but the

FTSE All-Share Index – Price/Earnings Ratio (%)



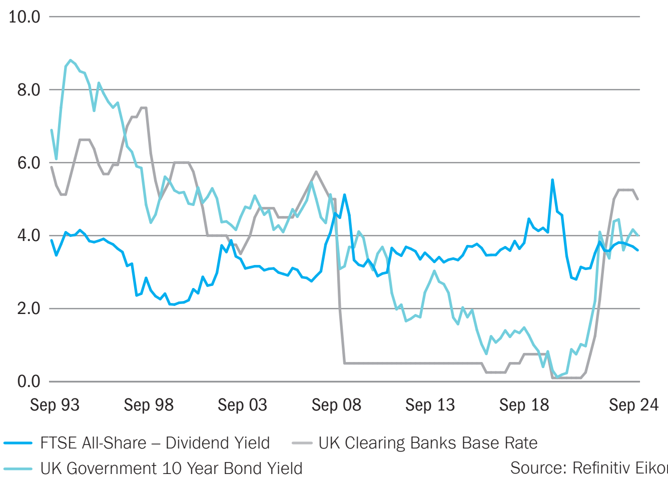
Source: Refinitiv Eikon

FTSE All-Share Index – Dividend Yield (%)



Source: Refinitiv Eikon

Yields from investment assets (%)



Source: Refinitiv Eikon

length of the data series does allow comparison across a number of economic cycles. Whether looking at the p/e ratio or dividend yield, UK equities appear to be more cheaply valued than the historic average, despite the strength of the market over the last two years. This is obviously not sufficient on its own to guarantee further strong investment returns, but it does help to provide some context on the valuation background.

It is also worthwhile comparing the cash return from shares (the dividend yield) with the yields available from some other assets. The bottom chart shows the dividend yield on equities is once again lower than the yields on the 10-year UK government bond and the UK bank base rate. While this may seem less attractive than the last decade, it is entirely consistent with all of the years prior to 2008 when the gap was much greater and equity markets still performed well for many years. It should also be remembered the chart only shows income returns and that over time equity markets have tended to increase in capital value, whereas a bank account will only ever repay the capital sum deposited and a bond will only return its face value at maturity.

Outlook

At its most straightforward, the return to investors from equities can be broken into two parts: the dividend yield and capital change, which itself is made up of changes in both earnings (or some other relevant metric such as asset value) and the valuation multiple (such as price/earnings or price/book value) applied to that metric.

With a dividend yield for the UK equity market of 3.6% and an expectation for a similar rate of earnings growth over the next year, even without a change in rating, returns from the UK stock market could be around 7%. As is described earlier, the valuation multiple for the UK market is not particularly demanding in an historic context, and so there is the possibility that this could improve, which would add further to equity returns. Certainly, a fall in interest rates and bond yields would be supportive of an increase in the rating and would probably also help earnings growth.

All this is, of course, theoretical and hypothetical, but none the less can be a useful way to think of equity returns and hopefully helps to illustrate why an investment in UK equities could be attractive.

Julian Cane
Fund Manager
28 November 2024

The Fund Manager's Investment Philosophy and Process

Q&A with Julian Cane

Julian Cane, Fund Manager

Q Could you outline the Company's investment objective?

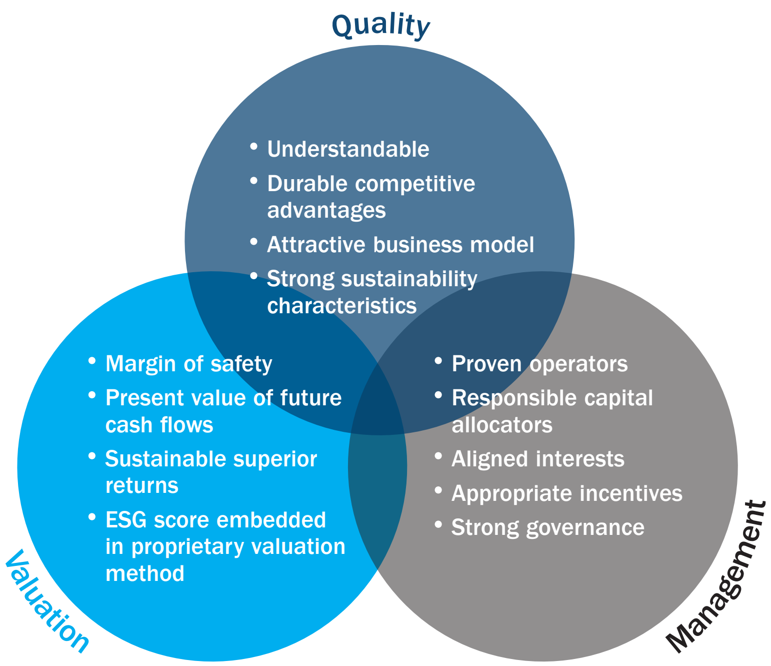
A The Company's objective is to secure long-term capital and income growth from a portfolio consisting mainly of FTSE All-Share companies. The Company aims to offer Shareholders a reliable and growing income while at the same time seeking to grow the size of their investment.

Q What is your investment philosophy?

A I have managed the Company for over 27 years. Throughout that period, my colleagues and I have been searching out the very best of the UK's large and medium sized businesses to give Shareholders access to a range of quality UK stocks in one place. We believe share prices often don't fully reflect the future prospects and returns of companies. We believe it is possible to identify significant differences between market prices and our assessment of a business's value.

By investing in such companies at attractive prices, superior investment performance can be generated. In particular, we believe that companies with the potential to compound returns at sustainably high rates over many years are frequently underestimated by the market initially and are therefore undervalued. The valuations of companies can also become attractive because of adverse market reaction to short term difficulties or simply because a sector has become unfashionable. If companies are able to generate attractive returns over long periods, there is evidence the market eventually rewards this success with higher valuations.

The Investment Process Focuses on Three Aspects for Each Company



Q What are the outcomes of this philosophy?

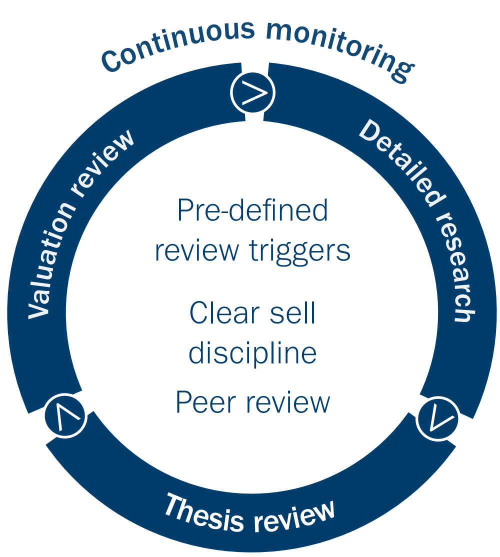
A We believe that this philosophy leads naturally to long term investment thinking and the generation and preservation of value over the longer term. We are not looking to trade shares, nor are we making short term bets on market movements, but instead are looking to the longer term. Over time, we expect high corporate returns to drive an increase in the value of a business and that in turn the share price will benefit as the market recognises the level and sustainability of those returns.

As shareholders, we are part owners of businesses, and take our responsibilities seriously, engaging with the company's management and non-executives if necessary, and voting on all resolutions at company meetings.

Q What is your approach to risk?

A Risk is often seen as the flipside of return. The standard economic and business academic approach to risk measures it in terms of volatility. Sharp upward moves in share prices are seen as just as "risky" as an equivalent downward move, but we recognise this asymmetry doesn't make practical sense as the result of losing money on falling share prices is much more consequential than if a share price rises. By investing in companies with attractive returns and relatively little debt, we should be able to reduce the risk of a permanent loss of capital.

Implementation of the Investment Process



Q What research is undertaken prior to an investment purchase

A We carry out detailed analysis of all the companies in which we invest, looking in particular at three aspects: the Quality of the company including the sustainability of its competitive position; its Management including its alignment with Shareholders; and the Valuation of the shares. Integral to our assessment of these factors is an analysis of the ESG issues that face the company and its responses to them. More detail on this is given on pages 24 to 27. Our valuation approach is pragmatic enough to apply the most relevant valuation method on a company by company and sector by sector basis, while recognising that in the long-term, cash flows are most often the strongest driver of value. Before buying, we assess whether the share price is low relative to the intrinsic value of the business as we are looking to achieve a margin of safety on the investment.

Our research is conducted in-house and is peer reviewed by the wider investment team prior to any purchase decision. This ensures the benefit of shared knowledge and experience is brought to bear on each investment.

Q How is an investment monitored after purchase?

A Subsequent to a purchase of the shares, the progress of the company and its share price will then be monitored regularly with in-depth reviews and retesting of the original investment thesis particularly if the company or its share price do not perform as initially expected.

Like all investors, we are having to make assessments about the future and take decisions in the face of uncertainty. There is a real possibility of being wrong. We believe that we can mitigate this risk by following this long-term philosophy, emphasising a number of factors: thorough analysis; peer review; the need for a margin of safety on purchase; continuous monitoring; and diversification of the investment portfolio.

Reasons to sell can be driven by positive or negative factors: positive, if the value of the company has risen to our assessment of its value, or negative, if the assessment of the company's long-term value deteriorates significantly. An investment may also be sold if, for example, a similar, but cheaper alternative can be found or if the size of the investment position has become larger than is preferred for risk purposes.

Julian Cane
Fund Manager
28 November 2024

Purpose, Strategy and Business Model

Purpose and strategy

The purpose of CT UK Capital and Income Investment Trust (the **"Company"**) is to provide investors with long term capital and income growth.

The strategy is to invest in companies, mainly in the FTSE All-Share Index, that have good long term prospects with attractive returns on invested capital.

The investment philosophy and processes underpinning this strategy are set out on pages 13 and 14.

The aim is to position the Company as a compelling investment choice, particularly for retail investors.

Business model

CT UK Capital and Income Investment Trust PLC is a listed, closed-end investment company, known as an investment trust.

The Company's Board of non-executive Directors looks after the interests of Shareholders. It has the responsibility for decisions on strategy, corporate governance, risk and control assessment, setting policies as detailed on pages 33 to 35, setting limits on gearing and asset allocation, monitoring investment performance and setting and monitoring marketing budgets.

Within these policies the management of the Company's assets, including asset allocation, gearing, stock selection and portfolio risk has been contractually delegated to Columbia Threadneedle Investment Business Limited (the **"Manager"**).

As an investment trust, the Company does not need to sell investments to meet redemptions. This allows the Company to take a longer term view and to remain invested whatever the market conditions.

Having the ability to borrow to invest is also a significant advantage over a number of other investment fund structures. Borrowing allows the Company to have more resources to invest on behalf of its Shareholders.

Alignment of values and culture

In addition to strong investment performance from the Manager, the Board expects it to adhere to the very highest standards of responsible investing and that its values, culture, expectations and aspirations align with its own. As an original signatory to the United Nations Principles for Responsible Investment (**"UNPRI"**), the Manager has achieved the maximum rating of A+ for key areas of its responsible investment approach and active ownership in listed equities.

The Board considers the Manager's culture and values as part of the annual assessment of its performance and in determining whether its reappointment is in the interests of Shareholders. As part of Columbia Threadneedle Investments, the Manager can be expected to continue its long established culture of diversity, collaboration and inclusion, all of which are anchored by shared values, in keeping with the Board's own expectations and beliefs.

Responsible investment impact

The Company's ESG approach is set out on page 24 and helps deliver sustainable investment performance over the longer term.

The direct carbon impact of the Company's activities is minimal as it has no employees, premises, physical assets or operations either as a producer or a provider of goods or services, while its Shareholders are effectively its customers. In consequence, it does not directly generate any greenhouse gas or other emissions or pollution. The Company's indirect impact occurs through the investments that it makes and this is mitigated by the Manager's responsible investment approach as explained on pages 24 to 27.

Manager evaluation

Investment performance and responsible ownership are fundamental to delivering sustainable long term growth in capital and income for Shareholders and the Board therefore exercises a robust annual evaluation of the Manager's performance.

The process for the evaluation for the year under review and the basis on which the decision to reappoint the Manager for another year are set out on page 53.

Fund Manager and management of the assets

As Fund Manager on behalf of the Manager, Julian Cane is responsible for developing and implementing the Company's investment strategy with the Board and for the day-to-day management of the portfolio. He is supported in carrying out research and in the selection of stocks by a team of investment professionals.

Managing risks and opportunities

Like all businesses, investment opportunities do not come without risks and uncertainties and so the performance of the Manager is monitored at each Board meeting on a number of levels. In addition to managing the Company's assets, the ancillary functions of administration, secretarial, accounting and marketing services are all carried out by the Manager. The Board receives reports on the investment portfolio; the wider portfolio structure; risks; compliance with borrowing covenants; income, dividend and expense forecasts; any errors; internal control procedures; marketing; Shareholder and other stakeholder issues, including the Company's share price premium or discount to NAV; and accounting and regulatory updates.

Shareholders can assess the financial performance from the Key Performance Indicators that are set out on page 17 and, on page 28, can see what the Directors consider to be the Principal Risks that the Company faces. In addition to regularly monitoring the Manager's performance, its commitment and available resources and its systems and controls, the Directors also review the services provided by other principal suppliers. These include JP Morgan Chase Bank, (the **"Custodian"**) and JP Morgan Europe Limited (the **"Depositary"**) in their duties towards the safeguarding of the assets.

The principal policies that support the strategy are set out from page 33, whilst the Fund Manager's Review of activity in the year begins on page 9. In light of the strategy, investment processes and control environment (relating to both the oversight of the Company's service providers and the effectiveness of the risk mitigation activities), the Board has set out on page 38 its reasonable expectation that the Company will continue in operation and meet its liabilities over the coming five years.

Marketing

With approximately 91% of the shares held by retail investors and with share saving schemes and platforms representing an increasingly significant and growing element of the Shareholder base, the Board remains focused with the Manager on promoting the Company's success to this audience.

Both current and potential investors have access to an increasing number of digital marketing channels. In recent years, therefore, the Company has responded by increasing its presence across a wider range of digital channels with a focus on engaging and informative content.

In addition, the Company continues to participate in webinars and investment events.

Communication with Shareholders

Communication with Shareholders includes reporting the Company's activities and performance through the publication of its financial statements. The vast majority of Shareholders and CT Savings Plan investors prefer not to receive such detailed information. To avoid losing this essential line of communication, we instead make available a short notification summary of the main highlights of our half yearly and annual results. Shareholders and CT Savings Plan investors are able to locate the full information on our website, ctcapitalandincome.co.uk.

The Annual General Meeting (**"AGM"**) of the Company provides a forum, both formal and informal, for Shareholders to meet and discuss issues with the Directors and the Fund Manager. Through the Manager, the Company ensures that the CT Savings Plan investors are encouraged to attend and vote at AGMs alongside those who hold their shares as members on the main Shareholder register. Details of the proxy voting results on each resolution are published on the Company's website where there is also a link to the daily publication of our NAV and our monthly factsheet.

The Company holds a five yearly continuation vote. At the AGM held on 9 March 2023, Shareholders voted 99.5% in favour of the continuation of the Company. In advance of the vote, during 2022, the Board surveyed investors who held the Company's shares within the CT Savings Plans. Common themes amongst responses included the importance of performance, dividend growth, low fees and the reputation of the Manager. The next continuation vote is scheduled to be held in 2028.

The Company's next AGM will be held at 12.30pm on 6 March 2025 at Cannon Place, 78 Cannon Street, London, EC4N 6AG.

The Manager also has in place a programme of visits designed to foster good relations with wealth managers and underlying investors in promoting the Company's investment proposition. These visits are reported regularly to the Board. The Chair and Senior Independent Director are available to meet with major investors on request.

Key Performance Indicators

The Board assesses its performance in meeting the Company's objective against the following key measures. Commentary can be found in the Chair's Statement and Fund Manager's Review.

Total return performance

	1 Year %	3 Years %	5 Years %	10 Years %	
NAV per share (1)	18.4	16.4	26.6	98.7	This is used to measure the performance of the Manager in terms of Capital and Income growth by comparison to the return of the benchmark index.
Benchmark index: FTSE All-Share	13.4	23.9	32.2	83.6	
Share Price (1)	16.6	15.8	24.9	88.8	This is used to measure the return to Shareholders in terms of capital growth and the dividends they have received in comparison to the return of the benchmark index.

Source: Columbia Threadneedle Investment Business Limited and Refinitiv Eikon

Compound annual dividend growth

	1 Year %	3 Years %	5 Years %	10 Years %	
Company dividend	2.9	2.5	1.9	2.4	This shows the Company's dividend growth which is compared to the changes in the UK Consumer Price Index ("CPI") and the average dividend paid by the broad UK stock market, as represented by the FTSE All-Share Index.
Inflation (CPI)	1.7	6.1	4.3	3.0	
FTSE All-Share Index - implied dividend	3.3	8.4	-1.0	3.2	

Source: Columbia Threadneedle Investment Business Limited, Refinitiv Eikon and Office of National Statistics

Share price (discount)/premium to NAV per share as at 30 September

	2024 %	2023 %	2022 %	
(Discount)/premium (1)	(2.9)	(1.2)	0.8	This is the difference between the share price and the NAV per share. It is an indicator of excess supply over demand in the case of a discount and the excess demand over supply in the case of a premium.
Average discount to NAV during the year (1)	(3.8)	(3.1)	(1.8)	

Source: Columbia Threadneedle Investment Business Limited

Ongoing charges as at 30 September

	2024 %	2023 %	2022 %	
Ongoing charges (1)	0.67	0.66	0.59	This shows whether the Company is being run efficiently. It measures the running costs as a percentage of the average net assets.

Source: Columbia Threadneedle Investment Business Limited

(1) See Alternative Performance Measures on pages 91 and 92 for explanation.

Twenty Largest Holdings

2024	2023		2024 % of total investments	2024 Value £'000s	2023 Value £'000s
1	5	**Intermediate Capital** (Financials) A specialist lender to private companies both on its own behalf and increasingly for third-party investors. It has been generating good returns despite the difficult conditions and has great long-term potential to grow the business further.	6.1	22,705	14,107
2	1	**AstraZeneca** (Health Care) A major international pharmaceutical company. Its pipeline of new drugs across a range of different therapeutic areas is proving successful and producing strong growth now with more potential further out.	5.5	20,507	19,647
3	6	**Unilever** (Consumer Staples) A leading manufacturer of branded fast-moving consumer goods with more than half of its sales in emerging markets which have greater growth potential. New management is trying to reinvigorate the group and rebalance the mix of goods it produces.	5.1	18,868	13,809
4	2	**Vistry Group** (Consumer Discretionary) The company will be refocusing itself on its partnership operations, where it builds new homes in conjunction with others, such as local authorities, housing associations and Homes England. This should make the business less exposed to the economic cycle than traditional housebuilders.	4.8	17,990	16,872
5	21	**LondonMetric Property** (Real Estate) This Real Estate Investment Trust owns a desirable and differentiated portfolio of properties. It has a particular focus on delivering reliable and growing income-led total returns.	4.8	17,833	5,883
6	4	**OSB Group** (Financials) This specialist challenger bank generates good returns and has grown well at carefully controlled risk levels. The company has found progress more problematic in a rising interest rate environment, but we believe the impact on longer-term results should be very limited.	4.7	17,496	14,733
7	3	**RELX** (Consumer Discretionary) RELX is a global provider of information-based analytics and decision tools for professional and business customers across a range of industries. It also has a leading global events business. It generates high returns which we expect will improve further.	4.6	17,194	14,985
8	12	**Beazley** (Financials) A specialist insurer with a diverse underwriting portfolio that has historically generated good returns and growth. It has become increasingly recognised for the strength of its cyber insurance operations, which complement its other underwriting activities.	4.1	15,220	11,060
9	9	**Rio Tinto** (Basic Materials) One of the world's foremost mining companies. It has a diversified asset base, but its most significant interests are in low-cost, high-quality iron ore. It is our only current exposure to the mining sector.	3.6	13,245	12,935
10	10	**Legal and General** (Financials) A focus on generating a strong and growing cash flow allows this UK life assurer to pay an attractive dividend and have a regular share buyback, which together make the total returns generated by the company attractive.	3.3	12,215	12,015

Overview
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Other Information

2024	2023		2024 % of total investments	2024 Value £'000s	2023 Value £'000s
11	22	**National Grid** (Utilities) An internationally diversified utility company, fairly evenly balanced between the different regulatory regimes of the UK and US with most of its operations owning and operating electricity transmission facilities and distribution networks. Increasing electrification, both in terms of use and generation of power, should increase its growth rate.	3.3	12,073	5,782
12	8	**Burford Capital** (Financials)* Burford is the leading international provider of litigation funding, using both its own financial resources and investing third-party capital. It is a fast evolving and growing market with attractive returns for those able to navigate its complexities well.	3.1	11,531	13,180
13	16	**CRH** (Industrials) CRH manufactures and supplies a wide range of building materials, used across the range from public infrastructure projects to residential homes. It operates in more than 30 countries, with the US accounting for over half of sales.	3.0	11,250	8,176
14	11	**Shell** (Energy) A leading international oil exploration, production and marketing group. A new management team is looking to reinvigorate the group and total returns to shareholders, combining the dividend and share buyback, should be attractive, but inevitably are sensitive to the commoditised oil price.	2.8	10,306	11,076
15	7	**Diageo** (Consumer Staples) The largest producer of premium branded spirits in the world and also a major brewer. The strength of the brands and substantial exposure to markets with greater growth potential should lead to attractive returns.	2.6	9,761	13,198
16	17	**GSK** (Health Care) After many years of lacklustre performance, current management is under significant pressure to reinvigorate the business. The demerger of the health care business (Haleon) focuses more attention on the pharmaceutical and vaccine businesses.	2.2	8,265	8,130
17	18	**Phoenix** (Financials) A UK domestic life assurer growing both by taking on new customers and through taking part in consolidation of the sector. Increased scale drives operational and capital efficiencies as well as diversification benefits that underpin an attractive dividend.	2.2	8,048	6,941
18	19	**Howden Joinery** (Consumer Discretionary) This business designs, manufactures and sells fitted kitchens, mostly in the UK. Its integrated value chain and efficiency make it a high returning business with the potential to grow and improve returns further.	2.0	7,347	6,775
19	13	**Compass** (Consumer Discretionary) Compass is the global leader in outsourced catering. A structural shift towards more outsourcing was disrupted by the pandemic, but good rates of growth have returned. It has unrivalled scale helping it to offer its clients great value.	1.9	7,183	9,400
20	27	**IG** (Financials) IG is a global leader in online trading and investments and is a beneficiary of market volatility, which typically drives an increase in active clients and revenue. The business has become more diversified following its acquisition of tastytrade in the US.	1.8	6,808	4,758

The value of the twenty largest holdings represents 71.5% (30 September 2023: 68.5%) of the Company's total investments.

*Quoted on the Alternative Investment Market in the UK.

Investment Portfolio by Sector

	Performance of this sector in the portfolio %	Performance of this sector in the FTSE All-Share Index %	Average Portfolio weighting %	Average FTSE All-Share weighting %	Impact on relative performance %
Energy At over 11%, this is a significant component of the FTSE All-Share Index, with BP (-22.5%) and Shell (-3.2%) representing nearly all of this industry segment. Against a background of a modestly weaker oil price (during the year the price of a barrel of Brent Crude Oil fell from around $82 to under $72), the share prices of these companies fell. This is in contrast to the previous year, when the oil price, and the share prices, rose. This underscores why our investment weight in the sector and these companies is less than that of the Index, as it is clear that the oil price itself, and therefore ultimately the returns that are earned by the industry, are fairly unpredictable. Added to this, governments have repeatedly shown a willingness to interfere in the industry and it is not clear how the companies will transition more of their existing operations to a zero-carbon future. Nonetheless, there are attractions to the industry as it has strong cashflow and being very mature it has limited opportunities to invest and hence returns to shareholders are relatively high via dividends and share buybacks.	-11.6	-9.9	5.3	11.1	+1.2
Basic Materials Rio Tinto (+9.6%) is our only investment in this industry. It has some of the highest quality mining assets amongst its peer group and we believe that over the long-term and across commodity price cycles these should provide attractive returns and superior performance.	+9.6	+4.5	3.7	7.0	+0.5
Industrials There were a number of our investments in this industry which performed strongly, either through a combination of good operational performance and change in rating (such as CRH, the building material supplier (+57.3%) and Ibstock, the brick manufacturer (+34.7%)), or take-over (DS Smith (+68.4%) is being acquired by International Paper). This led to our performance in this sector to be good, but as a result of not owning Rolls Royce (+138.7%), it was not as strong as that of the sector as a whole.	+23.8	+28.5	13.5	11.8	-0.2
Consumer Staples The share price of Unilever (+23.4%) was strong as the company appears to be starting to reverse the sluggish operational performance of the recent past, and Coca-Cola HBC (+22.0%) also picked up performance as its sales in emerging markets were robust. Diageo (-11.6%) was again disappointing as its operational issues have continued.	+9.2	+11.0	10.5	13.9	-0.1

	Performance of this sector in the portfolio %	Performance of this sector in the FTSE All-Share Index %	Average Portfolio weighting %	Average FTSE All-Share weighting %	Impact on relative performance %
Health Care The pharmaceutical companies AstraZeneca (+6.7%) and GSK (+5.5%) which are long-standing investments in the portfolio, both had relatively lacklustre performance over the year. Our newer investment in Smith & Nephew, which struggled the previous year, showed some better signs of recovery and rose by 16.7%.	+7.9	+7.2	9.5	11.7	+0.2
Consumer Discretionary A diverse range of businesses, including retail, travel, media and housebuilding, are grouped together in this one industry heading. The backdrop of an economy improving and growing faster than initially forecast and inflation falling, leading to the expectation of falling interest rates, was supportive for many of the companies in this sector. Amongst them was Vistry, the housebuilder (+43.2%) and Howden Joinery (+26.4%), both of which had also performed well the previous year. Relx (+28.7%), the media business, has proven itself to be a strong performer almost regardless of the background, and made further gains. The biggest detractor from performance in this group was Burberry (-61.1%). Much of the company's problems stem from a more difficult environment in which to sell luxury goods, but recent management change will look to reinvigorate more internal factors.	+24.2	+18.9	17.2	12.0	+1.1
Telecommunications Returns in this industry have been disappointing for most companies for a long time as there has historically been little pricing power or differentiation of product/service, while required investment has been substantial. All of this has led us to be sceptical of investments in the telecommunications industry, but we do recognise that demand for mobile, fixed and internet services is likely to remain strong.	–	+16.9	0.0	1.2	-0.0
Utilities The growing electrification of the UK requires considerably more investment in infrastructure for generating assets and for transmission. In response, National Grid (+21.5%) launched a rights issue during the year, which we fully supported, also sub-underwriting the deal. The background was also supportive for SSE (+20.9%), while Pennon (+8.2%), the water company, recovered somewhat helped by OFWAT's draft determination on allowable returns.	+19.6	+17.0	4.6	3.6	+0.2

	Performance of this sector in the portfolio %	Performance of this sector in the FTSE All-Share Index %	Average Portfolio weighting %	Average FTSE All-Share weighting %	Impact on relative performance %
Financials There were a number of strong performers among our investments in this industry grouping. The most significant individual contributor to portfolio performance was Intermediate Capital (+67.6%) following strong growth in its asset management operations. Beazley (+40.3%) benefited from growth and good returns in its insurance business while OSB (+29.4%) recovered from its profit warning the previous year, which had been brought on by rising interest rates. The portfolio does not have any investments in the High Street banks, which performed well last year, but it did benefit from the take-over of Hipgnosis Songs Group (+27.2%).	+24.4	+21.3	28.7	23.8	+1.2
Technology Sage Group is our only investment in this industry. Its share price performance (+5.5%) was disappointing, but a consequence of derating rather than weaker operating performance.	+5.5	+19.0	1.0	1.3	-0.1
Real Estate Expectations of falling interest rates and improving economic activity were positive for this industry. We started the year with three investments, but two merged, leaving us with two at our year end. Performance of all three was strong with LXi (+14.8% until merger), LondonMetric (+25.9%) and Sirius Real Estate (+19.8%).	+26.5	+22.8	6.0	2.6	+0.4

The figures shown in the first two columns compare the total return of the group of investments held within the portfolio in each Industry sector against the total return of all Industry sector constituents of the FTSE All-Share Index over the year to 30 September 2024. All figures shown are before operating costs and the effect of gearing.

List of Investments

Quoted investments	Holding	Value £'000s	% of total investments
		30 September 2024	
UNITED KINGDOM – EQUITIES			
AstraZeneca	177,000	20,507	5.5
Babcock International	500,000	2,363	0.6
Beazley	2,000,000	15,220	4.1
BP	1,600,000	6,266	1.7
Bridgepoint	500,000	1,719	0.5
British American Tobacco	180,000	4,903	1.3
Burberry	185,000	1,297	0.3
Burford Capital*	1,165,362	11,531	3.1
Close Brothers Group	351,474	1,446	0.4
Coca-Cola HBC	120,000	3,194	0.9
Compass	300,022	7,183	1.9
Diageo	375,000	9,761	2.6
DS Smith	1,272,727	5,878	1.6
Experian	156,000	6,132	1.7
FDM	226,881	872	0.2
Ferguson Enterprises	35,000	5,145	1.4
Forterra	2,550,000	4,437	1.2
GSK	545,000	8,265	2.2
Howden Joinery	810,000	7,347	2.0
Ibstock	3,400,000	6,317	1.7
IG	740,000	6,808	1.8
Intermediate Capital	1,020,000	22,705	6.1
Intertek	100,000	5,155	1.4
Legal and General	5,400,000	12,215	3.3
LondonMetric Property	8,715,874	17,833	4.8
M&G	1,100,000	2,280	0.6
National Grid	1,172,083	12,073	3.3
OSB Group	4,500,000	17,496	4.7
Pearson	500,000	5,065	1.4
Pennon Group	735,000	4,348	1.2
Phoenix	1,439,776	8,048	2.2
RELX	490,000	17,194	4.6
Rentokil	1,100,000	4,008	1.1
Rio Tinto	250,000	13,245	3.6
Sage	332,716	3,407	0.9
Shell	425,000	10,306	2.8
Sirius Real Estate	5,087,015	4,960	1.3
Smith & Nephew	500,000	5,788	1.6
SSE	210,000	3,954	1.1
SSP	1,815,689	2,891	0.8
St James's Place	350,000	2,567	0.7
Unilever	390,000	18,868	5.1
Vistry Group	1,377,475	17,990	4.8
WPP	480,000	3,663	1.0
XP Power	331,781	4,366	1.2
UNITED KINGDOM TOTAL EQUITIES		357,016	96.3

Quoted investments	Holding	Value £'000s	% of total investments
		30 September 2024	
OVERSEAS – EQUITIES			
CRH	165,000	11,250	3.0
Heineken	48,000	2,702	0.7
OVERSEAS TOTAL EQUITY		13,952	3.7
TOTAL INVESTMENTS		**370,968**	**100.0**

The number of investments in the portfolio is 47 (2023: 47).

*Quoted on the Alternative Investment Market in the UK.

Investments shown in italics are new additions to the portfolio during the year.

Our Approach to Responsible Investment

As stewards of £344 million of assets, we support investing responsibly. The Company benefits from the Manager's approach in this field and its £501 billion of assets under management.

Responsible investment

The Company is not an investment trust with explicit ESG or sustainable characteristics. However, we, the Board, believe investing responsibly is fundamental to long-term wealth creation. As part of its overall risk management process, the Manager integrates the consideration of financially material environmental, social and governance factors into its research and investment process and encourages stronger ESG practices to be adopted by issuers through its engagement and voting activities.

Our approach

We also believe that good financial outcomes are more likely to be achieved if the Manager fully understands the risks and opportunities that relate to the markets in which the Company invests.

The Manager shares this belief and considers that the review of financially material ESG factors can provide an important perspective to its investment research. Consideration of these factors could affect an investment's valuation by helping assess future investment risk and also unlock potential new investment opportunities.

There are two strands to the Board's approach to responsible investment:

- the Company's own responsibilities on matters such as governance; and
- ESG integration, engagement and proxy voting made on the Company's behalf by its Manager.

The Company's compliance with the AIC Code of Corporate Governance is detailed in the Corporate Governance Statement on pages 42 to 44. In addition, the Policy Summary statement on pages 33 to 35 includes the Company's policies towards Board diversity and inclusion, integrity and business ethics and the Modern Slavery Act 2015.

We recognise that the most material way in which the Company can have an impact is through active ownership of its investments. The Manager engages in dialogue, including around ESG factors, with the management of investee companies on behalf of the Company as an integral part of its approach to research and investment, and as stewards of client capital.

The Manager is a signatory to the United Nations Principles for Responsible Investment (**"UNPRI"**) under which signatories contribute to the development of a more sustainable global financial system. As a signatory, the Manager aims to incorporate the consideration of financially material ESG factors into its investment processes.

Active ownership

The Manager engages with the management of investee companies on ESG factors that could have a material impact on their businesses and, where necessary, encourages improvement in management practices that it believes could help drive financial returns. The Manager's active ownership activities are supported by its policies on corporate governance, proxy voting and engagement. These policies support and inform the Manager's engagement and voting activities on behalf of its clients and are available on its website.

ESG and the investment process

During 2023, as part of the integration of the Manager's business with Columbia Threadneedle Investments, the Manager undertook an extensive project to join all investment teams together on a single Order Management System (**"OMS"**). This was completed in October 2023 and, through the combined OMS, helped to expand the availability of the Manager's ESG integration tools.

These tools use data from many sources to enhance and inform the integration of ESG considerations into investment research, portfolio construction and risk monitoring, by giving a clear picture of the ESG considerations that are financially relevant to different investment opportunities.

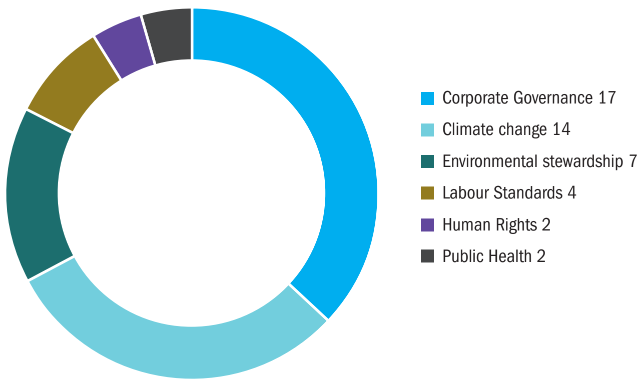
Key tools include:

- ESG materiality ratings;
- Sustainable Development Goals mapping tool;
- Net Zero Framework;
- Good governance model;
- Exclusions framework; and
- Controversy rating.

These tools are a starting point for the Manager's ESG assessment. The Fund Manager will co-ordinate with a responsible investment analyst to ensure that those reviewing opportunities for the Company are well informed in relation to the ESG aspects of the potential investment. Specialism within the team of responsible investment analysts allows the Fund Manager to liaise with those who understand the key ESG issues relating to a particular sector.

Engagement

Issues raised with companies on engagement



Source: Columbia Threadneedle Investments

In the year under review, the Manager engaged with 16 investee companies held by the Company on the range of ESG topics above.

Corporate governance was a key engagement topic, including discussions around board ESG oversight, remuneration and effectiveness. Engagement on climate change typically focused on companies' net zero strategies, as well as energy transition and emissions' management.

The Manager records Milestones where companies make tangible improvement in their policies and practices in alignment with the Manager's engagement objectives. Milestones are recorded using a three-star rating system: one star is awarded for a smaller change to ESG practices; two stars are awarded for meaningful updates and changes to ESG practices; and three stars are awarded for material changes of significant ESG importance. Three Milestones were recorded for investee companies held by the Company during the reporting period. These are disclosed on the following page.

Examples in the reporting period

GSK

Since 2011, GSK's albendazole donation programme, carried out in partnership with the World Health Organisation, has been targeted at controlling soil-transmitted helminthiasis (infestation with one or more intestinal parasitic roundworms) in at-risk populations.
According to the World Health Organization, soil-transmitted helminth infections are among the most common infections worldwide and affect the poorest and most deprived communities.
The Manager engaged the company, together with other investors on the recommendations laid out in the 2021 Access to Medicine Index. The company has now extended the donation program to include pre-school aged children as an additional at-risk group and expanded its public commitment to donating until 2025.
★★

National Grid

National Grid has disclosed a detailed and robust review of its trade associations, including an overview of its lobbying efforts on climate. As a company with highly regulated business activities, regulation is a key lever to delivering on their climate strategy. As such, its lobbying efforts are an important part of its climate strategy. The Manager had engaged with the company through Climate Action 100+, seeking this disclosure. ★★

Unilever

Following significant opposition to the remuneration report at the company's AGM, Unilever paused salary increases for the new CEO for the next two years to bring the level back to market expectations. The Manager abstained on the remuneration report as the new CEO was receiving a salary level significantly higher than his predecessor. This will ensure that remuneration levels are not excessive given he has only recently taken on the role. ★★

Key: As discussed on page 25, stars represent positive outcomes from engagement with three stars being the highest based on the Manager's assessment of the change.

Voting on portfolio investments

The Manager's Corporate Governance Guidelines set out expectations of the management of investee companies in terms of good corporate governance. The Board expects to be informed by the Manager of any sensitive voting issues involving the Company's investments. In the absence of explicit instructions from the Board, the Manager has been empowered to exercise discretion in the use of the Company's voting rights and reports at each meeting to the Board on its voting record. The Manager will vote on all investee company resolutions.

The Manager is a signatory to the UK Stewardship Code 2020 and, as required by the Financial Reporting Council, has reported on how it has applied the Code in its Stewardship Report 2023. This report is available at www.columbiathreadneedle.com.

We expect the Company's shares to be voted on all holdings where possible. During the year, the Manager voted at 58 meetings of investee companies held by the Company. The Manager did not support management's recommendations on at least one resolution at approximately 28% of all meetings. With respect to all items voted, the Manager supported over 98% of all management resolutions. Director elections were the most common reason for a vote against management, followed by compensation.

Examples of votes against management

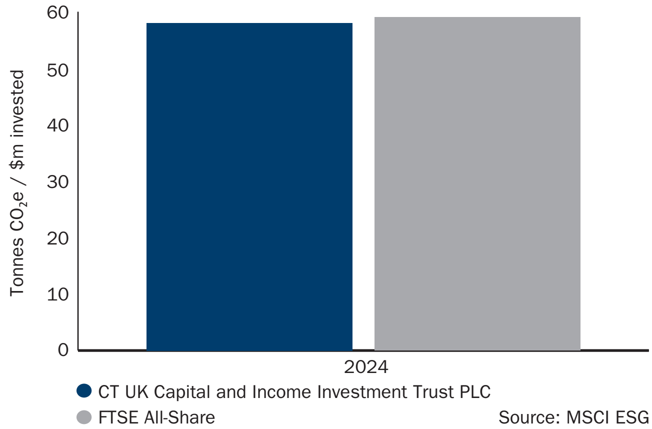
- The Manager voted against certain director election proposals at Hipgnosis Songs Fund, a music IP investment and song management company, owing to concerns around governance and oversight.
- The Manager voted against a director election proposal at Coca-Cola HBC on the basis that the company should appoint a woman to at least one senior board position, in line with the FCA diversity guidelines for listed companies.
- The Manager voted against the proposal to approve Diageo's remuneration report due to concerns with link between pay and performance.

Climate change

The Manager recognises the importance of managing climate-related risks and opportunities effectively to protect long-term investment returns.

In June 2024, the Manager published its updated Climate Report, detailing how it manages climate-related risks and opportunities, in line with the recommendations of the Taskforce on Climate-Related Financial Disclosures (**"TCFD"**).

In the following table is the Company's carbon footprint (Scope 1 and 2) of its investments. This reflects the total carbon emissions for the Company's portfolio as at 30 September 2024 expressed in terms of tonnes of CO2 emitted per $million invested. This is compared with the Benchmark's carbon footprint. The data highlights that the portfolio's carbon footprint is very similar to that of the Benchmark.



Building materials company, CRH, was the largest contributor to the Company's carbon footprint. The Manager's engagement with CRH in June 2024 indicated that although CRH recognised carbon emissions as a key ESG issue, it lagged its peers in committing to clear carbon capture and storage (**"CCS"**) timelines. This was despite a recognition by its management that this was a crucial element for cement decarbonisation.

As investor dialogue focuses upon CRH's 2030+ decarbonisation roadmap, the Manager notes that more ambitious targets and transparency on areas like CCS costs, low-carbon product specifics, and Scope 3 emissions would be welcomed. On carbon accounting, CRH state there is significant headroom for all the cash-generating units they have impairment tested on a carbon scenario, but the Manager considers that they do not disclose sufficient detail on the assumptions included in this analysis, which leaves the Manager unable to fully understand the forward-looking carbon transition risk.

Overall, the Manager has engaged with seven of the portfolio's top ten carbon footprint contributors on climate change.

Principal Risks and Future Prospects

The Board has carried out a robust assessment of the Company's principal and emerging risks and the disclosures in the Annual Report that describe the principal risks, the procedures in place to identify emerging risks and explain how they are being managed or mitigated.

The principal risks together with their mitigations are set out in the following table. The Board's processes for monitoring them and identifying emerging risks are set out on page 51 and in note 21 to the accounts. The global economy continues to suffer considerable disruption due to the effects of the war in Ukraine, events in the Middle East and the after-effects of a high inflation environment.

The Directors continue to review the key risk register for the Company which identifies the risks that the Company is exposed to, the controls in place and the actions being taken to mitigate them.

The principal risks identified as most relevant to the assessment of the Company's future prospects and viability are detailed in the following table.

Emerging risks represent new information which could significantly change how an existing risk is perceived, but where the impact or likelihood remains uncertain.

Future Prospects

Through a series of connected stress tests ranging from moderate to extreme scenarios and based on historical information, but forward looking over the five years commencing 1 October 2024, the Board assessed the risks of :

- potential illiquidity of the Company's portfolio;
- the effects of any substantial future falls in investment values and income receipts on the ability to repay and renegotiate borrowings;
- potential breaches of loan covenants, the maintenance of dividend payments and retention of investors; and
- the potential need for extensive share buybacks in the event of share price volatility and a move to a wide discount.

The Board also took into consideration the perceived viability of its principal service providers, potential effects of anticipated regulatory changes and the potential threat from competition. The Board's conclusions are set out under the Five Year Horizon Statement on page 30. A five year period is considered to be a reasonable time frame for measuring and assessing medium to long term investment performance. A five year period has also been selected as the shares may not be suitable for investors intending to hold them for less than that period.

Principal Risks

Market and Political Risks
Macroeconomic and geopolitical risk including rising international tensions arising from the war in Ukraine, dispute in the South China Sea, events in the Middle East and the emerging policies of the newly elected UK Government.

No change in overall risk during the year.

Investment Performance Risks
Unfavourable markets or asset allocation, sector and stock selection and management and use of cash and gearing are inappropriate giving rise to investment underperformance as well as impacting capacity to pay dividends.

No change in overall risk during the year.

Legal and Regulatory Risks
To maintain its investment trust status, the Company is required to comply with Section 1158 of the UK Corporation Taxes Act. The Company is also required to comply with UK company law, is subject to the requirements of the AIFMD and the relevant regulations of the London Stock Exchange and the Financial Conduct Authority.

No change in overall risk during the year.

Product Strategy Risks
Inappropriate business or marketing strategy particularly in relation to investor needs or sentiment giving rise to a share price discount to NAV per share.

No change in overall risk during the year.

Cyber Risks
Theft of Company and customer assets or data.

No change in overall risk during the year.

Third Party Service Provider Risks
Errors, fraud or control failures at service providers or business continuity failure could damage reputation or investors' interests or result in losses.

No change in overall risk during the year.

Mitigation	Actions taken on Principal Risks in the year
The Company has a clearly defined and approved strategy which is reviewed and approved on an annual basis. The Board can hold additional board meetings at short notice to discuss the impact of significant changes in the macroeconomic and geopolitical environment. The Company maintains a portfolio of diversified stocks. Forward looking stress tests ranging from moderate to extreme scenarios are provided by the Manager to the Board to support the Five Year Horizon Statement.	At each meeting of the Board, the Directors consider and discuss the investment performance of the Company with Julian Cane, the Company's Fund Manager. The Board held its annual strategy meeting in July 2024 which included a presentation for the Manager on the macroeconomic outlook. At the November 2024 Audit and Risk Committee meeting, the Directors reviewed updated forward looking stress tests prepared by the Manager providing support for the Five Year Horizon Statement disclosed on page 30.
The portfolio of quoted securities is diversified and the Company's structure enables it to take a long term view notwithstanding the current market volatility. Investment policy, performance, revenue and gearing are reviewed at each Board meeting. The Manager's Investment Risk team provides independent oversight on investment risk management. The Board regularly considers operating costs along with underlying dividend income and the implications for the dividend payment capacity of the Company taking into account revenue reserves.	At each meeting of the Board, the Directors consider and discuss the investment performance of the Company with Julian Cane, the Company's Fund Manager.
The Board receives regular control reports from the Manager covering risk and compliance. The Board has access to the Manager's Risk Manager and requires any significant issues directly relevant to the Company to be reported immediately. The Depositary is specifically liable for loss of any of the Company's securities and cash held in custody.	The Manager continues to strengthen and develop its Risk, Compliance and Internal Control functions. The Depositary oversees custody of investments and cash and reports to the Company in accordance with the Alternative Investment Fund Managers Directive ("AIFMD").
To gauge investor sentiment, the Board holds an investor satisfaction survey which is conducted every five years ahead of a vote on whether the Company should continue. The Board holds a separate annual meeting to consider the Company's strategy. The appointment of the Manager is also reviewed annually. Share buybacks can be employed to help moderate discount volatility, while share issues can be made when the shares are trading at a premium. At each Board meeting the Directors receive an update on the marketing activities undertaken by the Manager. The Company's Broker provides periodic updates to the Board relating to the Company's trading in the wider market.	In May 2024, the Board agreed to the continuing appointment of the Manager, which has continued to deliver on the Company's objective. At each Board meeting the marketing activities of the Manager are reported. During the year 4,290,000 shares were bought back at a small discount to NAV. Since the year end to 26 November 2024, the Company has bought back 632,500 shares to be held in treasury. No shares have been issued. These actions moderated share price volatility and enhanced NAV per share for continuing Shareholders.
The Manager has an Information Security team with the objective to protect its clients from malicious external attacks. Supervision of the Manager's third-party service providers, including State Street and SS&C, is maintained by Columbia Threadneedle Investments and includes assurances regarding IT security and cyber-attack prevention.	The Manager's Information Security team has developed and implemented a programme for 2024 focused upon minimising software vulnerabilities, brand monitoring and continued oversight of vendor risk.
The Board receives regular control reports from the Manager covering risk and compliance including oversight of third-party service providers. The Board has access to the Manager's Risk Manager and requires any significant issues directly relevant to the Company to be reported immediately. The Depositary is specifically liable for loss of any of the Company's securities and cash held in custody.	The Manager continues to strengthen and develop its Risk, Compliance and Internal Control functions. Supervision of third-party service providers has been maintained by the Manager. The Depositary oversees custody of investments and cash and reports to the Company in accordance with the Alternative Investment Fund Managers Directive. During the year the Audit and Risk Committee met with members of the Manager's internal audit function to discuss the outcome of their recent reviews and planned activities.

Viability Statement – Five Year Horizon

In accordance with the UK Corporate Governance Code, the Directors have assessed the future prospects of the Company over the coming five years. Factors that the Board considered were:

- The Company has a long term investment strategy under which it invests mainly in readily realisable, UK publicly listed securities and which restricts the level of borrowings.
- At the Annual General Meeting of the Company held on 9 March 2023, Shareholders voted 99.5% in favour of the continuation of the Company. The next continuation vote for the Company is scheduled to be held in 2028.
- The Company is inherently structured to generate long term returns, with a five year period viewed as a reasonable time frame for measuring and assessing medium to longer term investment performance.
- The Company is able to take advantage of its closed-end investment trust structure, including the ability to use short term borrowings by way of loans and overdrafts and the capacity to secure additional finance well in excess of five years.
- There is robust monitoring of the headroom under the Company's bank borrowing covenants.
- A regular and robust review of revenue and expenditure forecasts is undertaken throughout the year.
- The Company retains title to all of its assets which are safeguarded as described under "Safe custody of assets" and "Depositary" on page 40.

The Board gave careful consideration to the impact of the war in Ukraine, events in the Middle East and the after effects of a high inflation environment and the resulting volatility in stockmarkets and economic disruption when making this assessment.

As discussed in note 20 to the Financial Report on page 75, the Company has a number of banking covenants and at present the Company's financial position does not suggest that any of these are close to being breached. The primary risk is that there is a very substantial decrease in the NAV of the Company in the short to medium term. The Directors have considered the remedial measures that are open to the Company if such a covenant breach appears possible. As at 26 November 2024, the last practicable date before publication of this report, borrowings amounted to £28 million. This is in comparison to a net asset value of £332 million. In accordance with its investment policy the Company is invested mainly in readily realisable, FTSE All-Share listed securities. These can be realised, if necessary, to repay the loan facility and fund the cash requirements for future dividend payments.

The Company operates within a robust regulatory environment. The Company retains title to all assets held by the Custodian. Cash is held with banks approved and regularly reviewed by the Manager.

Based on this assessment, and in the context of the Company's business model, strategy and operational arrangements set out above, the Board has a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the five year period ending November 2029.

Promoting the Success of the Company – Section 172 Statement

Under Section 172 of the Companies Act 2006, the Directors have a duty to act in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole, and in doing so, have regard, amongst other matters, to:

- the likely consequences of any decision in the long term;
- the interests of the Company's Shareholders;
- the need to foster the Company's business relationships with suppliers, customers and others;
- the impact of the Company's operations on the community and environment;
- the desirability of the Company maintaining a reputation for high standards of business conduct; and
- the need to act fairly as between members of the Company.

As explained on page 15, the Company is an externally managed investment company and has no employees, customers or premises. The key stakeholders are the Shareholders, the Manager, suppliers, regulators and service providers.

The Board believes that the optimum basis for meeting its duty to promote the success of the Company is by appointing and managing third parties with the requisite performance records, resources, infrastructure, experience and control environments to deliver the services required to achieve the investment objective and successfully operate the Company. By developing strong and constructive working relationships with these parties, the Board seeks to ensure high standards of business conduct are adhered to at all times and service levels are enhanced whenever possible. This combined with the careful management of costs is for the benefit of all Shareholders who are also key stakeholders.

The Company's primary working relationship is with the Manager. The portfolio activities undertaken by the Fund Manager and the impact of decisions taken are set out in the Fund Manager's Review on pages 9 to 12. On pages 24 to 27 information is provided on the Company's approach towards responsible investment. The Directors are supportive of the Manager's approach, which focuses on engagement with the investee companies on ESG issues and how this links with the United Nations Sustainable Development Goals (**"SDGs"**). Further information on the annual evaluation of the Manager, to ensure its continued appointment remains in the best interests of Shareholders, is set out on page 53.

Service providers such as, JP Morgan Chase Bank (the **"Bank"** and **"Custodian"**), JP Morgan Europe Limited (the **"Depositary"**), Cavendish (the **"Broker"**) and Computershare Investor Services PLC (the **"Registrar"**) are also considered key stakeholders. The Board receives regular reports from them and evaluates them to ensure expectations on service delivery are met.

The Directors value engagement with Shareholders. The Company's website www.ctcapitalandincome.co.uk is available to all Shareholders and key decisions are announced to the London Stock Exchange through a Regulatory News Service. The Company holds an Annual General Meeting. Shareholders are invited to attend, and this provides an open forum for them to discuss issues and matters of concern with the Board and representatives of the Manager and the Company's advisors.

At the Annual General Meeting held on 9 March 2023, Shareholders voted 99.5% in favour of continuation of the Company. In advance of the continuation vote, the Board surveyed Shareholders. The next continuation vote is scheduled to be held in 2028.

Shareholders are invited to communicate with the Board through the Chair or Company Secretary. Alternatively, issues can be discussed with the Company's Senior Independent Director, who can be contacted at the Company's registered office address detailed on page 55.

The Company's Shareholders are always considered when the Board makes decisions and examples include:

Dividends

The Board is aware that dividend income is important to Shareholders and dividend growth is therefore a Key Performance Indicator of the Company. Prudent stewardship in prior years combined with careful stock selection has given the Company distributable reserves providing some resilience to pay dividends in years when there is a shortfall in investment income. Therefore, despite the COVID-19 pandemic, the war in Ukraine, events in the Middle East and the after-effects of a high inflation environment, the Company has increased its annual dividends paid to Shareholders, and maintained its “AIC Dividend Hero” status.

As part of the decision making process, the Manager has provided the Board with estimates of dividend income for the forthcoming year and the estimated impact upon the distributable reserves of the Company.

During the year, the Board agreed to propose the cancellation of the Company’s sizable share premium account at the forthcoming AGM. Converting the share premium account to a distributable reserve will provide a significant pool of reserves which, if required, can be used to fund dividends, share buybacks and other returns of capital in accordance with applicable law.

Share issuance and buy-backs

Ensuring that liquidity is maintained for the Company’s shares is important to Shareholders. During the year, the Company bought back for treasury 4,290,000 shares at a small discount. This action moderated share price volatility.

The proposed cancellation of the share premium account, discussed above, will provide additional distributable reserves for the buyback of the Company’s shares.

Board succession planning

The Board is committed to ensuring that its composition is compliant with best corporate governance practice under the revised AIC Code including guidance on tenure. On 7 March 2024, Tim Scholefield retired from the Board having served nine years. Upon his retirement, Nicky McCabe was appointed Senior Independent Director.

As part of the Board’s succession planning, Fletcher Jones, a search company without connection to the Company or any individual Director, was commissioned to find a new Director for the Board. Following this selection process, Christopher Metcalfe, was appointed to the Board and its committees with effect from 8 March 2024.

On 6 March 2025, at the conclusion of the AGM, Jane Lewis, the Chair of the Company will retire having served nine years. Upon this retirement, it is intended that Nicky McCabe, the Company’s Senior Independent Director, who was appointed to the Board in January 2021 will become Chair. Nicky has extensive sector experience as she was formerly Head of Product and Investment Trusts at Fidelity International as well as a director and Chief Operating Officer of a number of Fidelity companies. Nicky is currently a non-executive director of abrdn Asian Income Fund Ltd, Artemis Investment Management Limited and EFG Asset Management (UK) Limited.

In addition, at the conclusion of the 2025 AGM, it is intended that Patrick Firth will be appointed Senior Independent Director and Christopher Metcalfe Chair of the Management Engagement Committee.

As a further part of the Board’s succession planning, Nurole, a search company without connection to the Company or any individual director, was commissioned to find a new Director for the Board. It is anticipated that a new Director will be appointed to the Board shortly.

Retail investors

The Company’s Shareholders are predominantly retail investors who invest through savings or execution only platforms. A significant proportion invest through the CT Savings Plans and the Board remains focused with the Manager on the optimal delivery of the Company’s investment proposition for the benefit of all Shareholders. The Manager remains committed to its savings plans and its relationship with its customers and is investing significantly to improve digital capabilities, access and information for Shareholders through the savings plans.

Policy Summary

Investment

The Company is required to have a publicly stated investment objective and policy from which Shareholders, prospective investors and other stakeholders can understand the scope of its investment remit and constraints imposed under it. Any material changes to this objective and policy can only be made with the approval of Shareholders and the Financial Conduct Authority.

The Company's investment objective is to secure long term capital and income growth from a portfolio consisting mainly of UK listed companies.

The Company seeks to achieve this objective by identifying investments in companies which have good long term prospects but whose share prices do not reflect their intrinsic value, either because of relative short term underperformance giving rise to adverse investor sentiment or simply because they are unfashionable. Many of the stocks purchased have a higher than average dividend yield.

Investment risk is reduced by investing mainly in FTSE All-Share companies. The majority of holdings are in large and mid-capitalisation companies, although the Company also holds investments in smaller companies. At the year end the Company was invested in 47 holdings. During the year the Company had no exposure to derivatives.

There are no maximum limits across sectors. The Company can invest in securities listed on the Alternative Investment Market (**"AIM"**) up to a limit of 10% of gross assets at the time of investment.

No single investment in the portfolio may exceed 10% of the Company's gross assets at the time of purchase and no unquoted securities may be purchased without the prior approval of the Board. No holding in an unquoted security should exceed 5% of the value of gross assets at the time of investment and no more than five unquoted securities may be held in the portfolio at any one time.

The total value of its investments held in listings outside the UK must not exceed 10% of the Company's gross assets at the time of investment but no individual country limits are imposed. The proportion of the portfolio held in UK listings of companies as at 30 September 2024 was 96%, of which the proportion of the portfolio held in FTSE All-Share and AIM listed companies was 92% and 3% respectively. 4% of the total portfolio was held in listings outside the UK.

No more than 10% of its gross assets can be invested in other listed investment companies (including investment trusts) unless they themselves have stated they will invest no more than 15% of their gross assets in other listed investment companies. Provided they have, the Company's limit becomes 15%.

The Company may use derivatives principally for the purpose of income enhancement and efficient portfolio management. Options may only be written on quoted stocks and the total notional exposure is limited to a maximum of 5% of gross assets at the time of investment for both put and call options. The exposure arising from any futures contracts entered by the Company is included within the calculation of the 20% limit on cash and gearing.

The Board carries out due diligence with regard to the investment policy and underlying policies at each of its Board meetings receiving regular reports from the Fund Manager. Confirmation of adherence to the investment restrictions and limitations set by the Board are required at each meeting. The Fund Manager's Review on pages 9 to 12 provides an overview of the outcome from the application of the investment policy and the underlying policies during the course of the year.

Using its closed-end investment company structure, the Company can borrow over short, medium or long term periods within a range of 0 to 20% of gross assets to enhance Shareholder returns. As at 30 September 2024 the Company had borrowings of £28 million. The Board monitors borrowing levels and covenant headroom at each Board meeting.

Dividend

The Company's revenue account is managed with the objective of continuing the Company's record of delivering a stable and growing dividend to Shareholders over time. Prudent use of long established revenue reserves is made whenever necessary to help meet any revenue shortfall. Dividends can also be paid from capital reserves.

The Board determines payments by taking account of timely income forecasts, brought forward distributable reserves, prevailing inflation rates, the dividend payment record and Corporation Tax rules governing investment trust status.

The consistent application of this policy has enabled the Company to pay an increased dividend every year since launch in 1992.

Cancellation of the Share Premium Account

The Company has built up a sizeable share premium account, which is non-distributable. Under the Companies Act 2006 and the Companies (Reduction of Share Capital) Order 2008, a company may, with the sanction of a special resolution of its shareholders and the confirmation of the High Court (the **"Court"**), cancel the amounts standing to the credit of its share premium account and apply the sums resulting from such cancellation to create distributable reserves. The Board believes that cancelling the Company's share premium account and applying the sums cancelled in this manner will provide a significant pool of reserves which can be used in future, if required, to fund dividends, share buybacks and other returns of capital in accordance with applicable law.

The Board is therefore seeking approval from Shareholders at the forthcoming AGM to cancel the entire amount standing to the credit of the current share premium account, following which it will make an application to the Court to obtain its confirmation of the cancellation. Subject to confirmation by the Court and the cancellation of the share premium account taking effect, the amounts so cancelled will be credited to the Company's distributable reserves. The estimated cost of the process is £28,000.

Premium/Discount

The Company issues shares in order to meet Shareholder demand which cannot be satisfied through the market and to moderate any premium at which the shares have traded in relation to the NAV per share. When the shares revert to trading at a price lower than the NAV per share, the Board has the flexibility to buyback shares in accordance with the authority given by Shareholders. Shares bought back can either be cancelled or held in treasury for potential resale at a premium. This policy has the benefit of enhancing NAV per share for continuing Shareholders. The Board reviews the discount and premium levels at each meeting. The shares traded at an average discount of 3.8% throughout the year. The shares ended the year at a 2.9% discount. During the year ended 30 September 2024, the Company bought back 4,290,000 shares at a small discount to be held in treasury. From 30 September 2024 to 26 November 2024, the Company has bought back 632,500 shares to be held in treasury. No shares have been issued.

Taxation

The taxation policy is one of full commitment to complying with applicable legislation and statutory guidelines. It is essential that the Company always retains its investment trust tax status by complying with Section 1158 of the Corporation Tax Act 2010 (**"Section 1158"**) such that it does not suffer UK Corporation Tax on capital gains. In applying due diligence towards the retention of Section 1158 status and adhering to its tax policies, the Board receives regular reports from the Manager. The Company has received approval from HMRC as an investment trust under Section 1158 and has since continued to comply with the eligibility conditions. The Manager also ensures that the Company submits correct taxation returns annually to HMRC; settles promptly any taxation due; and claims back, where possible, all taxes suffered in excess of taxation treaty rates on non UK dividend receipts.

Board diversity

The policy towards the appointment of non-executive Directors is based on the Board's belief in the benefits of having a diverse range of experience, skills, length of service and backgrounds, including gender.

The policy is always to appoint the best person for the job and, by way of this policy statement, it is confirmed that there will be no discrimination on the grounds of gender, ethnicity, socioeconomic background, religion, sexual orientation, age or physical ability.

The overriding aim of the policy is to ensure that the Board is composed of the best combination of people to deliver the objective. The policy is applied for the purpose of appointing individuals that, together as a Board, will continue to achieve that aim as well as ensuring optimal promotion of the Company's investment proposition in the marketplace.

The Board is conscious of the diversity targets set out in the UK Listing Rules.

In accordance with UK Listing Rule 6.6.6R (9), (10) and (11) the Board has provided the following information in relation to its diversity. The information has been voluntarily disclosed by each Director and is correct as at 30 September 2024.

Board Gender as at 30 September 2024[1]

	Number of Board Members	Percentage of the Board	Number of senior positions on the Board[2]
Men	2	40%	–
Women	3	60%[3]	2[4]

(1) The Company has opted not to disclose against the number of Directors in executive management as this is not applicable for an investment trust.

(2) Composed of the Chair and the Senior Independent Director.

(3) This meets the UK Listing Rules target of 40%.

(4) This meets the UK Listing Rules target of 1. Following the retirement of Jane Lewis at the Company's AGM to be held on 6 March 2025, Nicky McCabe will be appointed as Chair and Patrick Firth will be appointed as Senior Independent Director. The Company will therefore continue to meet the UK Listing Rules target that at least one of the senior positions on the Board be held by a woman.

Board Ethnic Background as at 30 September 2024[1]

	Number of Board Members	Percentage of the Board	Number of senior positions on the Board[2]
White British or other white (including minority-white groups)	4	80%	2
Black/African/ Caribbean/ Black British	1 [3]	20%	-

(1) The Company has opted not to disclose against the number of Directors in executive management as this is not applicable for an investment trust.

(2) Composed of the Chair and the Senior Independent Director.

(3) This meets the UK Listing Rules target of 1.

As evidenced above, the Company has met all the diversity targets set out in UK Listing Rule 6.6.6R (9). The Board will continue to take all matters of diversity into account as part of its succession planning.

The information included in the above tables has been obtained following confirmation from the individual Directors. The Board will continue to take diversity into account as part of its succession planning and recruitment process.

Integrity and business ethics

The Company applies a strict anti-bribery and anti-corruption policy insofar as it applies to any Directors or employee of the Manager or of any other organisation with which the Company conducts business. The Board also ensures that adequate procedures are in place and followed in respect of third party appointments, acceptance of gifts and hospitality and similar matters.

Prevention of the facilitation of tax evasion

The Company is committed to compliance with the UK's Criminal Finances Act 2017, designed to prevent tax evasion in the jurisdictions in which it operates. The policy is based on a risk assessment undertaken by the Board and professional advice is sought as and when deemed necessary.

Modern Slavery Act 2015

As an investment company with no employees or customers and which does not provide goods or services in the normal course of business, the Company considers that it does not fall within the scope of the Modern Slavery Act 2015 and it is not, therefore, obliged to make a human trafficking statement. The Company's own supply chain which consists predominantly of professional advisers and service providers in the financial services industry, which is highly regulated, is considered to be low risk in relation to this matter. A statement by the Manager under the Act has been published on its website columbiathreadneedle.co.uk.

UK Financial Sanctions and Prevention of the Facilitation of Tax Evasion

The Board is fully committed to complying with all legislation, regulation and relevant guidelines including those relating to the UK financial sanctions regime in the context of the Company's business and also the UK's Criminal Finances Act 2017, designed to prevent tax evasion and the facilitation of tax evasion in the jurisdictions in which the Company operates. Professional advice is sought as and when deemed necessary.

Jane Lewis
Chair
28 November 2024

Directors

Jane Lewis, Chair of the Company
Jane was appointed to the Board on 24 November 2015 and became Chair on 1 July 2023. She was last re-elected by Shareholders on 7 March 2024. She is a non-executive director of BlackRock World Mining Trust PLC, Majedie Investments PLC and the Senior Independent Director and Chair of the Nominations Committee of JPMorgan Global Growth and Income PLC. She was Chairman of Invesco Perpetual UK Smaller Companies Investment Trust PLC and until August 2013 was a Director of Corporate Finance and Broking at Winterflood Investment Trusts. Prior to this she worked at Henderson Global Investors and Gartmore Investment Management Limited in investment trust business development and at WestLB Panmure as an investment trust broker. Jane will retire from the Board at the conclusion of the Company's AGM to be held on 6 March 2025.

Dunke Afe, Chair of the Nomination and Remuneration Committee
Dunke was appointed to the Board on 1 June 2023 and became Chair of the Nomination and Remuneration Committee on 20 July 2023. She was elected by Shareholders on 7 March 2024. Dunke is an accomplished business professional with extensive Brand Development, Marketing, Innovation and Strategy experience. She was formerly Executive Director of Global Marketing at Estee Lauder Companies and prior to that, held Senior leadership roles in other blue chip multinationals including Unilever and Kimberly Clark. She is also a non-executive Director of Blackrock Smaller Companies Trust PLC.

Patrick Firth, Chair of the Audit and Risk Committee
Patrick was appointed to the Board on 21 July 2022 and became Chair of the Audit and Risk Committee on 1 January 2023. He was last re-elected by Shareholders on 7 March 2024. Patrick is a qualified Chartered Accountant and a member of the Chartered Institute for Securities and Investment. He worked in the fund industry in Guernsey from 1992 and was Managing Director of third-party fund administration businesses and a non-executive director of a number of management companies, general partners and investment companies. Currently he is Chair of the Audit and Risk Committee of India Capital Growth Fund Limited. He is also a non-executive director of Sierra GP Limited. It is intended that Patrick will be appointed Senior Independent Director at the conclusion of the Company's Annual General Meeting to be held on 6 March 2025.

Nicky McCabe, Senior Independent Director and Chair of the Management Engagement Committee
Nicky was appointed to the Board on 1 January 2021 and became Chair of the Management Engagement Committee on 16 September 2021. She was appointed Senior Independent Director on 7 March 2024. Nicky was last re-elected by Shareholders on 7 March 2024. Nicky has extensive sector experience as she was formerly Head of Product and Investment Trusts at Fidelity International as well as a director and Chief Operating Officer of a number of Fidelity companies. Nicky is currently a non-executive director of abrdn Asian Income Fund Ltd, Artemis Investment Management Limited and EFG Asset Management (UK) Limited. It is intended that Nicky will be appointed Chair of the Board upon the retirement of Jane Lewis at the conclusion of the Company's AGM to be held on 6 March 2025.

Christopher Metcalfe, Non-executive Director
Christopher was appointed to the Board on 8 March 2024. He is Chairman of Martin Currie Global Portfolio Trust plc and the Senior Independent non-executive Director of JP Morgan US Smaller Companies Investment Trust plc. He is also a non–executive Director of Herald Investment Trust plc. He has extensive equity fund management and investment trust experience having previously worked in senior positions at Newton Investment Management, Schroder Investment Management and Henderson Administration Group. It is intended that Christopher will be appointed Chair of the Management Engagement Committee at the conclusion of the Company's Annual General Meeting to be held on 6 March 2025.

No Director holds a directorship elsewhere in common with other members of the Board.
All Directors are members of the Management Engagement Committee and the Nomination and Remuneration Committee.
All Directors with the exception of Jane Lewis are members of the Audit and Risk Committee.

Directors' Report

The Directors submit the Report and Accounts of the Company for the year ended 30 September 2024. The Directors' biographies; Corporate Governance Statement; the Report of the Nomination and Remuneration Committee; the Directors' Remuneration Report; the Report of the Audit and Risk Committee Report and the Report of the Management Engagement Committee form part of this Directors' Report.

Statement regarding Report and Accounts

The Directors consider that following advice from the Audit and Risk Committee, the Report and Accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for Shareholders to assess the Company's position and performance, business model and strategy. The Audit and Risk Committee has reviewed the Report and Accounts for the purposes of this assessment. The market outlook for the Company can be found on page 12. Principal risks can be found on page 28 with further information on page 76.

Shareholders will be asked to approve the adoption of the Report and Accounts for the financial year ended 30 September 2024 at the AGM (**Resolution 1**).

Results and dividends

The results for the year are set out in the attached accounts. The Company's dividend payments are set out below.

Dividends paid in the year ended 30 September 2024

	£'000s
Fourth of four interims for the year ended 30 September 2023 of 3.90p per share	4,046
First of four interims for the year ended 30 September 2024 of 2.85p per share	2,918
Second of four interims for the year ended 30 September 2024 of 2.85p per share	2,882
Third of four interims for the year ended 30 September 2024 of 2.85p per share	2,864
	12,710

Further details are provided in note 9 to the financial statements.

As explained in the Chair's Statement, the Board has announced a fourth interim dividend of 3.95 pence per share. This will be paid on 20 December 2024 to Shareholders on the register on 6 December 2024. This dividend, together with the other three interim dividends paid in respect of the financial year ended 30 September 2024 makes a total dividend of 12.50 pence per share. This represents an increase of 2.9% over the 12.15 pence per share paid in respect of the previous financial year.

Dividend policy

The Company expects to pay four, quarterly interim dividends in March, June, September and December each year.

As dividends are paid quarterly as interim dividends in March, June, September and December, the Company does not pay a final dividend in February that would require formal Shareholder approval at the AGM. However, formal approval of the Company's dividend policy of paying four quarterly interim dividends in each financial year will be sought at the AGM (**Resolution 2**).

Company status

The Company is a public limited company and an investment company as defined by section 833 of the Companies Act 2006. The Company is limited by shares and is registered in England and Wales with company registration number 02732011. It is subject to the FCA's UK Listing Rules sourcebook, UK legislation and regulations including company law, financial reporting standards, taxation law and its own articles of association.

The Company is exempt from Streamlined Energy and Carbon Reporting Disclosures as it has consumed less than 40,000 Kwh of energy in the United Kingdom during the year.

Taxation

As set out on page 34 and in note 7 to the accounts, as an investment trust, the Company is exempt from UK Corporation Tax on its worldwide dividend income and from UK Corporation Tax on any capital gains arising from its portfolio of investments, provided it complies at all times with section 1158 of the Corporation Tax Act 2010. Dividends received from investee companies domiciled outside the UK are subject to taxation in those countries in accordance with relevant double taxation treaties.

Accounting and going concern

The financial statements, starting on page 61, comply with current UK financial reporting standards, supplemented by the Statement of Recommended Practice "Financial Statements of Investment Trust Companies and Venture Capital Trusts" (**"SORP"**). The significant accounting policies of the Company are set out in note 2 to the accounts. The unqualified auditor's opinion on the financial statements appears on pages 56 to 60. As discussed in the Five Year Horizon Statement on page 30 and note 20 to the financial statements on page 75, additional considerations were given to assessing the applicability of the going concern basis of accounting this year. Recently, the war in Ukraine, events in the Middle East and the after-effects of a high inflation environment have resulted in increased volatility in financial markets and economic disruption. When assessing going concern the Directors have therefore considered these in addition to the Company's objective, strategy and policy, its current cash position, the availability of its loan facility and compliance with its covenants and the operational resilience of the Company and its service providers.

The Board has considered the impact of falls in the NAV of the Company and the ability of it to meet its banking covenants. The primary risk is that there is a very substantial decrease in the NAV of the Company in the short to medium term. The Board considers that the possibility of a fall of this magnitude is remote. In addition, the Company has remedial measures if such a covenant breach appeared possible.

Further details on this assessment are provided on pages 28, 30 and 75.

Based on this assessment, and in light of the controls and monitoring processes that are in place, the Directors believe that the Company has adequate resources to continue in operational existence for the twelve month period from the date of the approval of the financial statements. Accordingly, it is reasonable for the financial statements to continue to be prepared on a going concern basis. The Company's longer term viability is considered in the Future Prospects "Five Year Horizon" Statement on page 30.

Capital structure

As at 30 September 2024 there were 107,289,022 ordinary shares of 25 pence each in issue including 7,243,177 shares held in treasury.

As at 26 November 2024 (being the latest practicable date before publication of this report) the number of ordinary shares in issue was 107,289,022 including 7,875,677 shares held in treasury.

All ordinary shares rank equally for dividends and distributions and carry one vote each. There are no restrictions concerning the transfer of securities in the Company, no special rights with regard to control attached to securities, no agreements between holders of securities regarding their transfer known to the Company and no agreement which the Company is party to that affects its control following a takeover bid. Details of the capital structure can be found in note 15 to the accounts. The revenue profits of the Company (including accumulated revenue reserves), together with the realised capital profits, are available for distribution by way of dividends to the holders of the ordinary shares. Upon a winding up, after meeting the liabilities of the Company, the surplus assets would be distributed to Shareholders pro rata to their holdings of ordinary shares. Full details are set out in the Company's articles of association.

Issue and buyback of shares

At the AGM held on 7 March 2024 Shareholders renewed the Board's authority to issue ordinary shares up to 10% of the number then in issue.

Subject to annual Shareholder approval, the Company may also purchase up to 14.99% of its own issued ordinary shares at a discount to NAV per share. The shares bought back can either be cancelled or held in treasury to be sold as and when the share price returns to a premium. At the AGM held on 7 March 2024 Shareholders gave the Board authority to buyback ordinary shares up to 14.99% of the number then in issue. During the year under review 4,290,000 shares with an aggregate nominal value of £1,072,500 were purchased, representing 4.0% of the number of shares issued and fully paid at 30 September 2023 (including shares held in treasury), in 40 tranches and held in treasury. The price paid ranged from 273.5 pence per share to 340.0 pence per share.

Since the year end to 26 November 2024, the Company has bought back 632,500 shares with an aggregate nominal value of £158,125 to be held in treasury. No shares have been issued.

Voting rights

As at 26 November 2024 the Company had 107,289,022 ordinary shares in issue including 7,875,677 shares held in treasury. Total voting rights were therefore 99,413,345. As at 30 September 2024 and 26 November 2024 no notifications of significant voting rights had been received under the Financial Conduct Authority's Disclosure Guidance and Transparency Rules.

Borrowings and financial risk management

The Company has a one year multicurrency revolving facility agreement of £30 million with The Royal Bank of Scotland International Limited expiring in March 2025. The interest rate margin and the commitment fees on the facility have been set at commercial rates. It is anticipated that a replacement facility will be entered into upon the expiry of the current facility.

Details of the financial risk management of the Company are provided in note 21 beginning on page 76. An ongoing overdraft arrangement is available to the Company by the Custodian for settlement of investment trades if necessary.

Remuneration Report

The Directors' Remuneration Report, which can be found on pages 47 to 49, provides detailed information on the remuneration arrangements for Directors of the Company including the Directors' Remuneration Policy. Shareholders are asked to approve the policy at an AGM every three years. There have been no changes to the policy since approval by Shareholders at the Company's AGM held in March 2023. Remuneration is set at a level commensurate with the skills and experience necessary for the effective stewardship of the Company and the expected contribution of the Board as a whole in continuing to achieve the investment objective. It is intended that this policy will continue for the three year period ending at the AGM in 2026. Shareholders will be asked to approve the Remuneration Report in respect of the financial year ended 30 September 2024 at the upcoming AGM (**Resolution 3**).

As detailed on page 47, the Directors' fees are reviewed each year. Following this review in respect of the financial year ended 30 September 2024, the Directors have agreed that the annual remuneration of the Chair will increase from £42,750 to £44,750, the Chair of the Audit and Risk Committee from £35,750 to £37,500, the Senior Independent Director from £31,500 to £32,500 and other Directors from £28,500 to £30,000. These increases were effective from 1 October 2024. The previous increase to Directors' annual remuneration occurred on 1 October 2023.

The fees for the non-executive Directors are determined within the limits set out in the Company's Articles of Association. The present limit is £250,000 per annum and may not be changed without seeking shareholder approval at a general meeting. At the Annual General Meeting to be held on 6 March 2025 the Board will seek shareholder approval to increase this limit to £350,000 per annum. The limit was last increased, with the approval of Shareholders, in February 2021.

This rise would facilitate any temporary increases in the size of the Board that may occur in the future. These transitional periods would allow the transfer of experience and knowledge between Directors. (**Resolution 4**).

Director election or re-elections

The names of the current Directors, along with their biographical details, are set out on page 36.

During the year, Tim Scholefield retired on 7 March 2024. Christopher Metcalfe was appointed to the Board on 8 March 2024.

All Directors, with the exception of Jane Lewis, will seek election or re-election at the forthcoming AGM. Jane Lewis will retire from the Board at the conclusion of the Company's forthcoming AGM to be held on 6 March 2025, having served nine years.

Following a review of their performance, the Board believes that each of the Directors standing for election or re-election has made a valuable and effective contribution to the Company. The skills and experience each Director brings to the Board for the long term sustainable success of the Company are set out below. The Board recommends that Shareholders vote in favour of the election or re-election of the Directors (**Resolutions 5 to 8**).

Resolution 5 relates to the re-election of Nicky McCabe who was appointed to the Board on 1 January 2021 and became Chair of the Management Engagement Committee on 16 September 2021. She was appointed Senior Independent Director on 7 March 2024. Nicky was last re-elected by Shareholders on 7 March 2024. Nicky has extensive sector experience as she was formerly Head of Product and Investment Trusts at Fidelity International as well as a director and Chief Operating Officer of a number of Fidelity companies. Nicky is currently a non-executive director of abrdn Asian Income Fund Ltd, Artemis Investment Management Limited and EFG Asset Management (UK) Limited. It is intended that Nicky will be appointed Chair of the Board upon the retirement of Jane Lewis at the conclusion of the Company's AGM to be held on 6 March 2025.

Resolution 6 relates to the re-election of Dunke Afe. Dunke was appointed to the Board on 1 June 2023 and became Chair of the Nomination and Remuneration Committee on 20 July 2023. She was elected by Shareholders on 7 March 2024. Dunke is an accomplished business professional with extensive Brand Development, Marketing, Innovation and Strategy experience. She was formerly Executive Director of Global Marketing at Estee Lauder Companies and prior to that, held Senior leadership roles in other blue chip multinationals including Unilever and Kimberly Clark. She is also a non-executive Director of Blackrock Smaller Companies Trust PLC.

Resolution 7 relates to re-election of Patrick Firth who was appointed to the Board on 21 July 2022 and became Chair of the Audit and Risk Committee on 1 January 2023. Patrick is a qualified Chartered Accountant and a member of the Chartered Institute for Securities and Investment. He worked in the fund industry in Guernsey from 1992 and was Managing Director of third-party fund administration businesses and a non-executive director of a number of management companies, general partners and investment companies. Currently he is Chair of the Audit and Risk Committee of India Capital Growth Fund Limited. It is intended that Patrick will be appointed Senior Independent Director at the conclusion of the Company's Annual General Meeting to be held on 6 March 2025.

Resolution 8 relates to the election of Christopher Metcalfe. Christopher was appointed to the Board on 8 March 2024. He is Chairman of Martin Currie Global Portfolio Trust plc and the Senior Independent non-executive Director of JP Morgan US Smaller Companies Investment Trust plc. He is also a non–executive Director of Herald Investment Trust plc. He has extensive equity fund management and investment trust experience having previously worked in senior positions at Newton Investment Management, Schroder Investment Management and Henderson Administration Group. It is intended that Christopher will be appointed Chair of the Management Engagement Committee at the conclusion of the Company's Annual General Meeting to be held on 6 March 2025.

Directors' interests and indemnification

There were no contracts to which the Company was a party and in which a Director is, or was, materially interested during the year. There are no agreements between the Company and its Directors concerning compensation for loss of office.

The Company has granted a deed of indemnity to the Directors in respect of liabilities that may attach to them in their capacity as Directors of the Company. This covers any liabilities that may arise to a third party for negligence, default or breach of trust or duty. This deed of indemnity is a qualifying third party provision (as defined by section 234 of the Companies Act 2006) and has been in force throughout the period under review and remains in place as at the date of this report. It is available for inspection at the Company's registered office during normal business hours and will be available for inspection at the AGM. The Company also maintains directors' and officers' liability insurance.

Statement as to disclosure of information to the auditors

Each of the Directors confirms that, to the best of his or her knowledge and belief, there is no information relevant to the preparation of the Report and Accounts of which BDO LLP are unaware and they have taken all the steps a Director might reasonably be expected to have taken to be aware of relevant audit information and to establish that BDO LLP is aware of that information.

Appointment of auditor and auditor's remuneration

The auditor of a company has to be appointed at each Annual General Meeting at which accounts are laid before Shareholders. BDO LLP has expressed their willingness to continue in office as auditor and resolutions proposing their re-appointment and for the Audit and Risk Committee to determine their remuneration for the financial year ended 30 September 2025 will be proposed at the AGM. (**Resolutions 9 and 10**).

Safe custody of assets

The Company's listed investments are held in safe custody by JP Morgan Chase Bank (the **"Custodian"**). Operational matters with the Custodian are carried out on the Company's behalf by the Manager in accordance with the provisions of the management agreement. The Custodian is paid a variable fee dependent on the number of trades transacted and location of the securities held.

Depositary

JPMorgan Europe Limited acts as the Company's Depositary (the **"Depositary"**) in accordance with the AIFMD. The Depositary's responsibilities, which are set out in an Investor Disclosure Document on the Company's website, include: cash monitoring; ensuring the proper segregation and safekeeping of the Company's financial instruments that are held by the Custodian; and monitoring the Company's compliance with investment and leverage limits requirements. The Depositary receives for its services a fee of one basis point per annum on the value of the Company's net assets, payable monthly in arrears.

Although the Depositary has delegated the safekeeping of all assets held within the Company's investment portfolio to the Custodian, in the event of loss of those assets that constitute financial instruments under the AIFMD, the Depositary will be obliged to return to the Company financial instruments of an identical type, or the corresponding amount of money, unless it can demonstrate that the loss has arisen as a result of an external event beyond its reasonable control, the consequences of which would have been unavoidable despite all reasonable efforts to the contrary.

The Manager's fee

A quarterly fee of 0.1% of funds under management is payable in arrears to the Manager in respect of the management, administration and ancillary services provided to the Company (see note 4 to the accounts).

AGM

The Notice of the AGM to be held on 6 March 2025 is set out on pages 84 to 87.

As well as the matters set out above, the Board will propose at the AGM resolutions in relation to the following matters.

Authority to allot shares and sell shares from treasury (resolutions 11 and 12)

Resolutions 11 and **12** are similar in content to the authorities and power previously given to the Directors by Shareholders. By law, the Directors are not permitted to allot new shares (or to grant rights over shares) unless authorised to do so by Shareholders. In addition, the Directors require specific authority from Shareholders before allotting new shares (or granting rights over shares) or selling shares out of treasury for cash without first offering them to existing Shareholders in proportion to their holdings.

Resolution 11 gives the Directors, for the period until the conclusion of the Annual General Meeting in 2026 or, if earlier, 15 months from the passing of the resolution, the necessary authority to allot securities up to an aggregate nominal amount of £2,485,333 (9,941,334 ordinary shares). This is equivalent to approximately 10% of the issued share capital of the Company as at 26 November 2024 excluding shares held in treasury.

Resolution 12, which will be proposed as a special resolution and which is conditional on the passing of Resolution 11, seeks authority for the Directors to allot shares or sell shares held in treasury on a non pre-emptive basis for cash up to an aggregate nominal amount of £2,485,333 (representing 10% of the issued ordinary share capital of the Company (excluding shares held in treasury) as at 26 November 2024). These authorities and powers will provide the Directors with a degree of flexibility to increase the assets of the Company by the issue of new shares or the sale of treasury shares, in accordance with the policies set out on page 34 or should any other favourable opportunities arise to the advantage of Shareholders. The Directors anticipate that they will principally use the authorities granted by Resolutions 11 and 12 to satisfy demand from participants in the CT Savings Plans when they believe it is advantageous to plan participants and the Company's Shareholders to do so. In no circumstances would the Directors use these authorities to issue or sell any shares from treasury unless the existing shares in issue are trading at a premium to NAV. As at 26 November 2024, 7,875,677 ordinary shares (representing 7.9% of the issued ordinary share capital of the Company (excluding shares held in treasury)) were held by the Company in treasury.

These authorities will expire at the conclusion of the 2026 annual general meeting of the Company or, if earlier, on that date which is 15 months after the date on which the resolutions are passed.

Authority for the Company to purchase its own shares (resolution 13)

Resolution 13, which will be proposed as a special resolution, authorises the Company to purchase up to a maximum of 14,902,060 ordinary shares (equivalent to approximately 14.99% of the issued share capital excluding shares held in treasury as at 26 November 2024) at a minimum price of 25 pence per share and a maximum price per share (exclusive of expenses) of the higher of (i) 5% above the average of the middle market quotations for an ordinary share (as derived from the London Stock Exchange Daily Official List) for the five business days immediately before the date of purchase and (ii) the higher of the last independent trade and the highest current independent bid on the London Stock Exchange. The Directors intend to use this authority with the objective of enhancing Shareholder value. Purchases would only be made, within guidelines established from time to time by the Board, through the market for cash at prices below the prevailing Net Asset Value per ordinary share which would have the effect of enhancing that value for remaining Shareholders. Any ordinary shares that are purchased would either be placed into treasury or cancelled. The authority will expire at the conclusion of the 2026 annual general meeting of the Company or, if earlier, on the date which is 15 months after the date on which Resolution 13 is passed.

Approval for the Cancellation of the Share Premium Account (Resolution 14)

Resolution 14, which will be proposed as a special resolution, seeks shareholder approval for the cancellation of the entire amount standing to the credit of the Company's share premium account, pursuant to the Companies Act 2006 (the **"Act"**) and subject to the confirmation of the High Court (the **"Cancellation"**).

Subject to confirmation by the High Court and the Cancellation taking effect, the amounts so cancelled will be credited to the Company's distributable reserves. This will improve the Company's distributable reserves position and will provide the Company with flexibility to support, amongst other things, share buy backs and the payment of dividends or other distributions to Shareholders in the future.

Form of proxy

Registered Shareholders will find enclosed a form of proxy for use at the AGM. Shareholders also have the option of lodging their proxy votes electronically as set out in Note 4 of the Notice of AGM. For shares held through CREST, proxy appointments may be submitted via the CREST proxy voting system. Proxy appointments should be lodged as soon as possible and, in any event, not later than 12.30pm on 4 March 2025.

Form of direction

If you are an investor in any of the CT Savings Plans you will have received a form of direction for use at the AGM and you will also have the option of lodging your voting directions electronically as set out in Note 4 of the Notice of AGM.

All voting directions should be submitted as soon as possible in accordance with the instructions on the form of direction and, in any event, not later than 12:30pm on 26 February 2025.

Recommendation

The Board considers that the resolutions to be proposed at the meeting are in the best interests of the Company and Shareholders as a whole. The Directors recommend that Shareholders vote in favour of each resolution, as they intend to do in respect of their own beneficial holdings.

By order of the Board
Columbia Threadneedle Investment Business Limited
Secretary
28 November 2024

Corporate Governance Statement

Introduction

The Board adheres to the principles and recommendations of the revised AIC Code of Corporate Governance (the **"AIC Code"**) published in 2019.

The Board believes that the Company has complied with the current recommendations of the AIC Code during the year under review and up to the date of this report and, except as regards the provisions set out below, has thereby complied with the relevant provisions of the 2018 revision to the UK Corporate Governance Code (**"UK Code"**):

The UK Code includes provisions relating to:

- the role of the chief executive;
- executive directors' remuneration; and
- the need for an internal audit function.

For the reasons set out in the AIC Corporate Governance Guide for Investment Companies, the Board considers these provisions as not being relevant to the Company, as it is an externally managed investment company. In particular, all of the Company's day-to-day management and administrative functions have been delegated to the Manager. As a result, the Company has no executive Directors, employees or internal operations. Therefore, with the exception of the need for an internal audit function, which is addressed on page 51, the Company has not reported further in respect of these provisions.

Detailed information on the Directors' Remuneration can be found in the Directors' Remuneration Report on pages 47 to 49 and in note 5 to the accounts.

Copies of both codes may be found on the respective websites theaic.co.uk and frc.org.uk.

AIFMD

The Company is defined as an Alternative Investment Fund (**"AIF"**) under the AIFMD issued by the European Parliament, and which has been implemented into UK law. This requires that all AIFs must appoint a Depositary and an Alternative Investment Fund Manager (**"AIFM"**). The Board remains fully responsible for all aspects of the Company's strategy, operations and compliance with regulations. The Manager is the Company's AIFM.

Articles of association

The Company's articles of association may only be amended by special resolution at general meetings of Shareholders.

The Board

The Board's responsibilities are outlined on page 15. More specifically, the Board is responsible for the effective stewardship of the Company's affairs and has adopted a formal schedule of matters reserved for its decision. It has responsibility for all corporate strategic issues, corporate governance matters, dividend policy, share issue and buyback policy, risk and control assessment, investment performance monitoring and budget approval. It is also responsible for the review and approval of annual and half yearly reports and other public documents.

In order to enable the Directors to discharge their responsibilities, they all have full and timely access to relevant information. The Board normally meets at least four times a year and also holds a strategy meeting. At each meeting, the Board reviews the Company's management information, which includes reports on investment performance and strategic matters and financial analyses. Income forecasts and costs are reviewed within set budgets. The Board monitors compliance with the Company's objectives and is responsible for setting the asset allocation, investment and gearing ranges within which the Manager has discretion to act. Key representatives of the Manager attend each Board meeting. Board meetings are also held on an ad hoc basis to consider particular issues as they arise. The following table sets out the Directors' meeting attendance in the year under review. Committees of the Board met during the year to undertake business such as the approval of the Company's final results and dividends.

Each Director has a signed letter of appointment to formalise the terms of their engagement as a non-executive Director, copies of which are available for inspection at the Company's registered office during normal business hours and are also available at each Shareholder meeting.

Director attendance – year ended 30 September 2024

	Board	Strategy Meeting	Annual General Meeting	Audit and Risk Committee	Management Engagement Committee	Nomination and Remuneration Committee
No. of meetings						
Jane Lewis(1)	4	1	1	3	1	2
Dunke Afe	4	1	1	3	1	2
Patrick Firth	4	1	1	3	1	2
Nicky McCabe	4	1	1	3	1	2
Christopher Metcalfe(2)	2	1	N/A	2	1	1
Tim Scholefield(3)	2	N/A	1	1	N/A	1

(1) The Chair of the Company is invited to attend the Audit and Risk Committee although she is not a member.
(2) Attended all meetings since appointment on 8 March 2024.
(3) Attended all meetings until retirement on 7 March 2024.

The Board also held three committee meetings during the year.

Directors are able to seek independent professional advice at the Company's expense in relation to their duties. No such professional advice was taken by Directors during the year under review. The Board has direct access to the company secretarial advice and services of the Manager which, through its nominated representative, is responsible for ensuring that Board and committee procedures are followed and applicable regulations are complied with. The proceedings at all Board and other meetings are fully recorded through a process that allows any Director's concerns to be recorded in the minutes. The Board has the power to appoint or remove the Secretary in accordance with the terms of the management agreement. The powers of the Board relating to the buying back or issuance of the Company's shares are explained on pages 40 and 41.

Appointments

Under the articles of association of the Company, the number of Directors on the Board cannot exceed ten. The Board anticipates that the number of Directors appointed to the Board will, in normal circumstances, be five. An induction process takes place for new appointees and all Directors are encouraged to attend relevant training courses and seminars. Directors may be appointed by the Company by ordinary resolution or by the Board. All new appointments by the Board are subject to subsequent election by Shareholders at the next Annual General Meeting. All Directors will stand for re-election by Shareholders annually.

Directors must seek Board approval prior to accepting additional listed external roles.

Board effectiveness

During the year, in order to review the effectiveness of the Board, its Committees and the individual Directors, the Board carried out a process of formal annual self appraisal. This was facilitated by way of confidential interviews between the Chair and each Director. The appraisal of the Chair was carried out by the Board under the leadership of the Senior Independent Director. The Board considers that the appraisal process is a constructive means of evaluating the contribution of individual Directors and identifying ways to improve the functioning and performance of the Board and its committees and building on and improving collective strengths, including assessing any training needs. The option of using external consultants to conduct this evaluation is kept under review. It is anticipated that a review conducted by an external consultant will be undertaken during 2025.

Independence of Directors

The Board, which is composed solely of independent non-executive Directors, regularly reviews the independence of the individual Directors. All the Directors have been assessed by the Board as remaining independent of the Manager and of the Company itself; none has a past or current connection with the Manager and each remains independent in character and judgement with no relationships or circumstances relating to the Company that are likely to affect that judgement.

Conflicts of interest

A company director has a statutory obligation to avoid a situation in which he or she has, or potentially could have, a direct or indirect interest that conflicts with the interests of the Company (a **"situational conflict"**). The Board therefore has procedures in place for the authorisation and review of situational conflicts relating to the Company's Directors.

Other than the formal authorisation of the Directors' other directorships and appointments, no authorisations have been sought. They are reviewed throughout the year at each Board meeting and the authorisation of each individual Director's conflicts or potential conflicts annually. These authorisations were reviewed in July 2024 when it was concluded that in each case these situational conflicts had not affected any individual in their role as a Director of the Company. Aside from situational conflicts, the Directors must also comply with the statutory rules requiring Company Directors to declare any interest in an actual or proposed transaction or arrangement with the Company.

In the year under review there have been no instances of a Director being required to be excluded from a discussion or abstain from voting because of a conflict of interest.

Relations with Shareholders

The Company welcomes the views of Shareholders and places importance on communication with its members. Representatives of the Manager hold meetings with the Company's largest Shareholders and report back to the Board on these meetings. Each year, the Company will hold an Annual General Meeting to be followed by a presentation by the Fund Manager in London.

In accordance with the UK Code, in the event that votes of 20 per cent or more are cast against a resolution at a General Meeting the Company will announce the actions it intends to take to consult Shareholders to understand the reasons behind the result. A further update will be published within six months. No such votes were received during 2024.

It is intended that Nicky McCabe will be the Senior Independent Director until her appointment as Chair of the Company at the conclusion of the Company's AGM to be held on 6 March 2025. Upon this, it is intended that Patrick Firth will be appointed Senior Independent Director. The Senior Independent Director is available to Shareholders if they have concerns which initial contact through the Chair or Company Secretary has failed to resolve or for which such contact is inappropriate. Shareholders wishing to communicate with the Chair or other members of the Board may do so by writing to CT UK Capital and Income Investment Trust PLC, Cannon Place, 78 Cannon Street, London, EC4N 6AG.

By order of the Board
Columbia Threadneedle Investment Business Limited
Secretary
28 November 2024

Report of the Nomination and Remuneration Committee

Role of the Nomination and Remuneration Committee ("the Committee")

The Committee met twice during the year. Its primary role is to review and make recommendations to the Board with regard to Board structure, size and composition, the balance of knowledge, experience, skill ranges and diversity, consider succession planning and tenure policy and remuneration policy and levels. Its responsibilities include:

- Board structure and size of the Board and its composition, particularly in terms of succession planning and the experience and skills of the individual Directors and diversity across the Board as a whole;
- tenure policy;
- the criteria for future Board appointments and the methods of recruitment, selection and appointment;
- the reappointment of those Directors standing for re-election at Annual General Meetings;
- the attendance and time commitment of the Directors in fulfilling their duties, including the extent of their other directorships;
- the question of each Director's independence prior to publication of the Report and Accounts;
- the authorisation of each Director's situational conflicts of interests in accordance with the provisions of the Companies Act and the policy and procedures established by the Board in relation to these provisions;
- remuneration policy; and
- the periodic review of the level of Directors' fees, including the Chair of the Board and Committees.

Composition of the Committee

All of the Directors are members of the Committee.

The Committee is chaired by Dunke Afe.

The terms of reference of the Committee can be found on the Company's website at ctcapitalandincome.co.uk.

Directorate change and succession planning

Appointments of all new Directors are made on a formal basis, normally using independent, professional search consultants, with the Committee agreeing the selection criteria and the method of recruitment, selection and appointment.

On 7 March 2024, Tim Scholefield, the Company's Senior Independent Director retired from the Board having served nine years. Upon his retirement, Nicky McCabe was appointed Senior Independent Director.

As part of the Board's succession planning, Fletcher Jones, a search company without connection to the Company or any individual Director, was commissioned to find a new Director for the Board. Following this selection process, Christopher Metcalfe, was appointed to the Board and its committees with effect from 8 March 2024.

On 6 March 2025, at the conclusion of the AGM, Jane Lewis, the Chair of the Company will retire having served nine years. Upon this retirement, it is intended that Nicky McCabe, the Company's Senior Independent Director, who was appointed to the Board in January 2021 will become Chair. Nicky has extensive sector experience as she was formerly Head of Product and Investment Trusts at Fidelity International as well as a director and Chief Operating Officer of a number of Fidelity companies. Nicky is currently a non-executive director of abrdn Asian Income Fund Ltd, Artemis Investment Management Limited and EFG Asset Management (UK) Limited.

In addition, at the conclusion of the 2025 AGM, it is intended that Patrick Firth will be appointed Senior Independent Director and Christopher Metcalfe Chair of the Management Engagement Committee.

As a further part of the Board's succession planning, Nurole, a search company without connection to the Company or any individual director, was commissioned to find a new Director for the Board. It is anticipated that a new Director will be appointed to the Board shortly.

Diversity and tenure

The Board's diversity policy, objective and progress in achieving it are set out on page 34. In normal circumstances the Chair and Directors are expected to serve for no more than nine years, but this may be adjusted for reasons of flexibility and continuity.

Committee evaluation

The activities of the Committee were considered as part of the Board appraisal process completed in accordance with standard governance arrangements as summarised on page 53. The conclusion from the process was that the Committee was operating effectively, with the right balance of membership, experience and skills.

Dunke Afe
Chair of the Nomination and Remuneration Committee
28 November 2024

Directors' Remuneration Report

Dear Shareholder,
I am pleased to introduce the Directors' Remuneration Report for the year ended 30 September 2024. This report sets out the Company's forward looking Directors' Remuneration Policy and the Remuneration Report which describes how this policy has been applied during the year. I would welcome any comments you may have.

Directors' Remuneration Policy

The Board's policy is to set Directors' remuneration at a level commensurate with the skills and experience necessary for the effective stewardship of the Company and the expected contribution of the Board as a whole in continuing to achieve the investment objective. The policy aims to be fair and reasonable in relation to comparable investment trusts and other similar sized financial companies. Time committed to the Company's affairs and the role that individual Directors fulfil in respect of Board and Committee responsibilities are taken into account. The policy also provides for the Company's reimbursement of all reasonable travel and associated expenses incurred by the Directors in attending Board and committee meetings, including those treated as a benefit in kind subject to tax and national insurance. The Directors are not eligible for bonuses, pension benefits, share options, long term incentive schemes or other benefits. This policy was last approved by Shareholders in March 2023 with 94.5% voting in favour and 5.5% against. The policy will next be put to Shareholders for renewal at the AGM to be held in 2026. The Board has not received any views from Shareholders in respect of the levels of Directors' remuneration.

The fees for the non-executive Directors are determined within the limits set out in the Company's Articles of Association. The present limit is £250,000 per annum and may not be changed without seeking Shareholder approval at a general meeting.

At the Annual General Meeting to be held on 6 March 2025 the Board will seek shareholder approval to increase this limit to £350,000 per annum. This rise would facilitate any temporary increases in the size of the Board that may occur in the future. These transitional periods would allow the transfer of experience and knowledge between Directors. This limit was last increased, with the approval of Shareholders, in February 2021.

The fees are fixed and are payable in cash, quarterly in arrears. The fees are reviewed each year. Following this review the Board agreed that the annual remuneration of the Chair will increase from £42,750 to £44,750, the Chair of the Audit and Risk Committee from £35,750 to £37,500, the Senior Independent Director from £31,500 to £32,500 and other Directors from £28,500 to £30,000. These increases were effective from 1 October 2024. The previous increase to Directors' annual remuneration occurred on 1 October 2023.

The Board is composed solely of non-executive Directors, none of whom has a service contract with the Company. Each new Director is provided with a letter of appointment. There is no provision for compensation upon early termination of appointment. The letters of appointment are available for inspection at the Company's registered office during business hours and will be available for 15 minutes before and during the forthcoming AGM.

The dates on which each Director was appointed to the Board and was last elected or re-elected by Shareholders are set out on page 36. Each Director's appointment is subject to election at the first Annual General Meeting and continues thereafter subject to re-election at each subsequent Annual General Meeting. The appointment can be terminated on one month's notice. All the Directors, with the exception of Jane Lewis, will stand for election or re-election at the AGM on 6 March 2025.

The fees for specific responsibilities are set out in the table below.

Annual fees for Board Responsibilities

For the year ending 30 September	2025 £'000s	2024 £'000s	2023 £'000s
Chair	44.8	42.8	40.5
Director	30.0	28.5	27.0
Senior Independent Director	32.5	31.5	28.5
Audit and Risk Committee Chair	37.5	35.8	32.5

Directors' Shareholdings – Directors' share interests (audited)

At 30 September	2024	2023
	Number of shares held (audited)	Number of shares held (audited)
Jane Lewis	3,095	3,095
Dunke Afe	–	–
Patrick Firth	3,400	–
Nicky McCabe	3,420	3,420
Christopher Metcalfe*	3,460	n/a

As at 30 September 2024 the shareholding of the Company's fund manager, Julian Cane, was 350,176 shares (2023: 337,329 shares).

The Company's register of Directors' interests contains full details of Directors' shareholdings.

*Appointed as a non-executive Director with effect from 8 March 2024.

There have been no changes in any of the Directors' shareholdings detailed above between 30 September 2024 and the date of this report. No Director held any interests in the issued shares of the Company other than as stated above. There is no requirement for the Directors to hold shares in the Company.

Policy implementation

The Directors' Remuneration Report is subject to an annual advisory vote and therefore an ordinary resolution for its approval will be put to Shareholders at the forthcoming AGM. At the last meeting, Shareholders approved the Directors' Remuneration Report in respect of the year ended 30 September 2023. 94.0% of votes were cast in favour of the resolution and 6.0% against.

Directors' remuneration report

The Directors who served during the year received the following amounts for services as non-executive Directors for the years ended 30 September 2024 and 2023.

Fees for services to the Company (audited)

	Fees £'000s (audited)		Taxable Benefits(1) £'000s (audited)		Total £'000s (audited)	
Director	2024	2023	2024	2023	2024	2023
Jane Lewis	42.8	30.3	3.2	2.4	46.0	32.7
Tim Scholefield(2)	13.7	28.5	1.1	1.8	14.8	30.3
Nicky McCabe(3)	30.2	27.0	5.0	5.0	35.2	32.0
Patrick Firth	35.8	31.1	2.7	2.6	38.5	33.7
Dunke Afe	28.5	9.0	3.7	–	32.2	9.0
Christopher Metcalfe(4)	16.1	n/a	0.3	n/a	16.4	n/a
Total	167.1	125.9	16.0	11.8	183.1	137.7

(1) Comprises amounts reimbursed for expenses incurred in carrying out business for the Company, which have been grossed up at the Director's marginal tax rate to include PAYE and NI contributions.
(2) Retired 7 March 2024
(3) Appointed Senior Independent Director with effect from 7 March 2024.
(4) Appointed as a non-executive Director with effect from 8 March 2024.

The table below sets out the annual percentage change in fees for each Director who served in the year under review.

Fees annual percentage change

Director	2024 (audited) %	2023 (audited) %	2022 (audited) %	2021 (audited) %
Jane Lewis(1)	+41.3	+18.8	+4.1	–
Tim Scholefield(2)	-51.9	+5.6	+8.4	+1.6
Nicky McCabe(3)	+11.9	+5.9	+38.8	n/a
Patrick Firth(4)	+15.1	+522.0	n/a	n/a
Dunke Afe(5)	+216.7	n/a	n/a	n/a
Christopher Metcalfe(6)	n/a	n/a	n/a	n/a

(1) Appointed Chair with effect from 1 July 2023.
(2) Retired 7 March 2024.
(3) Appointed as a non-executive Director with effect from 1 January 2021 and Senior Independent Director from 7 March 2024.
(4) Appointed as non-executive Director with effect from 21 July 2022 and Audit and Risk Committee Chair from 1 January 2023.
(5) Appointed as a non-executive Director with effect from 1 June 2023.
(6) Appointed as a non-executive Director with effect from 8 March 2024.

The table below shows the actual expenditure during the year on Directors' fees (excluding taxable benefits) compared to the Shareholder distributions of dividends and share buybacks:

Relative importance of pay

Actual Expenditure Year ended 30 September	2024 £'000s	2023 £'000s	% Change
Aggregate Directors' fees	167.1	164.5	1.6
Aggregate cost of ordinary shares repurchased	13,586.0	7,245.0	87.5
Dividends paid to Shareholders+	12,710.0	12,819.0	(0.9)

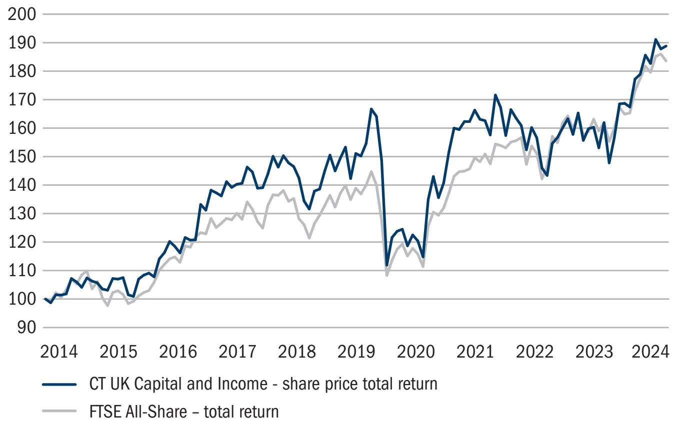
+ The reduction in dividends paid to Shareholders is a consequence of the Company's share buybacks. Dividends per share paid increased from 12.10 pence during the year ended 30 September 2023 to 12.45 pence for the equivalent period in 2024.

Company performance

The Board is responsible for the Company's investment strategy and performance. The management of the investment portfolio is delegated to the Manager. An explanation of the performance of the Company for the year ended 30 September 2024 is given in the Chair's Statement and Fund Manager's Review.

A comparison of the Company's performance over the required ten year period is set out in the graph. This shows the total return (assuming all dividends are reinvested) to ordinary Shareholders against the Benchmark.

Shareholder total return vs Benchmark total return over ten years (rebased to 100 at 30 September 2014) (%)



Source: Refinitiv Eikon

Dunke Afe
Chair of the Nomination and Remuneration Committee
28 November 2024

Report of the Audit and Risk Committee

The primary responsibilities of the Audit and Risk Committee (the "Committee") are to ensure the integrity of the financial reporting of the Company and the appropriateness of the internal controls and risk management processes.

Role of the Committee

The Committee met on three occasions during the year, and the attendance of each of the members is set out on page 43. The Trust Accountant, the Fund Manager and Risk Managers of the Manager were invited to attend certain meetings to report on relevant matters. The external auditor, BDO LLP, attended two of the committee meetings and also met in private session with the Committee Chair.

The Committee considered, monitored and reviewed the following matters:

- The audited annual results statement and Report and Accounts and the unaudited half yearly results statement and Report and Accounts;
- The accounting policies of the Company;
- The principal risks faced by the Company and the effectiveness of the Company's internal control and risk management environment, including consideration of the assumptions underlying the Board's future prospects statement on viability;
- The effectiveness of the external audit process and the current independence and objectivity of BDO LLP;
- The policy on the engagement of the external auditor to supply non-audit services and approval of any such services;
- The need for the Company to have its own internal audit function;
- The ISAE/AAF and SSAE16 reports or their equivalent from the Manager, the Custodian, Depositary and a due diligence report from the Company's share registrar; and
- The Committee's terms of reference, which can be found on the website at ctcapitalandincome.co.uk.

Comprehensive papers and reports relating to each of these matters were considered by the Committee and recommendations were then made to the Board as appropriate.

As noted within Principal Risks and Future Prospects on page 28 the Directors have reviewed the risk register of the Company.

Throughout the preparation processes for both the interim report for the six month period ended 31 March 2024 and the annual report for the year ended 30 September 2024 the Committee has considered the impact of the war in Ukraine, events in the Middle East and the after-effects of a high inflation environment upon the risks, operations and accounting basis of the Company.

Mindful of the guidance issued by the Financial Reporting Council, when assessing going concern the Directors have considered this in addition to taking note of the Company's objective, strategy and policy, its cash position, availability of the loan facility and the operational resilience of its service providers. Further analysis of the application of the going concern principle is detailed in note 20 to the Financial Report.

The Board retains ultimate responsibility for all aspects relating to external financial statements and other significant published financial information as is noted in the Statement of Directors' Responsibilities on page 54. On broader control policy issues, the Committee has received confirmation that bribery and corruption are managed by the Manager's Global Code of Conduct and Anti-Corruption Policy and Guidelines. The Manager and its employees are subject to both the Code and the Policy. The Committee has also received confirmation that the Manager has in place a Whistleblowing Policy under which its directors and staff may, in confidence, raise concerns about possible improprieties in financial reporting or other matters. The necessary arrangements are in place for communication to this Committee where matters might impact the Company with appropriate follow up action. In the year under review, there were no such concerns raised with the Committee.

Composition of the Committee

All the Directors of the Company are independent. All Directors, with the exception of the Chair of the Company, were members of the Committee. This is in accordance with developing Corporate Governance best practice. The Chair, however, has been invited to attend. The Committee is chaired by Patrick Firth. He is a qualified Chartered Accountant and a member of the Chartered Institute for Securities and Investment. He has worked in the fund industry in Guernsey since 1992 and has been a director of a number of management companies, general partners and investment companies, including Chair of the Audit and Risk Committees.

The other members of the Committee have a combination of relevant financial, investment and business experience through the senior posts held throughout their careers. The Committee considers that collectively the members have sufficient recent and relevant sector and financial experience to discharge their responsibilities. The performance of the Committee was evaluated as part of the Board appraisal process.

Management of risk

The Manager's Business Risk department provides regular control report updates to the Committee covering risk and compliance while any significant issues of direct relevance to the Company are required to be reported to the Board immediately. During the year the internal audit function of the Manager presented to the Board on their recent and planned activities within Columbia Threadneedle Investments.

A key risk register is produced by the Manager in consultation with the Board to identify the risks to which the Company is exposed, the controls in place and the actions being taken to mitigate them. The Board has a robust process for considering the resulting risk matrix and reviews the significance of the risks and the reasons for any changes.

The Company's Principal Risks and their mitigations are set out on pages 28 and 29 with additional information given in note 21 to the accounts. The integration of these risks into the analyses underpinning the "Five Year Horizon" Statement on page 30 was fully considered and the Committee concluded that the Board's statement was soundly based.

Internal controls

The Board has overall responsibility for the Company's systems of internal controls, for reviewing their effectiveness and ensuring that risk management and control processes are embedded in the day-to-day operations, which are managed by the Manager. The Committee has reviewed and reported to the Board on these controls, which aim to ensure that the assets of the Company are safeguarded, proper accounting records are maintained, and the financial information used within the business and for publication is reliable. Control of the risks identified, covering financial, operational, compliance and overall risk management, is exercised by the Committee and the Board through regular reports provided by the Manager. The reports cover investment performance, compliance with agreed and regulatory investment restrictions, financial analyses, revenue estimates, performance of the third party administrators of the CT Savings Plans and other relevant management issues.

The systems of internal controls are designed to manage rather than eliminate risk of failure to achieve business objectives and can only provide reasonable, but not absolute, assurance against material misstatement, loss or fraud. Further to the review by the Committee, the Board has assessed the effectiveness of the Company's internal control systems. The assessment included a review of the Manager's risk management infrastructure and the report on policies and procedures in operation and tests for the period to 1 October 2023 (the **"ISAE/AAF Report"**). The Manager has provided further assurance that controls have operated satisfactorily since that date. This had been prepared by the Manager for all its investment trust clients to the International Standard on Assurance Engagement (**"ISAE"**) No.3402 and to the standards of the Institute of Chartered Accountants in England and Wales Technical Release AAF (01/20).

The ISAE/AAF Report, containing an unqualified opinion from independent reporting accountants KPMG, sets out the Manager's control policies and procedures with respect to the management of its clients' investments and maintenance of their financial records. Procedures are also in place to capture and evaluate any failings and weaknesses within the Manager's control environment and those extending to any outsourced service providers to ensure that action would be taken to remedy any significant issues. Any errors or breaches relating to the Company are reported at each Board meeting by the Manager. No failings or weaknesses material to the overall control environment and financial statements were identified in the Company's year under review. The Committee also reviewed the control reports of the Custodian and the Depositary and were satisfied that there were no material exceptions.

Through the reviews and reporting arrangements set out above and by direct enquiry of the Manager and other relevant parties, the Committee and the Board have satisfied themselves that there were no material control failures or exceptions affecting the Company's operations during the year or to the date of this report.

Based on review, observation and enquiry by the Committee and Board of the processes and controls in place within the Manager, including the unqualified opinion of a reputable independent accounting firm that those controls operated satisfactorily, the Committee has concluded that there is no current need for the Company to have an internal audit function and the Board has concurred.

External audit process and significant issues considered by the Committee

In carrying out its responsibilities, the Committee has considered the planning arrangements, scope, materiality levels and conclusions of the 2024 external audit. The table on the next page describes the significant judgements and issues considered by the Committee in conjunction with BDO LLP in relation to the financial statements for the year and how these issues were addressed. The Committee also included in their review the areas of judgement referred to in note 2(c)(xv) to the accounts.

The Committee met in November 2024 to discuss the draft Report and Accounts, with representatives of BDO LLP and the Manager in attendance. BDO LLP submitted their Year End report

Significant matters considered by the Committee in 2024

Matter	Action
Investment Portfolio Valuation	
The Company's portfolio is invested in listed securities. Although the vast majority of the securities are highly liquid and listed on recognised stock exchanges, errors in the valuation could have a material impact on the Company's Net Asset Value per share.	The Board reviews the full portfolio valuation at each Board meeting and receives quarterly monitoring and control reports from the AIFM and Depositary. The Committee reviewed the Manager's ISAE/AAF Report for the period ended 1 October 2023, which is reported on by independent external accountants and which details the systems, processes and controls around the daily pricing of equity and fixed interest securities. The Manager has provided further assurance that controls have operated satisfactorily since that date. The valuation and existence of investments were tested and reported on by the auditors as set out on page 57.
Ownership and Existence of Assets	
Misappropriation or non-existence of the Company's investments or cash balances could have a material impact on its Net Asset Value per share.	The Committee reviewed the Manager's ISAE/AAF Report for the period ended 1 October 2023, which details the controls around the reconciliation of the Manager's records to those of the Custodian. The Committee also reviewed the Custodian's annual internal control report to 31 March 2024, which is reported on by independent external accountants and which provides details regarding its control environment. Regular updates from the Manager, Depositary and Custodian, in respect of controls operating in subsequent periods up to 30 September 2024, were also reviewed and agreed as being satisfactory.
Income Recognition	
Incomplete or inaccurate income recognition could have an adverse effect on the Company's Net Asset Value and earnings per share and its level of dividend cover.	The Committee reviewed the Manager's ISAE/AAF Report and subsequent confirmation referred to above. It also assessed the final level of income received for the year against the budget which was set at the start of the year and discussed the accounting treatment of special dividends with the Manager. Investment income was also tested and reported on by the auditors as set out on page 57.

to the Committee and confirmed that they anticipated issuing an unqualified audit opinion in respect of the Report and Accounts. The Committee established that there were no material issues or findings arising which needed to be brought to the attention of the Board and confirmed that the Report and Accounts were in their view fair, balanced and understandable in accordance with accounting standards, regulatory requirements and best practice. The Independent Auditors' Report, which sets out their unqualified audit opinion, the scope of the audit and the areas of focus, in compliance with applicable auditing standards, can be found on pages 56 to 60.

Auditor assessment and independence

The Committee has been satisfied with the effectiveness of BDO LLP's performance on the audit of the Company's accounts. BDO LLP has confirmed its independence of the Company and has complied with relevant auditing standards. In evaluating BDO LLP, the Committee took into consideration the standing, skills and experience of the firm and the audit team and also took note of BDO LLP's audit performance through the FRC's Audit Quality Review. The fee for the audit was £45,750 (2023: £42,000) as shown in note 5 to the accounts.

Non-audit services

The Committee regards the continued independence of the auditor to be a matter of the highest priority. The Company's policy with regard to the provision of non-audit services by the external auditor ensures that no engagement will be permitted if:

- the provision of the services would contravene any regulation or ethical standard;
- the auditors are not considered to be expert providers of the non-audit services;
- the provision of such services by the auditor creates a conflict of interest for either the Board or the Manager; and
- the services are considered to be likely to inhibit the auditor's independence or objectivity as auditors.

In particular, the Committee has a policy that the costs of all non-audit services sought from the auditors in any one year should not exceed 70% of the average audit fee paid over the last three consecutive years.

There were no non-audit services for the year ended 30 September 2024.

Patrick Firth
Chair of the Audit and Risk Committee
28 November 2024

Report of the Management Engagement Committee

Role of the Management Engagement Committee ("the Committee")

The primary role of the Committee is to review annually the performance of, and the fee paid to, the Manager for the services it provides under the management agreement together with the terms of the agreement. As part of this process it receives reports on any services delegated by the Manager to outsourced service providers. The Committee considers any extra charges and services proposed by the Manager in addition to the management fees.

The Committee reviews annually the performance of all service providers to the Company and monitors fees payable to them. It will make any necessary recommendations to the Board.

Composition of the Committee

Due to the size of the Board, all of the Directors are members of the Committee. The Committee is chaired currently by Nicky McCabe. It is intended that Christopher Metcalfe will be appointed Chair of the Committee at the conclusion of the Company's AGM to be held on 6 March 2025.

The terms of reference can be found on the website at ctcapitalandincome.co.uk.

Manager and supplier evaluation process

Investment performance is considered by the Board at every meeting, with the formal annual evaluation undertaken by the Committee including the wider services provided by the Manager. In evaluating the performance, the Committee considers a range of factors including the investment performance of the portfolio and the skills, experience and depth of the team involved in managing the Company's assets. For the purposes of its ongoing monitoring, the Board had received detailed reports and views from the Fund Manager on investment policy, asset allocation, gearing and risk. The Board had also received comprehensive performance and risk management schedules to enable it to assess: the success or failure of the management of the portfolio against the performance objectives set by the Board; the sources of positive and negative contribution to the portfolio in terms of gearing, asset allocation and stock selection; and the risk/return characteristics. The Committee also monitors the level of the Manager's fee, the service provided by the Manager and the service and fees of all of the Company's third party service providers.

Manager reappointment

The annual evaluation that took place in May 2024 included a presentation from the Manager's Head of Investment Trusts. The Manager continued to commit the necessary resources in all areas of its responsibilities, including investment, ESG, marketing and administrative services towards the achievement of the Company's objective. The Committee met in closed session following the presentation and concluded that in its opinion, in the light of investment performance and the quality of the overall service provided, the continuing appointment of the Manager on the terms agreed was in the interests of Shareholders as a whole. The Board ratified this recommendation.

Nicky McCabe
Chair of the Management Engagement Committee
28 November 2024

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Report and Accounts, the Directors' Remuneration Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with United Kingdom Accounting Standards, comprising FRS 102 and applicable law (United Kingdom Generally Accepted Accounting Practice).

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. 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 respectively;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business; and
- prepare a Directors' Report, a Strategic Report and a Directors' Remuneration Report which comply with the requirements of the Companies Act 2006.

The Directors confirm that they have complied with the above requirements in preparing the financial statements.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements and the Directors' Remuneration Report comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Report and Accounts is published on the website ctcapitalandincome.co.uk, which is maintained by the Manager. The Directors are responsible for the maintenance and integrity of the Company's website. Visitors to the website need to be aware that legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statement under Disclosure Guidance and Transparency Rule 4.1.12

Each of the Directors listed on page 36 confirm to the best of their knowledge that:

- the financial statements, prepared in accordance with applicable accounting standards give a true and fair view of the assets, liabilities, financial position and profit of the Company;
- the Strategic Report includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties that they face; and
- the Annual Report and financial statements, taken as a whole, are fair, balanced and understandable and provide the information necessary for Shareholders to assess the Company's position and performance, business model and strategy.

On behalf of the Board
Jane Lewis
Chair
28 November 2024

Management and Advisers

The Manager

CT UK Capital and Income Investment Trust PLC is managed by Columbia Threadneedle Investment Business Limited, a wholly-owned subsidiary of Columbia Threadneedle AM (Holdings) PLC which is ultimately owned by Ameriprise Financial, Inc. Columbia Threadneedle Investment Business Limited is authorised and regulated in the UK by the Financial Conduct Authority and is appointed under a management agreement with the Company setting out its responsibilities for investment management, administration and marketing.

The Manager also acts as the Alternative Investment Fund Manager.

Julian Cane Fund Manager and director of UK equities at the Manager, has managed the Company's investments since March 1997. He joined the Manager in 1993.

Marrack Tonkin Head of Investment Trusts at the Manager. He has responsibility for the relationship with the Company. He joined the Manager in 1989.

Scott McEllen Represents the Manager as Company Secretary and is responsible for the Company's statutory compliance. He joined the Manager in 2007.

The Secretary and the Company's Registered Office

Columbia Threadneedle Investment Business Limited
Cannon Place, 78 Cannon Street
London EC4N 6AG

Telephone: 0131 573 8300
Website: ctcapitalandincome.co.uk
Email: invest@columbiathreadneedle.com

The Auditors

BDO LLP
55 Baker Street
London W1U 7EU

The Bank

JPMorgan Chase Bank
25 Bank Street, Canary Wharf
London E14 5JP

The Custodian

JPMorgan Chase Bank
25 Bank Street, Canary Wharf
London E14 5JP

The Depositary

JPMorgan Europe Limited
25 Bank Street, Canary Wharf
London E14 5JP

The Registrars

Computershare Investor Services PLC
The Pavilions, Bridgwater Road
Bristol BS99 6ZZ
Telephone: 0370 889 4094

The Legal Counsel

Dickson Minto W.S.
Broadgate Tower, 20 Primrose Street
London EC2A 2EW

The Broker

Cavendish
1 Bartholomew Close
London EC1A 7BL

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Independent Auditors' Report

Independent auditor's report to the members of CT UK Capital and Income Investment Trust PLC

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 September 2024 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements *CT UK Capital and Income Investment Trust PLC* (the **"Company"**) for the year ended 30 September 2024 which comprise the income statement, the statement of changes in equity, the balance sheet, the statement of cash flows and notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. Our audit opinion is consistent with the additional report to the audit committee.

Independence

Following the recommendation of the audit committee, we were appointed by the Board of Directors on 11 February 2020 to audit the Financial Statements for the year ending 30 September 2020 and subsequent financial periods. The period of total uninterrupted engagement including retenders and reappointments is five years, covering the years ended 30 September 2020 to 30 September 2024. We remain independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. The non-audit services prohibited by that standard were not provided to the Company.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Directors' assessment of the Company's ability to continue to adopt the going concern basis of accounting included:

- Evaluating the appropriateness of the Directors' method of assessing the going concern in light of market volatility by reviewing the information used by the Directors in completing their assessment;
- Assessing the liquidity of the investment portfolio, which underpins the ability to meet the future obligations and operating expenses for a period of 12 months from the date of approval of these Financial Statements; and
- Reviewing the loan agreements to identify relevant covenants and assessing the likelihood of them being breached based on the Directors' forecast and sensitivity analysis.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In relation to the Company's reporting on how it has applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the Directors' statement in the financial statements about whether the Directors considered it appropriate to adopt the going concern basis of accounting.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

An overview of the scope of our audit

Our audit was scoped by obtaining an understanding of the Company and its environment, including the Company's system of internal control, and assessing the risks of material misstatement in the financial statements. We also addressed the risk of management override of internal controls, including assessing whether there was evidence of bias by the Directors that may have represented a risk of material misstatement.

Overview

		2024	2023
Key audit matters	Valuation and ownership of quoted investments	✓	✓
	Revenue recognition	✓	✓
Materiality	**Company financial statements as a whole** £3.4m (2023: £3.1m) based on 1% (2023: 1%) of Net assets	**Specific materiality** £0.57m based on 5% (2023: 5%) of net revenue returns attributable to equity Shareholders before tax (2023: £0.71m).	

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit, and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter		How the scope of our audit addressed the key audit matter
Valuation and ownership quoted of investments **(Note 2c (i) on page 66 and 10 on page 72)**	The investment portfolio at the year-end comprised of quoted equity investments. There is a risk that the prices used for the listed investments held by the Company are not reflective of fair value and the risk that errors made in the recording of investment holdings result in the incorrect reflection of investments owned by the Company. Therefore we considered the valuation and ownership of quoted investments to be the most significant audit area as the quoted investments also represent the most significant balance in the financial statements and underpin the principal activity of the entity. Furthermore, we consider the valuation disclosures to be a significant area as they are expected to be a key area of interest for the users of the financial statements. For these reasons and the materiality of the balance in relation to the financial statements as a whole, we considered this to be a key audit matter.	We responded to this matter by testing the valuation and ownership of the whole portfolio of quoted investments. We performed the following procedures: · Confirmed the year-end bid price was used by agreeing to externally quoted prices; · Assessed if there were contra indicators, such as liquidity considerations, to suggest bid price is not the most appropriate indication of fair value by considering the realisation period for individual holdings; · Recalculated the valuation by multiplying the number of shares held per the statement obtained from the custodian by the valuation per share; · Obtained direct confirmation of the number of shares held per equity investment from the custodian regarding all investments held at the balance sheet date; and · We also considered the completeness, accuracy and clarity of investment-related disclosures against the requirements of relevant accounting standard. **Key observations:** Based on our procedures performed we did not identify any matters to suggest the valuation or ownership of the quoted equity investments was not appropriate.
Revenue recognition **(Note 2c (v) on page 66 and Note 3 on page 68)**	Income arises from dividends and is a key factor in demonstrating the performance of the portfolio. As such there may be an incentive to recognise income as revenue where it is more appropriately of a capital nature. Additionally, judgement is required by management in determining the allocation of dividend income to revenue or capital for certain corporate actions or special dividends. For this reason, we considered revenue recognition to be a key audit matter.	We assessed the treatment of dividend income from corporate actions and special dividends and challenged if these had been appropriately accounted for as income or capital by reviewing the underlying reason for issue of the dividend and whether it could be driven by a capital event. We analysed the whole population of dividend receipts to identify items for further discussion that could indicate a capital distribution, for example where a dividend represents a particularly high yield. In these instances, we performed a combination of inquiry with management and our own independent research, including inspection of financial statements of investee companies, to ascertain whether the underlying event was indeed of a capital nature. We derived our own expectation of income for the whole portfolio during the year using data analytics based on the investment holdings and distributions from independent sources and traced a sample of dividend income receipts to bank. **Key observations:** Based on our procedures performed we found the judgements made by management in determining the allocation of income to revenue or capital to be appropriate.

Our application of materiality

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements. We consider materiality to be the magnitude by which misstatements, including omissions, could influence the economic decisions of reasonable users that are taken on the basis of the financial statements.

In order to reduce to an appropriately low level the probability that any misstatements exceed materiality, we use a lower materiality level, performance materiality, to determine the extent of testing needed. Importantly, misstatements below these levels will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole and performance materiality as follows:

Company financial statements	2024 £m	2023 £m
Materiality	3.4	3.1
Basis for determining materiality	1% of Net assets	1% of Net assets
Rationale for the benchmark applied	As an investment trust, the net asset value is the key measure of performance for users of the financial statements.	As an investment trust, the net asset value is the key measure of performance for users of the financial statements.
Performance materiality	2.5	2.3
Basis for determining performance materiality	75% of materiality	75% of materiality
Rationale for the percentage applied for performance materiality	The level of performance materiality applied was set after having considered a number of factors including the expected total value of known and likely misstatements and the level of transactions in the year.	The level of performance materiality applied was set after having considered a number of factors including the expected total value of known and likely misstatements and the level of transactions in the year.

Specific Materiality

We also determined that for Revenue return before tax, a misstatement of less than materiality for the financial statements as a whole, specific materiality, could influence the economic decisions of users as it is a measure of the Company's performance of income generated from its investments after expenses. As a result, we determined materiality for these items to be £0.57m (2023: £0.71m) based on 5% (2023: 5%) of net revenue returns attributable to equity Shareholders before tax. We further applied a performance materiality level of 75% (2023:75%) of specific materiality to ensure that the risk of errors exceeding specific materiality was appropriately mitigated

Reporting threshold

We agreed with the Audit Committee that we would report to them all individual audit differences in excess of £68,000 (2023: £62,000) for the financial statements as a whole. We also agreed to report differences below this threshold that, in our view, warranted reporting on qualitative grounds. We also set a separate reporting threshold of £28,000 (2023: £35,000) for the testing of transactions and balances that impact on the revenue return. We also agreed to report differences below these thresholds that, in our view, warranted reporting on qualitative grounds.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report and Financial Statements other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Corporate governance statement

The UK Listing Rules require us to review the Directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the Company's compliance with the provisions of the UK Corporate Governance Code specified for our review.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements or our knowledge obtained during the audit.

Going concern and longer-term viability	· The Directors’ statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on page 38; and · The Directors’ explanation as to their assessment of the Company’s prospects, the period this assessment covers and why the period is appropriate set out on page 30.
Other Code provisions	· Directors’ statement on fair, balanced and understandable set out on page 54; · Board’s confirmation that it has carried out a robust assessment of the emerging and principal risks set out on page 28; · The section of the annual report that describes the review of effectiveness of risk management and internal control systems set out on page 51; and · The section describing the work of the audit committee set out on page 50.

Other Companies Act 2006 reporting

Based on the responsibilities described below and our work performed during the course of the audit, we are required by the Companies Act 2006 and ISAs (UK) to report on certain opinions and matters as described below.

Strategic report and Directors’ report	In our opinion, based on the work undertaken in the course of the audit: · the information given in the Strategic report and the Directors’ report for the financial year for which the financial statements are prepared is consistent with the financial statements; and · the Strategic report and the Directors’ report have been prepared in accordance with applicable legal requirements. In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the Directors’ report.
Directors’ remuneration	In our opinion, the part of the Directors’ remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.
Matters on which we are required to report by exception	We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion: · adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or · the financial statements and the part of the Directors’ remuneration report to be audited are not in agreement with the accounting records and returns; or · certain disclosures of Directors’ remuneration specified by law are not made; or · we have not received all the information and explanations we require for our audit.

Responsibilities of Directors

As explained more fully in the Statement of the Directors’ responsibilities, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor’s responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed overleaf:

Non-compliance with laws and regulations

Based on:

- Our understanding of the Company and the industry in which it operates;
- Discussion with investment manager and those charged with governance and Audit Committee; and
- Obtaining and understanding of the Company's policies and procedures regarding compliance with laws and regulations.

We considered the significant laws and regulations to be Companies Act 2006, the FCA listing and DTR rules, the principles of the AIC Code of Corporate Governance, industry practice represented by the AIC SORP, the applicable accounting framework, and qualification as an Investment Trust under UK tax legislation as any non-compliance of this would lead to the Company losing various deductions and exemptions from corporation tax.

Our procedures in respect of the above included:

- Agreement of the financial statement disclosures to underlying supporting documentation;
- Enquiries of management and those charged with governance relating to the existence of any non-compliance with laws and regulations;
- Reviewing minutes of meetings of those charged with governance throughout the period for instances of non-compliance with laws and regulations; and
- Reviewing the calculation in relation to Investment Trust compliance to check that the Company was meeting its requirements to retain their Investment Trust Status.

Fraud

We assessed the susceptibility of the financial statement to material misstatement including fraud.

Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Company's policies and procedures relating to:
    - Detecting and responding to the risks of fraud; and
    - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meetings of those charged with governance for any known or suspected instances of fraud; and
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements.

Based on our risk assessment, we considered the areas most susceptible to fraud to be management override of controls and classification of revenue.

Our procedures in respect of the above included:

- The procedures set out in the Key Audit Matters section above relating to revenue recognition; and
- Testing all period end journals by agreeing to supporting documentation and evaluating whether there was evidence of bias by the Investment Manager and Directors that represented a risk of material misstatement due to fraud.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members who were all deemed to have appropriate competence and capabilities and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Peter Smith (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
London
28 November 2024

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Income Statement

for the year ended 30 September

Revenue notes	Capital notes		2024 Revenue £'000s	2024 Capital £'000s	2024 Total £'000s	2023 Revenue £'000s	2023 Capital £'000s	2023 Total £'000s
	10	Gains on investments	**–**	**45,656**	**45,656**	–	25,619	25,619
		Foreign exchange (losses)/gains	**(3)**	**(32)**	**(35)**	(4)	4	–
3	17	Income	**13,813**	**28**	**13,841**	16,179	–	16,179
4	4	Management fee	**(735)**	**(735)**	**(1,470)**	(693)	(693)	(1,386)
5	5	Other expenses	**(806)**	**(1)**	**(807)**	(742)	(1)	(743)
		Net return before finance costs and taxation	**12,269**	**44,916**	**57,185**	14,740	24,929	39,669
6	6	Finance costs	**(802)**	**(802)**	**(1,604)**	(662)	(662)	(1,324)
		Net return before taxation	**11,467**	**44,114**	**55,581**	14,078	24,267	38,345
7	7	Taxation	**(28)**	**–**	**(28)**	(22)	–	(22)
		Net return attributable to Shareholders	**11,439**	**44,114**	**55,553**	14,056	24,267	38,323
8	8	**Return per share – basic and diluted**	**11.18p**	**43.12p**	**54.30p**	13.26p	22.89p	36.15p

The total column of this statement is the profit and loss account of the Company. The revenue return and capital return columns are supplementary to this and are prepared under guidance published by the AIC.

All revenue and capital items in the above statement derive from continuing operations.

A statement of Comprehensive Income is not required as all gains and losses of the Company have been reflected in the above statement.

The notes on pages 65 to 81 form an integral part of the financial statements.

Statement of Changes in Equity

for the year ended 30 September 2024

Notes		Share capital £'000s	Share premium account £'000s	Capital redemption reserve £'000s	Special reserve £'000s	Capital reserve £'000s	Revenue reserve £'000s	Total Shareholders' funds £'000s
	Balance at 30 September 2023	**26,822**	**141,367**	**4,146**	**–**	**130,082**	**12,330**	**314,747**
	Movements during the year ended 30 September 2024							
9	Dividends paid	**–**	**–**	**–**	**–**	**–**	**(12,710)**	**(12,710)**
17	Ordinary shares bought back and held in treasury	**–**	**–**	**–**	**–**	**(13,586)**	**–**	**(13,586)**
	Costs relating to broker	**–**	**–**	**–**	**–**	**(10)**	**–**	**(10)**
	Net return attributable to Shareholders	**–**	**–**	**–**	**–**	**44,114**	**11,439**	**55,553**
	Balance at 30 September 2024	**26,822**	**141,367**	**4,146**	**–**	**160,600**	**11,059**	**343,994**

for the year ended 30 September 2023

Notes		Share capital £'000s	Share premium account £'000s	Capital redemption reserve £'000s	Special reserve £'000s	Capital reserve £'000s	Revenue reserve £'000s	Total Shareholders' funds £'000s
	Balance at 30 September 2022	26,822	141,380	4,146	2,642	110,200	11,093	296,283
	Movements during the year ended 30 September 2023							
9	Dividends paid	–	–	–	–	–	(12,819)	(12,819)
16	Ordinary shares issued from treasury	–	–	–	224	–	–	224
16	Ordinary shares bought back and held in treasury	–	–	–	(2,866)	(4,380)	–	(7,246)
16	Costs relating to broker	–	(13)	–	–	(5)	–	(18)
	Net return attributable to Shareholders	–	–	–	–	24,267	14,056	38,323
	Balance at 30 September 2023	26,822	141,367	4,146	–	130,082	12,330	314,747

The notes on pages 65 to 81 form an integral part of the financial statements.

Balance Sheet

at 30 September

Notes		2024 £'000s	2023 £'000s
	Fixed assets		
10	Investments	**370,968**	336,112
	Current assets		
11	Debtors	**1,312**	2,833
14	Cash at bank	**319**	2,378
	Total current assets	**1,631**	5,211
	Current liabilities		
12	Creditors: amounts falling due within one year	**(605)**	(1,576)
13,14	Bank loan	**(28,000)**	(25,000)
	Total current liabilities	**(28,605)**	(26,576)
	Net current liabilities	**(26,974)**	(21,365)
	Total assets less current liabilities	**343,994**	314,747
	Capital and reserves		
15	Share capital	**26,822**	26,822
16	Share premium account	**141,367**	141,367
16	Capital redemption reserve	**4,146**	4,146
16	Special reserve	**–**	–
17	Capital reserve	**160,600**	130,082
17	Revenue reserve	**11,059**	12,330
	Total Shareholders' funds	**343,994**	314,747
18	**Net Asset Value per ordinary share – pence**	**343.84**	301.67

The notes on pages 65 to 81 form an integral part of the financial statements.

The Financial Statements were approved by the Board on 28 November 2024 and signed on its behalf by

Jane Lewis, Chair

Statement of Cash Flows

for the year ended 30 September

Notes		2024 £'000s	2023 £'000s
19	**Cash flows from operating activities before dividends and interest**	**(2,273)**	(2,162)
	Dividends received	**13,910**	15,777
	Interest received	**283**	91
	Interest paid	**(1,603)**	(1,298)
	Cash flows from operating activities	**10,317**	12,408
	Investing activities		
	Purchase of investments	**(21,121)**	(20,000)
	Sale of investments	**32,087**	27,924
	Other capital charges	**(1)**	(1)
	Cash flows from investing activities	**10,965**	7,923
	Cash flows before financing activities	**21,282**	20,331
	Financing activities		
9	Equity dividends paid	**(12,710)**	(12,819)
16	Net proceeds from issuance of shares from treasury	**–**	224
16	Broker costs associated with share issues and buybacks	**(10)**	(18)
16,17	Costs of shares bought back and held in treasury	**(13,586)**	(7,246)
14	Drawdown of bank loan	**28,000**	1,000
14	Repayment of bank loans	**(25,000)**	–
	Cash flows from financing activities	**(23,306)**	(18,859)
14	Net movement in cash and cash equivalents	**(2,024)**	1,472
14	Cash and cash equivalents at the beginning of the year	**2,378**	906
14	Effect of movement in foreign exchange	**(35)**	–
14	**Cash and cash equivalents at the end of the year**	**319**	2,378
	Represented by:		
	Cash at bank	**319**	2,378
		319	2,378

The notes on pages 65 to 81 form an integral part of the financial statements.

Notes to the Accounts

1. General information

CT UK Capital and Income Investment Trust PLC is an investment company incorporated in England (UK) with a listing on the London Stock Exchange. The Company registration number is 02732011 and the registered office is Cannon Place, 78 Cannon Street, London, EC4N 6AG, United Kingdom.

The Company has conducted its affairs so as to qualify as an investment trust under the provisions of Section 1158 of the Corporation Tax Act 2010. Approval of the Company under Section 1158 has been received. The Company intends to conduct its affairs so as to enable it to continue to comply with the requirements. Such approval exempts the Company from UK Corporation Tax on gains realised in the relevant year on its portfolio of fixed asset investments.

The accounting policies have been applied consistently throughout the year ended 30 September 2024 with no significant changes, as set out in note 2 below.

2. Significant accounting policies

(a) Going concern

As referred to on page 38 and note 20 to the accounts, the Directors believe that it is appropriate for the accounts to be prepared on a going concern basis.

(b) Basis of accounting

The accounts of the Company have been prepared on a going concern basis under the historical cost convention, modified to include fixed asset investments, and in accordance with the Companies Act 2006, Financial Reporting Standards (FRS) 102 applicable in the United Kingdom and with the Statement of Recommended Practice 'Financial Statements of Investment Trust Companies and Venture Capital Trusts' ("SORP") issued by the Association of Investment Companies.

All of the Company's operations are of a continuing nature. The functional and reporting currency of the Company is Pounds Sterling because that is the currency of the primary economic environment in which the Company operates.

The Directors are of the opinion that the Company's activities comprise a single operating segment, which is investing in the UK, US and Europe in equities to secure long term growth in income and capital.

In accordance with the SORP, the Income Statement has been analysed between a revenue account (dealing with items of a revenue nature) and a capital account (relating to items of a capital nature). Revenue returns include, but are not limited to, dividend income, operating expenses and tax (insofar as the expenses and tax are not allocated to capital, as described in note 2(c)). Net revenue returns are allocated via the revenue account to the revenue reserve, out of which four interim dividend payments are made. Capital returns include, but are not limited to, realised and unrealised profits and losses on investments, income identified as being capital in nature, expenses allocated to capital and currency profits and losses on cash and borrowings. Net capital returns are allocated via the capital account to the capital reserve. Dividends paid to Shareholders are shown in the Statement of Changes in Equity.

(c) Principal accounting policies

The policies set out below have been applied consistently throughout the year ended 30 September 2024 and the prior year.

(i) Financial instruments

Financial instruments include fixed asset investments, cash and demand deposits, debtors and creditors. Accounting standards recognise a hierarchy of fair value measurements for financial instruments which gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3). The classification of financial instruments depends on the lowest significant applicable input, as follows:

Level 1 – The unadjusted quoted price in an active market for identical assets or liabilities that the Company can access at the measurement date.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

Level 3 – External inputs are unobservable for the asset or liability. Value is the Directors' best estimate, based on advice from relevant knowledgeable experts, use of recognised valuation techniques and on assumptions as to what inputs other market participants would apply in pricing the same or similar instrument. Included within this category are unquoted investments.

All of the Company's investments held during the year have been classified as Level 1.

(ii) Fixed asset investments and derivative financial instruments

As an investment trust, the Company measures its fixed asset investments at "fair value through profit or loss" and treats all transactions on the realisation and revaluation of investments as transactions on the Capital Account. Purchases and sales are recognised on a trade date basis.

Quoted investments are valued at bid value at the close of business on the relevant date on the exchange on which the investment is quoted. Investments which are not quoted or which are not frequently traded are stated at Directors' best estimate of fair value. In arriving at their estimate, the Directors make use of recognised valuation techniques and may take account of recent arms' length transactions in the same or similar instruments. Where no reliable fair value can be estimated, investments are carried at cost or, where subsequently revalued, at their previous carrying amount less any provision for impairment.

(iii) Debt Instruments

Loans and overdrafts are recorded initially at proceeds received, less direct issue costs, and subsequently measured at amortised cost using the effective interest method.

(iv) Foreign currency

Monetary assets, monetary liabilities and equity investments denominated in a foreign currency are expressed in sterling at rates of exchange ruling at the Balance Sheet date. Purchases and sales of investment securities, dividend income, interest income and expenses are translated at the rates of exchange prevailing at the respective dates of such transactions.

Foreign exchange profits and losses on fixed asset investments are included within the changes in fair value in the capital account. Foreign exchange profits and losses on other currency balances are separately credited or charged to the capital account except where they relate to revenue items when they are credited or charged to the revenue account.

(v) Income

Income from equity shares is brought into the revenue account (except where, in the opinion of the Directors, its nature indicates it should be recognised within the capital account) on the ex-dividend date or, where no ex-dividend date is quoted, when the Company's right to receive payment is established. Fixed returns on non-equity shares and debt securities are recognised on a time apportionment basis so as to reflect the effective yield on the investment.

Dividends are accounted for in accordance with FRS 102 on the basis of income actually receivable. Dividends from overseas companies are shown gross of withholding tax.

Where the Company has elected to receive its dividends in the form of additional shares rather than in cash (scrip dividends), the amount of the cash dividend foregone is recognised as income. Any excess in the value of the shares received over the amount of the cash dividend foregone is recognised in the capital account.

Underwriting commission is recognised when the Company's right to receive payment is established. Deposit interest is accounted for on an accruals basis.

(vi) Expenses, including finance charges

Expenses, inclusive of associated value added tax (VAT), are charged to the revenue account of the Income Statement, except as noted below:

– expenses incidental to the acquisition or disposal of fixed asset investments which are recognised immediately in the capital return of the Income Statement and are thus charged to capital reserve – realised; and
– 50% of management fees and 50% of finance costs are allocated to capital reserve – realised, in accordance with the Board's long term expected split of returns from the investment portfolio of the Company.

All expenses are accounted for on an accruals basis.

Finance charges are accrued using the effective interest method and are added to the carrying amount of the instrument to the extent that they are not settled in the period.

(vii) Taxation

Deferred tax is provided for in accordance with FRS102 on all timing differences that have been enacted at the Balance Sheet date and are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax assets are only recognised if it is considered more likely than not that there will be sufficient profits from which the future reversal of timing differences can be deducted. In line with the recommendations of the SORP, the allocation method used to calculate the tax relief on expenses charged to capital is the "marginal" basis. Under this basis, if taxable income is capable of being offset entirely by expenses charged through the revenue account, then no tax relief is transferred to the capital account.

(viii) Dividends payable

Dividends are included in the financial statements on the date on which they are declared.

Dividends paid and payable in respect of the year are set out in note 9. The amount estimated to be transferred to revenue reserves is less than the maximum allowed under rules in the Corporation Tax Act 2010. The Board assesses the minimum level of dividend payable in respect of any period in accordance with section 1158 rules, after taking into account the audited annual net revenue available for distribution, and ensures that payments for each period comfortably exceed that minimum level.

(ix) Share capital

Share capital represents the nominal value of ordinary shares in issue.

(x) Share premium account (non-distributable reserve)

The surplus of net proceeds received from the issue of shares over the nominal value of such shares, less any associated costs of issuance, is credited to this account.

(xi) Capital Redemption Reserve

The nominal value of ordinary share capital purchased and cancelled is transferred out of called-up share capital and into the capital redemption reserve on the trade date.

(xii) Special reserve (distributable reserve)

The following are accounted for in this reserve:

– costs of purchasing shares for cancellation; and
– costs of purchasing or selling shares to be held in, or sold out of, treasury.

These costs were accounted for in the special reserve until it was exhausted and from then have been accounted for in the capital reserve.

(xiii) Capital reserves (distributable reserves)

Capital reserve – arising on investments sold

The following are accounted for in this reserve:

– gains and losses on the disposal of fixed asset investments and derivatives;
– settled foreign exchange differences of a capital nature;
– costs of professional advice, including related irrecoverable VAT, relating to the capital structure of the Company;
– other capital charges and credits charged or credited to this account in accordance with the above policies.
– costs of purchasing shares for cancellation; and
– costs of purchasing or selling shares to be held in, or sold out of, treasury.

Capital reserve – arising on investments held

The following are accounted for in this reserve:

– increases and decreases in the valuation of fixed asset investments and derivatives held at the year-end; and
– unsettled foreign exchange valuation differences of a capital nature.

(xiv) Revenue reserve

The revenue reserve represents accumulated revenue profits retained by the Company that have not currently been distributed to Shareholders as a dividend.

(xv) Use of judgements

The presentation of the financial statements in accordance with accounting standards requires the Board to make judgements and assumptions that affect the accounting policies and reported amounts of assets, liabilities, income and expenses. Judgements are continually evaluated and are based on perceived risks, historical experience, expectations of plausible future events and other factors. Actual results may differ from these estimates.

The areas requiring the most significant judgement in preparation of the financial statements are recognising and classifying unusual or special dividends received as either revenue or capital in nature. Dividends received which appear to be unusual in size or circumstance are assessed on a case-by-case basis, based on interpretation of the investee companies' relevant statements, to determine their allocation in accordance with the SORP to either the Revenue or Capital accounts. Dividends which have clearly arisen out of the investee company's reconstruction or reorganisation are usually considered to be capital in nature and allocated to Capital Reserves. Investee company dividends which appear to be paid in excess of current year profits may nevertheless still be considered to be wholly revenue in nature unless evidence suggests otherwise. The value of dividends received in the year treated as capital in nature is disclosed in note 17 to the accounts. The value of special dividends receivable in any period cannot be foreseen as such dividends are declared and paid by investee companies without prior reference to the Company.

3. Income

	2024 £'000s	2023 £'000s
Income from investments:		
UK dividend income	**12,383**	14,270
UK dividend income – special dividends (1)	**–**	527
Overseas dividend income	**186**	390
Property income distributions	**961**	901
	13,530	16,088
Other income:		
Interest on cash and cash equivalents	**210**	91
Underwriting commission	**73**	–
Total income	**13,813**	16,179

(1) Special dividends classified as revenue in nature in accordance with note 2(c)(xv).

Dividends recognised as capital in nature, per judgements note 2c(xv), during the year totalled £28,000 (2023: £nil).

4. Management fee

	Revenue £'000s	**Capital £'000s**	**Total £'000s** 2024	Revenue £'000s	Capital £'000s	Total £'000s 2023
Management fee	**735**	**735**	**1,470**	693	693	1,386

The Manager provides investment management and general administrative services to the Company for a quarterly management fee payable in arrears equal to 0.1% of the funds under management. Funds under management represents total assets less current liabilities excluding borrowings and adjusted for the proceeds of recent share issues and buybacks. The management agreement may be terminated upon six months' notice given by either party. The Company may terminate this agreement upon 60 days' written notice to the Manager if there is a change of control of the Manager, provided such notice is served within six months of the said change of control. Management fees have been allocated 50% to capital reserve in accordance with the Company's accounting policy.

5. Other expenses

	Revenue £'000s	**Capital £'000s**	**Total £'000s** 2024	Revenue £'000s	Capital £'000s	Total £'000s 2023
Auditors' remuneration:						
– for audit services[(1)]	**55**	**–**	**55**	50	–	50
Directors' fees for services to the Company[(2)]	**167**	**–**	**167**	165	–	165
Directors' and Officers' liability insurance	**12**	**–**	**12**	12	–	12
Loan commitment fee	**18**	**–**	**18**	10	–	10
Marketing	**89**	**–**	**89**	88	–	88
Professional fees	**134**	**–**	**134**	117	–	117
Printing and postage	**85**	**–**	**85**	85	–	85
Registrars' fees	**35**	**–**	**35**	31	–	31
Subscriptions and listing fees	**64**	**–**	**64**	58	–	58
Sundry expenses	**147**	**1**	**148**	126	1	127
Total other expenses	**806**	**1**	**807**	742	1	743

All expenses are stated gross of irrecoverable VAT, where applicable.
(1) Total Auditors' remuneration for 2024 audit services, exclusive of VAT amounts to £45,750 (2023: £42,000).
(2) See the Directors' Remuneration Report on pages 47 to 49.

6. Finance costs

	Revenue £'000s	**Capital £'000s**	**Total £'000s** 2024	Revenue £'000s	Capital £'000s	Total £'000s 2023
Loan interest	**802**	**802**	**1,604**	661	661	1,322
Overdraft interest	**–**	**–**	**–**	1	1	2
Total finance cost	**802**	**802**	**1,604**	662	662	1,324

Finance costs have been allocated 50% to capital reserve in accordance with the Company's accounting policy.

7. Taxation on ordinary activities

(a) Analysis of tax charge for the year

			2024			2023
	Revenue £'000s	**Capital £'000s**	**Total £'000s**	Revenue £'000s	Capital £'000s	Total £'000s
Overseas taxation	**28**	**–**	**28**	22	–	22
Total taxation charge (see note 7(b))	**28**	**–**	**28**	22	–	22

The tax assessed for the year is lower than the standard rate of corporation tax in the UK (25%) (2023: 22%). Factors affecting the taxation charge are set out below.

(b) Factors affecting the current tax charge for the year

			2024			2023
	Revenue £'000s	**Capital £'000s**	**Total £'000s**	Revenue £'000s	Capital £'000s	Total £'000s
Net return on ordinary activities before taxation	**11,467**	**44,114**	**55,581**	14,078	24,267	38,345
Return on ordinary activities multiplied by the pro rata effective rate of corporation tax of 25% (2023: 22%)	**2,867**	**11,029**	**13,896**	3,097	5,339	8,436
Effects of:						
Dividends	**(3,122)**	**(7)**	**(3,129)**	(3,341)	–	(3,341)
Excess expenses not utilised in the year	**255**	**384**	**639**	244	298	542
Overseas taxation not relieved	**28**	**–**	**28**	22	–	22
Capital returns	**–**	**(11,406)**	**(11,406)**	–	(5,637)	(5,637)
Total taxation (see note 7(a))	**28**	**–**	**28**	22	–	22

The Company is not subject to corporation tax on capital gains or on dividend income. It therefore has unutilised expenses of £33.6 million (2023: £30.9 million. This results in a potential deferred tax asset of £8.4 million based on the 25% Corporation Tax rate at 30 September 2024 (2023: £7.7 million) which has not been recognised as it is unlikely that these expenses will be utilised.

8. Return per share

			2024			2023
	Revenue	**Capital**	**Total**	Revenue	Capital	Total
Net return attributable to equity Shareholders – £'000s	**11,439**	**44,114**	**55,553**	14,056	24,267	38,323
Return per share – pence	**11.18**	**43.12**	**54.30**	13.26	22.89	36.15

Both the revenue and capital returns per share are based on a weighted average of 102,309,411 ordinary shares in issue during the year (2023: 106,023,426).

9. Dividends

Dividends on ordinary shares	Register date	Payment date	**2024 £'000s**	2023 £'000s
Fourth of four interims for the year ended 30 September 2022 of 3.85p per share	09-Dec-22	19-Dec-22	**–**	4,108
First of four interims for the year ended 30 September 2023 of 2.75p per share	10-Mar-23	31-Mar-23	**–**	2,928
Second of four interims for the year ended 30 September 2023 of 2.75p per share	16-Jun-23	30-Jun-23	**–**	2,907
Third of four interims for the year ended 30 September 2023 of 2.75p per share	08-Sep-23	30-Sep-23	**–**	2,876
Fourth of four interims for the year ended 30 September 2023 of 3.90p per share	08-Dec-23	18-Dec-23	**4,046**	–
First of four interims for the year ended 30 September 2024 of 2.85p per share	08-Mar-24	28-Mar-24	**2,918**	–
Second of four interims for the year ended 30 September 2024 of 2.85p per share	14-Jun-24	28-Jun-24	**2,882**	–
Third of four interims for the year ended 30 September 2024 of 2.85p per share	06-Sep-24	30-Sep-24	**2,864**	–
			12,710	12,819

The Directors have declared a fourth interim dividend in respect of the year ended 30 September 2024 of 3.95 pence per share, payable on 20 December 2024 to all Shareholders on the register at close of business on 6 December 2024. The fourth interim dividend has not been included as a liability in these financial statements. The dividends paid and payable in respect of the financial year ended 30 September 2024, which form the basis of the retention test for section 1159 of the Corporation Tax Act 2010, are set out below:

	2024 £'000s
Net revenue return attributable to Shareholders	**11,439**
First of four interims for the year ended 30 September 2024 of 2.85p per share	**(2,918)**
Second of four interims for the year ended 30 September 2024 of 2.85p per share	**(2,882)**
Third of four interims for the year ended 30 September 2024 of 2.85p per share	**(2,864)**
Fourth of four interims for the year ended 30 September 2024 of 3.95p per share (1)	**(3,927)**
Transferred to revenue reserve	**(1,152)**

(1) Based on shares in issue and their entitlement to the dividend at 26 November 2024.

10. Investments

	2024 Total (Level 1) £'000s	2023 Total (Level 1) £'000
Cost brought forward	**256,528**	260,060
Gains brought forward	**79,584**	58,736
Fair value of investments brought forward	**336,112**	318,796
Purchases at cost	**32,061**	16,946
Sales proceeds	**(42,952)**	(25,353)
Gains on investments sold in year	**5,944**	4,771
Gains on investments held at year end	**39,803**	20,952
Fair value of investments at 30 September	**370,968**	336,112
Cost at 30 September	**251,672**	256,528
Gains at 30 September	**119,296**	79,584
Fair value of investments at 30 September	**370,968**	336,112

	2024 £'000s	2023 £'000s
Gains on investments sold in year	**5,944**	4,771
Gains on investments held at year end	**39,803**	20,952
Investment transaction costs	**(91)**	(104)
Total gains in year	**45,656**	25,619

All investments held by the Company were classified as Level 1 in nature as described in note 2(c)(i) and are listed on recognised stock exchanges.

Investments sold during the year have been revalued over time since their original purchase, and until they were sold any unrealised gains or losses were included in the fair value of the investments.

The investment portfolio is set out on page 23.

11. Debtors

	2024 £'000s	2023 £'000s
Accrued income	**1,199**	1,607
Investments sold awaiting settlement	**–**	1,116
Prepayments	**31**	24
Overseas taxation recoverable	**82**	86
	1,312	2,833

12. Creditors: amounts falling due within one year

	2024 £'000s	2023 £'000s
Management fee	**374**	339
Investments purchased awaiting settlement	**–**	1,041
Loan interest	**36**	35
Accruals	**195**	161
	605	1,576

13. Loans

	2024 £'000s	2023 £'000s
Sterling loans: falling due within one year	28,000	25,000

Until March 2024, the Company had a £40 million multi-currency revolving loan facility with The Bank of Nova Scotia. In March 2024 the loan facility matured and the amounts drawn down at this time were repaid to The Bank of Nova Scotia. At this time, the Company entered into a £30 million multi-currency revolving loan facility with the Royal Bank of Scotland International Limited which is available until March 2025. The loan is subject to compliance with the loan covenants which have all been met during the period. The amount utilised and the interest rate thereon are set on a short term basis. Interest rates and commitment fees payable on non-utilised amounts are based on the commercial terms agreed with the Royal Bank of Scotland International Limited.

As at 30 September 2024 the Company had drawn down £28 million of the loan facility.

14. Analysis of changes in net debt

	Cash £'000s	Bank loans £'000s	2024 Total £'000s	Cash £'000s	Bank loans £'000s	2023 Total £'000s
Net debt brought forward	2,378	(25,000)	(22,622)	906	(24,000)	(23,094)
Cash flows:						
Drawdown of bank loan	–	(28,000)	(28,000)	–	(7,000)	(7,000)
Repayment of bank loan	–	25,000	25,000	–	6,000	6,000
Net movement in cash and cash equivalents	(2,024)	36	(1,988)	1,472	35	1,507
Non-cash:						
Interest Accrual	–	(36)	(36)	–	(35)	(35)
Effect of movement in foreign exchange	(35)	–	(35)	–	–	–
Net debt carried forward as at 30 September	319	(28,000)	(27,681)	2,378	(25,000)	(22,622)

15. Share capital

	Total Listed Number	Total Listed £'000s	Held in Treasury Number	Held in Treasury £'000s	2024 Issued and fully paid Number	2024 Issued and fully paid £'000s	2023 Issued and fully paid Number	2023 Issued and fully paid £'000s
Ordinary shares of 25 pence each								
Balance brought forward	107,289,022	26,822	2,953,177	737	104,335,845	26,085	106,706,203	26,677
Ordinary shares issued from treasury	–	–	–	–	–	–	75,000	19
Ordinary shares bought back & held in treasury	–	–	4,290,000	1,073	(4,290,000)	(1,073)	(2,445,358)	(611)
Balance at 30 September	107,289,022	26,822	7,243,177	1,810	100,045,845	25,012	104,335,845	26,085

During the year ended 30 September 2024, nil (2023: 75,000) ordinary shares of 25p each in nominal value were issued from treasury with a total consideration of £nil (2023: £223,000) and 4,290,000 (2023: 2,445,358) ordinary shares were bought back and held in treasury at a cost of £13,586,000 (2023: £7,245,000).

From 30 September 2024 until 26 November 2024, the last practicable date prior to publication, the Company has bought back 632,500 shares to be held in treasury. No shares have been issued.

16. Reserves

	Share Premium account £'000s	Capital Redemption Reserve £'000s	Special Reserve £'000s
Balance brought forward as at 1 October 2023	**141,367**	**4,146**	**–**
Balance carried forward as at 30 September 2024	**141,367**	**4,146**	**–**
Balance brought forward as at 1 October 2022	141,380	4,146	2,642
Ordinary shares issued from treasury	–	–	224
Ordinary shares bought back and cancelled or held in treasury	–	–	(2,851)
Stamp duty on shares bought back	–	–	(15)
Broker costs associated with the issue of new issues	(13)	–	–
Balance carried forward as at 30 September 2023	**141,367**	**4,146**	**–**

17. Other reserves

	Capital reserve – realised £'000s	Capital reserve – unrealised £'000s	Capital reserve – total £'000s	Revenue reserve £'000s
Movements during the year ended 30 September 2024:				
Gains on investments sold in year (see note 10)	**5,944**	**–**	**5,944**	**–**
Gains on investments held at year end (see note 10)	**–**	**39,803**	**39,803**	**–**
Transaction costs	**(91)**	**–**	**(91)**	**–**
Foreign exchange gains	**(32)**	**–**	**(32)**	**–**
Capital special dividends	**28**	**–**	**28**	**–**
Management fee (see note 4)	**(735)**	**–**	**(735)**	**–**
Finance costs (see note 6)	**(802)**	**–**	**(802)**	**–**
Ordinary shares bought back and held in treasury	**(13,518)**	**–**	**(13,518)**	**–**
Stamp duty on shares bought back	**(68)**	**–**	**(68)**	**–**
Broker costs associated with share buybacks	**(10)**	**–**	**(10)**	**–**
Other capital charges (see note 5)	**(1)**	**–**	**(1)**	**–**
Revenue return	**–**	**–**	**–**	**11,439**
Return attributable to Shareholders	**(9,285)**	**39,803**	**30,518**	**11,439**
Dividends paid in year (see note 9)	**–**	**–**	**–**	**(12,710)**
Balance at 30 September 2023	**50,497**	**79,585**	**130,082**	**12,330**
Balance at 30 September 2024	**41,212**	**119,388**	**160,600**	**11,059**

Included within the capital reserve movement for the year are £77,000 of transaction costs including stamp duty on purchases of investments (2023: £91,000) and £14,000 of transaction costs on sales of investments (2023: £13,000).

Included within the capital reserve movement for the year is £28,000 (2023: £nil) of dividend receipts recognised as capital in nature.

18. Net Asset Value per ordinary share

	2024	2023
Net asset value per share – pence	**343.84**	301.67
Net assets attributable at the year end – (£'000s)	**343,994**	314,747
Number of ordinary shares in issue at the year end	**100,045,845**	104,335,845

19. Reconciliation of total return before taxation to net cash flows from operating activities

	2024 £'000s	2023 £'000s
Net return on ordinary activities before taxation	**55,581**	38,345
Adjustments for non-cash flow items, dividend income and interest:		
Gains on investments (note 10)	**(45,656)**	(25,619)
Transaction costs on investments (note 10)	**(91)**	(104)
Foreign exchange movements	**35**	–
Non-operating expenses of a capital nature (note 5)	**1**	1
Dividend income receivable (note 3)	**(13,530)**	(16,088)
Interest and underwriting commission receivable (note 3)	**(283)**	(91)
Interest payable (note 6)	**1,604**	1,324
Increase in other debtors	**(3)**	(9)
Increase in other creditors	**69**	79
	(57,854)	(40,507)
Cash outflows from operating activities before dividends and interest	**(2,273)**	(2,162)

20. Going concern

In assessing the going concern basis of accounting the Directors have had regard to the guidance issued by the Financial Reporting Council. They have also considered the Company's objective, strategy and policy, the current cash position of the Company, the availability of the loan facility and compliance with its covenants and the operational resilience of the Company and its service providers.

At present the global economy continues to suffer disruption due to the effects of the war in Ukraine, events in the Middle East and the after-effects of a high inflation environment and the Directors have given serious consideration to the consequences for this Company. The Company has a number of banking covenants and at present the Company's financial position does not suggest that any of these are close to being breached.

The primary risk is that there is a very substantial decrease in the Net Asset Value of the Company in the short to medium term. The Directors have considered the remedial measures that are open to the Company if such a covenant breach appears possible. As at 26 November 2024, the last practicable date before publication of this report, borrowings amounted to £28 million. This is in comparison to a Net Asset Value of £332 million. In accordance with its investment policy the Company is invested mainly in readily realisable, FTSE All-Share listed securities. These can be realised, if necessary, to repay the loan facility and fund future dividend payments.

The Company's £30 million multi-currency revolving loan facility with the Royal Bank of Scotland International Limited, is due to expire in March 2025. It is anticipated that a replacement facility will be entered into upon its expiry.

The Company operates within a robust regulatory environment. The Company retains title to all assets held by the Custodian. Cash is held with banks approved and regularly reviewed by the Manager and the Board.

At the Annual General Meeting of the Company held on 9 March 2023, Shareholders voted 99.5% in favour of the continuation of the Company. The next continuation vote for the Company is scheduled to be held in 2028.

Accordingly, based on this information the Directors believe that the Company has the ability to meet its financial obligations as they fall due for a period of twelve months from the date of approval of these financial statements. Accordingly, these financial statements have been prepared on a going concern basis.

21. Financial Risk Management

The Company is an investment company, listed on the London Stock Exchange, and conducts its affairs so as to qualify in the United Kingdom ("UK") as an investment trust under the provisions of section 1158 of the Corporation Tax Act. In so qualifying, the Company is exempted in the UK from Corporation Tax on capital gains on its portfolio of investments.

The Company's investment objective is to secure long term capital and income growth from a portfolio consisting mainly of FTSE All-Share companies. The Company can also have exposure to overseas companies, with the value of the non-UK portfolio not exceeding 10% of the Company's gross assets. In pursuing this objective, the Company is exposed to financial risks which could result in a reduction of either or both of the value of the net assets and the profits available for distribution by way of dividend. These financial risks are principally related to the market (currency movements, interest rate changes and security price movements), liquidity and credit. The Board, together with the Manager, is responsible for the Company's risk management, as set out in detail in the Strategic Report and Directors' Report. The Directors' policies and processes for managing the financial risks are set out in (a), (b) and (c) on the following pages.

The accounting policies which govern the reported Balance Sheet carrying values of the underlying financial assets and liabilities, as well as the related income and expenditure, are set out in note 2 to the accounts. The policies are in compliance with UK accounting standards and best practice. The Company does not make use of hedge accounting rules.

Sensitivity analysis tables presented in the following sections relating to currency, interest and market exposures have been calculated on the level of change considered to be a reasonable illustration based on observation of current market and economic conditions.

(a) Market risks

The fair value of equity and other financial securities held in the Company's portfolio fluctuates with changes in market prices. Prices are themselves affected by movements in currencies and interest rates and by other financial issues, including the market perception of future risks. The Board sets policies for managing these risks within the Company's objective and meets regularly to review full, timely and relevant information on investment performance and financial results. The Manager assesses exposure to market risks when making each investment decision and monitors ongoing market risk within the portfolio.

As up to 10% of the Company's gross assets can be invested in non-UK assets, other assets and liabilities may be denominated in currencies other than sterling and may also be exposed to interest rate risks. The Manager and the Board regularly monitor these risks. The Company does not normally hold significant cash balances. Whilst it is not the Board's general policy to borrow in currencies other than sterling and euros, any such borrowings would be limited to amounts and currencies commensurate with the portfolio's exposure to those currencies, thereby limiting the Company's exposure to future changes in foreign exchange rates.

Gearing may be short or long term in foreign currencies and enables the Company to take a long term view of the countries and markets in which it is invested without having to be concerned about short term volatility.

Income earned in foreign currencies is converted to sterling on receipt. The Board regularly monitors the effects on net revenue of interest earned on deposits and paid on gearing.

Currency Exposure

The principal foreign currencies to which the Company was exposed during the year were the euro and US dollar. As stated above, the exposure to investments listed in currencies other than sterling cannot exceed 10% of the Company's gross assets.

The exchange rates for the euro and US dollar applying against sterling at 30 September and the average rates during the year ended 30 September were as follows:

	At 30 September 2024	2024 Average for the year	At 30 September 2023	2023 Average for the year
Euro	**0.832**	**0.855**	0.867	0.870
US dollar	**0.746**	**0.789**	0.819	0.815

The following calculations demonstrate the approximate effect of a weakening or strengthening of sterling against other currencies and are based on the following:

- applicable balance sheet date exchange rates;
- for capital returns the financial assets and liabilities held at the year end date, including investments, cash, debtors and creditors;
- for revenue returns the current year income received in currencies other than sterling as a best estimate of future receipts; and
- for both capital and revenue, the management fee adjusted for changes in the funds under management as a result of changes in investment values when applying different exchange rates.

A 10% change in the sterling exchange rate would have the following approximate effect on returns attributable to Shareholders and on the NAV per share:

Weakening of sterling by 10% against other currencies

Local currency	Return	Local currency	Sterling equivalent £'000s	10% weakened sterling fx rate	Adjusted income, assets and liabilities £'000s	Impact on management fee £'000s	2024 Movement in net return £'000s	2023 Movement in net return £'000s
Euro	Revenue	**857**	**713**	**0.9152**	**784**	**–**	**71**	77
Euro	Capital	**3,333**	**2,773**	**0.9152**	**3,050**	**–**	**277**	398
US Dollar	Revenue	**306**	**228**	**0.8201**	**251**	**–**	**23**	24
US Dollar	Capital	**15**	**11**	**0.8201**	**12**	**–**	**1**	637
Movement in net return attributable to Shareholders							**372**	1,136
Shares in issue							**100,045,845**	104,335,845
Effect on NAV per share - pence							**0.37**	1.09

Strengthening of sterling by 10% against other currencies

Local currency	Return	Local currency	Sterling equivalent £'000s	10% strengthened sterling fx rate	Adjusted income, assets and liabilities £'000s	Impact on management fee £'000s	2023 Movement in net return £'000s	2022 Movement in net return £'000s
Euro	Revenue	**857**	**713**	**0.7488**	**642**	**–**	**(71)**	(77)
Euro	Capital	**3,333**	**2,773**	**0.7488**	**2,496**	**–**	**(277)**	(398)
US Dollar	Revenue	**306**	**228**	**0.6710**	**205**	**–**	**(23)**	(24)
US Dollar	Capital	**15**	**11**	**0.6710**	**10**	**–**	**(1)**	(637)
Movement in net return attributable to Shareholders							**(372)**	(1,136)
Shares in issue							**100,045,845**	104,335,845
Effect on NAV per share - pence							**(0.37)**	(1.09)

These effects are representative of the exposure to currencies other than sterling by the Company as at 30 September 2024 although the level of exposure will fluctuate in accordance with the investment and risk management process.

21. Financial Risk Management (continued)

The fair values of the Company's assets and liabilities at 30 September by currency are shown below:

2024	Short-term debtors £'000s	Cash and cash equivalents £'000s	Short-term creditors – other £'000s	Short-term creditors – loans £'000s	Net monetary (liabilities)/assets £'000s	Investments £'000s	Net exposure £'000s
Sterling	**1,230**	**319**	**(605)**	**(28,000)**	**(27,056)**	**368,266**	**341,210**
Other	**82**	**–**	**–**	**–**	**82**	**2,702**	**2,784**
Total	**1,312**	**319**	**(605)**	**(28,000)**	**(26,974)**	**370,968**	**343,994**

2023	Short-term debtors £'000s	Cash and cash equivalents £'000s	Short-term creditors – other £'000s	Short-term creditors – loans £'000s	Net monetary (liabilities)/assets £'000s	Investments £'000s	Net exposure £'000s
Sterling	2,747	2,315	(1,576)	(25,000)	(21,514)	325,916	304,402
Other	86	63	–	–	149	10,196	10,345
Total	2,833	2,378	(1,576)	(25,000)	(21,365)	336,112	314,747

Interest rate exposure

The exposure of the financial assets and liabilities to interest rate movements at 30 September was:

	Within one year £'000s	More than one year £'000s	2024 Total £'000s	Within one year £'000s	More than one year £'000s	2023 Total £'000s
Exposure to floating rates:						
Cash and cash equivalents	**319**	**–**	**319**	2,378	–	2,378
Loans	**(28,000)**	**–**	**(28,000)**	(25,000)	–	(25,000)
Net exposure	**(27,681)**	**–**	**(27,681)**	(22,622)	–	(22,622)

The Company had no exposure to fixed interest rates at the year end.

Exposures vary throughout the year as a consequence of changes in the composition of the net assets of the Company arising out of the investment and risk management processes.

Interest received on cash balances, or paid on bank overdrafts and borrowings, is at ruling market rates.

The Company's total returns and net assets are sensitive to changes in interest rates on cash and borrowings.

Based on the financial assets and liabilities held that are affected by changes in interest rates, such as cash and bank loans, and the interest rates ruling at each balance sheet date, an increase or decrease in interest rates of 2% (2023: 2%) would have the following approximate effects on the Income Statement revenue and capital returns after tax and on the NAV per share:

	Increase in rate £'000s	2024 Decrease in rate £'000s	Increase in rate £'000s	2023 Decrease in rate £'000s
Revenue return	**(274)**	**274**	(202)	202
Capital return	**(280)**	**280**	(250)	250
Total return	**(554)**	**554**	(452)	452
NAV per share – pence	**(0.55)**	**0.55**	(0.43)	0.43

Other market risk exposures

The portfolio of investments, valued at £370,968,000 at 30 September 2024 (2023: £336,112,000) is exposed to market price changes. The Manager assesses these exposures at the time of making each investment decision. The Board reviews overall exposures at each meeting against indices and other relevant information. An analysis of the portfolio by country and major industrial sector is set out in the investment portfolio by sector and list of investments on pages 18 to 22.

Based on the portfolio of investments held at each Balance Sheet date, and assuming other factors, including the management charge, remain constant, an increase or decrease in the fair value of the portfolio in sterling terms by 20% would have had the following approximate effects on the net capital return attributable to Shareholders and on the NAV per share:

		2024		2023
	Increase in value £'000s	**Decrease in value £'000s**	Increase in value £'000s	Decrease in value £'000s
Capital return	**74,194**	**(74,194)**	67,222	(67,222)
NAV per share – pence	**74.16**	**(74.16)**	64.43	(64.43)

(b) Liquidity risk

The Company is required to raise funds to meet commitments associated with financial instruments and share buybacks. These funds may be raised either through the realisation of assets or through increased borrowing. The risk of the Company not having sufficient liquidity at any time is not considered by the Board to be significant, given: the number of quoted investments held in the Company's portfolio (100% at 30 September 2024 and 100% at 30 September 2023); the liquid nature of the portfolio of investments; the industrial and geographical diversity of the portfolio (see pages 18 to 22); and the existence of an ongoing loan and overdraft facility agreement. Cash balances are held with approved banks, usually on overnight deposit. The Manager reviews liquidity at the time of making each investment decision. The Board reviews liquidity exposure at each meeting.

The Company has a £30 million multi-currency revolving loan facility available until March 2025.

As at 30 September 2024 the Company had drawn down £28 million of the loan facility and bank overdrafts of £nil.

The contractual maturities of the financial liabilities at each Balance Sheet date, based on the earliest date on which payment can be required, were as follows:

2024	**Three months or less £'000s**	**More than three months but less than one year £'000s**	**More than one year £'000s**	**Total £'000s**
Current liabilities – others	**605**	**–**	**–**	**605**
Loans	**28,000**	**–**	**–**	**28,000**
	28,605	**–**	**–**	**28,605**

2023	Three months or less £'000s	More than three months but less than one year £'000s	More than one year £'000s	Total £'000s
Current liabilities – others	1,576	–	–	1,576
Loans	25,000	–	–	25,000
	26,576	–	–	26,576

21. Financial Risk Management (continued)

(c) Credit risk and counterparty exposure

The Company is exposed to potential failure by counterparties to deliver securities for which the Company has paid, or to pay for securities which the Company has delivered. Such transactions must be settled on the basis of delivery against payment (except where local market conditions do not permit).

Responsibility for the approval, limit setting and monitoring of counterparties is delegated to the Manager. Counterparties are selected based on a combination of criteria, including credit rating, balance sheet strength and membership of a relevant regulatory body. The rate of default in the past has been negligible. Cash and deposits are held with approved banks.

The Company has an ongoing contract with its custodian for the provision of custody services. The contract is reviewed periodically. Details of securities held in custody on behalf of the Company are received and reconciled monthly. The Company's Depositary, JP Morgan Europe Limited, has regulatory responsibilities relating to segregation and safe keeping of the Company's financial assets, amongst other duties, as set out in the Directors' Report. The Board has direct access to the Depositary and receives regular reports from it via the Manager.

To the extent that the Manager carries out management and administrative duties (or causes similar duties to be carried out by third parties) on the Company's behalf, the Company is exposed to counterparty risk. The Board assesses this risk through regular meetings with the management of Columbia Threadneedle Investments (including the Fund Manager) and with Columbia Threadneedle Investments' Risk Management function. In reaching its conclusions, the Board also reviews the Manager's parent group's annual audit and assurance faculty report.

(d) Fair values of financial assets and liabilities

The assets and liabilities of the Company are, in the opinion of the Directors, reflected in the Balance Sheet at fair value, or at a reasonable approximation thereof. The carrying amount of the borrowings under loan and overdraft facilities is a reasonable approximation of fair value.

(e) Capital risk management

The objective of the Company is stated as being to secure long term capital and income growth from a portfolio consisting mainly of FTSE All-Share companies. In pursuing this long term objective, the Board has a responsibility for ensuring the Company's ability to continue as a going concern. It must therefore maintain an optimal capital structure through varying market conditions. This involves the ability to: issue and buyback share capital within limits set by the Shareholders in general meeting; borrow monies in the short and long term; and pay dividends to Shareholders out of current year revenue earnings as well as out of brought forward revenue reserves.

Changes to ordinary share capital are set out in note 15, dividend payments in note 9 and details of loans in note 13.

22. Transactions with related parties and Manager

The following are considered related parties: the Board, including their spouses and dependents, and the Manager (Columbia Threadneedle Investment Business Limited).

There are no transactions with the Board other than: aggregated remuneration for services as Directors as disclosed in the Directors' Remuneration Report on page 48 and as set out in note 5; and the beneficial interests of the Directors in the ordinary shares of the Company as disclosed on page 48. There are no outstanding balances with the Board at the year end. Transactions between the Company and the Manager are detailed in note 4 on management fees and the outstanding balance is detailed in note 12.

23. AIFMD

In accordance with the AIFM Directive, information in relation to the Company's leverage and the remuneration of the Company's AIFM, Columbia Threadneedle Investment Business Limited, is required to be made available to investors. Detailed regulatory disclosures including those on the AIFM's remuneration policy and costs are available on the Company's website or from Columbia Threadneedle Investments on request.

The Company's maximum and average actual leverage levels at 30 September 2024 are shown below:

Leverage exposure	Gross method	Commitment method
Maximum limit	200%	200%
Actual	108%	108%

The leverage limits are set by the AIFM and approved by the Board and are in line with the maximum leverage levels permitted in the Company's articles of association. The AIFM is also required to comply with the gearing parameters set by the Board in relation to borrowings.

24. Securities financing transactions ("SFR")

The Company has not, in the year to 30 September 2024 (2023: same), participated in any: repurchase transactions; securities lending or borrowing; buy-sell back transactions; margin lending transactions; or total return swap transactions (collectively called SFT). As such, it has no disclosure to make in satisfaction of the EU regulations on transparency of SFT, issued in November 2015.

Ten Year Record (Unaudited)

All Company data are based on assets, liabilities, earnings and expenses as reported in accordance with the Company's accounting policies and is unaudited but derived from the audited Accounts or specified third party data providers.

Assets
at 30 September

£'000s	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	**2024**
Total assets (before debt)	251,387	256,876	297,027	332,463	347,472	348,149	286,395	380,875	320,283	339,747	**371,994**
Loans	20,000	20,000	25,000	20,000	20,000	10,000	20,000	25,000	24,000	25,000	**28,000**
Net assets	231,387	236,876	272,027	312,463	327,472	338,149	266,395	355,875	296,283	314,747	**343,994**

Net Asset Value (NAV)
at 30 September

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	**2024**
NAV per share – pence	251.8	250.5	281.1	317.1	324.0	329.0	249.7	331.7	277.7	301.7	**343.8**

Total Returns(1)
(rebased to 100 at 30 September 2014)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	**2024**
NAV per share	100.0	103.5	120.8	141.1	148.9	156.9	123.9	170.7	148.3	167.8	**198.7**
Middle market price per share	100.0	103.1	120.2	139.2	146.5	151.1	120.4	163.1	146.0	161.9	**188.8**
FTSE All-Share Index	100.0	97.7	114.1	127.8	135.3	138.9	115.8	148.2	142.2	161.9	**183.6**

Returns excluding dividends(1)
(rebased to 100 at 30 September 2014)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	**2024**
NAV per share	100.0	99.5	111.6	125.9	128.7	130.7	99.1	131.7	110.3	119.8	**136.6**
Middle market price per share	100.0	99.2	111.2	124.4	126.7	126.0	96.5	126.0	108.5	115.5	**129.5**
FTSE All-Share Index	100.0	94.4	106.3	114.6	116.8	114.9	92.9	114.9	106.5	116.8	**127.7**

(1) See Alternative Performance Measures on pages 91 and 92 for explanation.

Share Price
at 30 September

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	**2024**
Middle market price per share – pence	258.0	256.0	287.0	321.0	327.0	325.0	249.0	325.0	280.0	298.0	**334.0**
Premium/(discount)to NAV – %	2.5	2.2	2.1	1.2	0.9	(1.2)	(0.3)	(2.0)	0.8	(1.2)	**(2.9)**
Share price high – pence	271.8	277.0	289.8	327.5	350.0	337.0	358.0	339.0	343.5	317.0	**343.0**
Share price low – pence	248.0	233.8	234.8	274.0	309.5	276.5	193.8	237.5	273.0	259.0	**271.0**

Revenue
for the year ended 30 September

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	**2024**
Available for ordinary shares (£'000s)	9,575	9,475	10,785	11,459	11,710	13,426	8,758	11,310	12,890	14,056	**11,439**
Return per share – pence	10.56	10.10	11.26	11.71	11.70	13.12	8.34	10.56	12.03	13.26	**11.18**
Dividends per share – pence	9.85	10.10	10.30	10.65	10.95	11.40	11.50	11.60	11.80	12.15	**12.50**

Revenue Performance
(rebased to 100 at 30 September 2014)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	**2024**
Return per share	100.0	95.6	106.6	110.9	110.8	124.2	79.0	100.0	113.9	125.6	**105.9**
Dividends per share	100.0	102.5	104.6	108.1	111.2	115.7	116.8	117.8	119.8	123.4	**126.9**
CPI	100.0	100.0	100.5	102.8	105.3	107.3	108.9	109.7	117.4	129.2	**133.8**

Cost of running the Company (Ongoing charges)(1)
for the year ended 30 September

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	**2024**
Expressed as a percentage of average net assets:											
Ongoing charges	0.66	0.64	0.64	0.59	0.58	0.58	0.58	0.59	0.59	0.66	**0.67**

Gearing(1)
at 30 September

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	**2024**
Net gearing %	4.43	10.32	9.32	4.81	4.51	1.71	7.06	6.52	7.79	7.19	**8.05**

(1) See Alternative Performance Measures pages 91 and 92 for explanation

Analysis of Ordinary Shareholders (Unaudited)

Category	**Holding % at 30 September 2024**	Holding % at 30 September 2023
CT Savings Plans	**79.7**	80.3
Retail Investors (excluding those investing through CT Savings Plans)	**11.2**	9.9
Institutions	**4.8**	5.0
Intermediaries	**4.3**	4.8
	100.0	100.0

Source: Columbia Threadneedle Investments

Notice of Annual General Meeting

Notice is hereby given that the thirty-second Annual General Meeting of the Company will be held at Cannon Place, 78 Cannon Street, London EC4N 6AG on Thursday 6 March 2025 at 12.30pm for the following purposes:

Ordinary Resolutions:

To consider and, if thought fit, pass the following resolutions as ordinary resolutions:

1. To receive and adopt the audited financial statements of the Company for the financial year ended 30 September 2024 together with the reports of the directors and the auditor on those financial statements.
2. To approve the Company's dividend policy as set out on page 37 of the Annual Report and Accounts for the financial year ended 30 September 2024.
3. To receive, adopt and approve the Directors' Remuneration Report for the financial year ended 30 September 2024.
4. That the Company be authorised to increase the Directors' aggregate annual remuneration cap contained in Article 110 of the Articles from £250,000 to £350,000, such increase to take effect from 7 March 2025.
5. To re-elect Nicky McCabe as a director of the Company.
6. To re-elect Dunke Afe as a director of the Company.
7. To re-elect Patrick Firth as a director of the Company.
8. To elect Christopher Metcalfe as a director of the Company.
9. To re-appoint BDO LLP as auditors to the Company to hold office from the conclusion of the annual general meeting until the conclusion of the next annual general meeting of the Company.
10. To authorise the Audit and Risk Committee to determine the remuneration of the Company's auditors.
11. THAT, in substitution for any existing authority, but without prejudice to the exercise of any such authority prior to the passing of this resolution, the directors of the Company (the **"Directors"**) be and are hereby generally and unconditionally authorised, in accordance with section 551 of the Companies Act 2006 (the **"Act"**), to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for, or convert any security into, shares in the Company (**"Rights"**) up to an aggregate nominal amount of £2,485,333 (being equal to approximately 10 per cent of the Company's issued share capital (excluding treasury shares) as at 26 November 2024) generally from time to time on such terms as the Directors may determine, such authority to expire at the conclusion of the next annual general meeting of the Company held after the passing of this resolution or, if earlier, on the date which is 15 months after the date on which this resolution is passed (unless previously renewed, revoked or varied by the Company in general meeting) save that the Company may at any time prior to the expiry of this authority make offers or enter into agreements which would or might require shares in the Company to be allotted or Rights to be granted after such expiry and notwithstanding such expiry the Directors may allot shares in the Company or grant Rights in pursuance of such offers or agreements as if the authority conferred by this resolution had not expired.

Special Resolutions:

To consider and, if thought fit, pass the following resolutions as special resolutions:

12. THAT, subject to the passing of Resolution 11 set out in the notice of the annual general meeting to be held on 6 March 2025 (**"Resolution 11"**) and in substitution for any existing power, but without prejudice to the exercise of any such power prior to the passing of this resolution, the directors of the Company (the **"Directors"**) be and are hereby generally and unconditionally empowered, pursuant to sections 570 and 573 of the Companies Act 2006 (the **"Act"**), to allot or make offers or agreements to allot, equity securities (within the meaning of section 560 of the Act) for cash pursuant to the authority conferred by Resolution 11, and/or by way of a sale of treasury shares for cash, as if section 561(1) of the Act did not apply to any such allotment or sale, provided that this power:

    (i) shall be limited to the allotment of equity securities and the sale of treasury shares up to an aggregate nominal amount of £2,485,333 (representing approximately 10 per cent. of the issued share capital of the Company (excluding treasury shares) as at 26 November 2024); and

    (ii) shall expire at the conclusion of the next annual general meeting of the Company held after the passing of this resolution or, if earlier, on the date which is 15 months after the date on which this resolution is passed (unless previously renewed, varied or revoked by the Company in general meeting), save that the Company may before such expiry make offers and enter into agreements which would or might require equity securities to be allotted or treasury shares to be sold after such expiry and the Directors may allot equity securities or sell treasury shares in pursuance of such an offer or agreement as if the power conferred by this resolution had not expired.

This power applies in relation to the sale of treasury shares as if in the opening sentence of this resolution the words "subject to the passing of Resolution 11 set out in the notice of the annual general meeting to be held on 6 March 2025 (**"Resolution 11"**) and" were omitted.

13. THAT, in substitution for any existing authority but without prejudice to the exercise of any such authority prior to the passing of this resolution, the Company be and is hereby generally and unconditionally authorised, pursuant to and in accordance with section 701 of the Companies Act 2006 (the **"Act"**), to make market purchases (within the meaning of section 693(4) of the Act) of fully paid ordinary shares of 25 pence each in the capital of the Company (**"ordinary shares"**) on such terms and in such manner as the directors of the Company (the **"Directors"**) may from time to time determine (either for cancellation or for retention as treasury shares for future reissue, resale, transfer or cancellation), provided that:

    (a) the maximum aggregate number of ordinary shares hereby authorised to be purchased is 14,902,060 or, if less, the number being 14.99 per cent. of the issued ordinary share capital of the Company (excluding ordinary shares held in treasury) immediately prior to the passing of this resolution;

    (b) the minimum price which may be paid for an ordinary share purchased pursuant to this authority shall be 25 pence;

    (c) the maximum price which may be paid for an ordinary share purchased pursuant to this authority shall be the higher of (i) an amount equal to 105% of the average of the middle market quotations for an ordinary share (as derived from the London Stock Exchange Daily Official List) over the five business days immediately preceding the date on which the ordinary share is contracted to be purchased; and (ii) the higher of the price of the last independent trade of an ordinary share and the highest current independent bid for such a share on the London Stock Exchange at the time the purchase is carried out;

    (d) the minimum and maximum prices per ordinary share referred to in sub-paragraphs (b) and (c) of this resolution are in each case exclusive of any expenses payable by the Company;

    (e) the authority hereby conferred shall expire at the conclusion of the next annual general meeting of the Company held after the passing of this resolution or, if earlier, on the date which is 15 months after the date on which this resolution is passed, unless such authority is varied, revoked or renewed prior to such time by the Company in general meeting;

    (f) the Company may, prior to the expiry of the authority hereby conferred, enter into a contract to purchase ordinary shares under such authority which will or may be completed or executed wholly or partly after such expiry and may make a purchase of ordinary shares pursuant to any such contract.

14. THAT, subject to the confirmation of the High Court (the **"Court"**), the share capital of the Company be reduced by the cancellation of the entire amount standing to the credit of the Company's share premium account as at the date of the final hearing before the Court at which confirmation of the said cancellation is sought.

By Order of the Board
Columbia Threadneedle Investment Business Limited,
Secretary
28 November 2024

Registered office:
Cannon Place
78 Cannon Street
London EC4N 6AG
Registered number: 02732011

Notes:

1. A member is entitled to appoint one or more proxies to exercise all or any of the member's rights to attend, speak and vote at the meeting. A proxy need not be a member of the Company but must attend the meeting for the member's vote to be counted. If a member appoints more than one proxy to attend the meeting, each proxy must be appointed to exercise the rights attached to a different share or shares held by that member.
2. Any person holding 3% or more of the voting rights in the Company who appoints a person other than the Chair of the meeting as his/her proxy will need to ensure that both he/she and such person complies with their respective disclosure obligations under the Disclosure Guidance and Transparency Rules.
3. A Form of Proxy is provided with this notice for members. If a member wishes to appoint more than one proxy and so requires additional proxy forms, the member should contact Computershare Investor Services PLC on 0370 889 4094. To be valid, the Form of Proxy and any power of attorney or other authority under which it is signed (or a notarially certified copy of such authority) must be received by post or (during normal business hours only) by hand at the Company's Registrar, Computershare Investor Services PLC,

The Pavilions, Bridgwater Road, Bristol BS99 6ZZ, not less than 48 hours excluding non-working days before the time of the holding of the meeting or any adjourned meeting. Amended instructions must also be received by the Company's Registrar by the deadline for receipt of Forms of Proxy.

4. Alternatively, members may register the appointment of a proxy for the meeting electronically, by accessing the website www.eproxyappointment.com where full instructions for the procedure are given. The Control Number, Shareholder Reference and PIN as printed on the Form of Proxy will be required in order to use the electronic proxy appointment system. This website is operated by Computershare Investor Services PLC. The proxy appointment and any power of attorney or other authority under which the proxy appointment is made must be received by Computershare Investor Services PLC not less than 48 hours excluding non-working days before the time for holding the meeting or adjourned meeting or (in the case of a poll taken otherwise than at or on the same day as the meeting or adjourned meeting) for the taking of the poll at which it is to be used. If you want to appoint more than one proxy electronically please contact Computershare Investor Services PLC on 0370 889 4094.
5. Investors holding shares in the Company through the CT Investment Trust ISA, Junior ISA, Child Trust Fund, General Investment Account and/or Junior Investment Account should ensure that forms of direction are returned to Computershare Investor Services PLC not later than 12.30pm on 26 February 2025. Alternatively, voting directions can be submitted electronically at www.eproxyappointment.com by entering the Control Number, Shareholder Reference Number and PIN as printed on the form of direction. Voting directions must be submitted electronically no later than 12.30pm on 26 February 2025.
6. Any person receiving a copy of this notice as a person nominated by a member to enjoy information rights under section 146 of the Act (a "Nominated Person") should note that the provisions in notes 1 to 4 above concerning the appointment of a proxy or proxies to attend the meeting in place of a member do not apply to a Nominated Person as only Shareholders have the right to appoint a proxy. However, a Nominated Person may have a right under an agreement between the Nominated Person and the member by whom he or she was nominated to be appointed, or to have someone else appointed, as a proxy for the meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may have a right under such an agreement to give instructions to the member as to the exercise of voting rights at the meeting.
7. Pursuant to Regulation 41(1) of the Uncertificated Securities Regulations 2001 (as amended) and for the purposes of section 360B of the Act, the Company has specified that only those members registered on the register of members of the Company as at close of business on 4 March 2025 (the "Specified Time") (or, if the meeting is adjourned to a time more than 48 hours after the Specified Time, by close of business on the day which is two working days prior to the time of the adjourned meeting) shall be entitled to attend and vote at the meeting in respect of the number of shares registered in their name at that time. If the meeting is adjourned to a time not more than 48 hours after the Specified Time, the Specified Time will also apply for the purpose of determining the entitlement of members to attend and vote (and for the purposes of determining the number of votes they may cast) at the adjourned meeting. Changes to the register of members after the relevant deadline shall be disregarded in determining the rights of any person to attend and vote at the meeting.
8. If you are an institutional investor you may be able to appoint a proxy electronically via the Proxymity platform, a process which has been agreed by the Company and approved by the Registrar. For further information regarding Proxymity, please go to www.proxymity.io. Your proxy must be lodged by 12.30pm on 4 March 2025 in order to be considered valid. Before you can appoint a proxy via this process you will need to have agreed to Proxymity's associated terms and conditions. It is important that you read these carefully as you will be bound by them and they will govern the electronic appointment of your proxy.
9. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) thereof by using the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
10. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & International Limited's specifications and must contain the information required for such instruction, as described in the CREST Manual (available via www.euroclear.com/CREST). The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the issuer's agent (ID number 3RA50) by the latest time(s) for receipt of proxy appointments specified in notes 3 and 4. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Application Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.
11. CREST members and, where applicable, their CREST sponsors or voting service provider(s) should note that Euroclear UK & International Limited does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service provider(s) are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings (www.euroclear.com/CREST).

12. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001 (as amended).
13. Any corporation which is a member can appoint one or more corporate representatives who may exercise on its behalf all of its powers as a member provided that, if it is appointing more than one corporate representative, it does not do so in relation to the same shares.
14. Under section 527 of the Act, members meeting the threshold requirements set out in that section have the right to require the Company to publish on a website a statement setting out any matter relating to:
    (a) the audit of the Company's Accounts (including the auditors' report and the conduct of the audit) that are to be laid before the meeting; or
    (b) any circumstances connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual Accounts and Reports were laid in accordance with section 437 of the Act.
15. The Company may not require the members requesting any such website publication to pay its expenses in complying with sections 527 or 528 of the Act. Where the Company is required to place a statement on a website under section 527 of the Act, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the meeting includes any statement that the Company has been required under section 527 of the Act to publish on a website.
16. Any member attending the meeting has the right to ask questions. The Company must cause to be answered any question relating to the business being dealt with at the meeting put by a member attending the meeting. However, members should note that no answer need be given in the following circumstances:
    (a) if to do so would interfere unduly with the preparation of the meeting or would involve a disclosure of confidential information; or
    (b) if the answer has already been given on a website in the form of an answer to a question; or
    (c) if it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.
17. As at 26 November 2024, being the latest practicable date before the publication of this notice, the Company's issued capital consisted of 107,289,022 ordinary shares of 25p each including 7,875,677 shares held in treasury. Therefore, the total voting rights in the Company as at 26 November 2024 were 99,413,345.
18. This notice, together with the information required by Section 311A of the Act, will be available at ctcapitalandincome.co.uk.
19. Copies of the letters of appointment between the Company and its Directors; a copy of the Articles of Association of the Company; the register of Directors' holdings; and a deed relating to the Directors' deeds of indemnity will be available for inspection at the registered office of the Company during usual business hours on any weekday (Saturdays, Sundays and Bank Holidays excluded) until the date of the meeting and also at the place of the meeting from 15 minutes prior to the commencement of the meeting until the conclusion thereof.
20. No Director has a service agreement with the Company.
21. Under section 338 of the Act, a member or members meeting the qualification criteria set out at note 23 below, may, subject to certain conditions, require the Company to circulate to members notice of a resolution which may properly be moved and is intended to be moved at that meeting. The conditions are that: (i) the resolution must not, if passed, be ineffective (whether by reason of inconsistency with any enactment or the Company's constitution or otherwise); (ii) the resolution must not be defamatory of any person, frivolous or vexatious; and (iii) the request: (a) may be in hard copy form or in electronic form; (b) must identify the resolution of which notice is to be given by either setting out the resolution in full or, if supporting a resolution sent by another member, clearly identifying the resolution which is being supported; (c) must be authenticated by the person or persons making it; and (d) must be received by the Company not later than six weeks before the meeting to which the requests relate.
22. Under Section 338A of the Act, a member or members meeting the qualification criteria set out at note 23 below, may, subject to certain conditions, require the Company to include in the business to be dealt with at the meeting a matter (other than a proposed resolution) which may properly be included in the business (a matter of business). The conditions are that: (i) the matter of business must not be defamatory of any person, frivolous or vexatious; and (ii) the request: (a) may be in hard copy form or in electronic form; (b) must identify the matter of business by either setting it out in full or, if supporting a statement sent by another member, clearly identify the matter of business which is being supported; (c) must be accompanied by a statement setting out the grounds for the request; (d) must be authenticated by the person or persons making it; and (e) must be received by the Company not later than 6 weeks before the meeting to which the requests relate.
23. In order to be able to exercise the members' right to require: (i) circulation of a resolution to be proposed at the meeting (see note 21); or (ii) a matter of business to be dealt with at the meeting (see note 22), the relevant request must be made by: (a) a member or members having a right to vote at the meeting and holding at least 5% of total voting rights of the Company; or (b) at least 100 members having a right to vote at the meeting and holding, on average, at least £100 of paid up share capital.

Information for Shareholders

Net Asset Value and share price

The Company's NAV, or Net Asset Value, per share is released daily to the London Stock Exchange on the working day following the calculation date. The current share price of CT UK Capital and Income Investment Trust PLC is shown in the investment trust section of the stock market page in most leading newspapers, under "CT UK Capital and Income" and on the London Stock Exchange website.

Performance information

Information on the Company's performance is provided in the half-yearly and final reports which are sent to Shareholders in June and December respectively. More up-to-date performance information is available on the Internet at ctcapitalandincome.co.uk. This website also provides a monthly update on the Company's geographic spread and largest holdings, along with comments from the Fund Manager.

AIC

The Company is a member of the AIC, which publishes a monthly statistical information service in respect of member companies. The publication also has details of ISA and other investment plans available. For further details, please contact the AIC on 020 7282 5555, or visit the website: theaic.co.uk

Electronic communications

Computershare provides a service to enable Shareholders to receive Shareholder correspondence electronically (including annual and half yearly financial reports) if they wish. If a Shareholder opts to receive documents in this way, paper documents will only be available on request. Shareholders who opt for this service will receive a Notice of Availability via e-mail from Computershare with a link to the relevant section of the Company's website where the documents can be viewed or printed. For more information, to view the terms and conditions and to register for this service, please visit Computershare's internet site at investorcentre.co.uk (you will need your Shareholder reference number which can be found on your share certificate or dividend confirmation).

Share dealing

Investors wishing to purchase more shares in the Company or sell all or part of their existing holding may do so through a stockbroker. Most banks also offer this service. Alternatively, please go to www.computershare.com/dealing/uk for a range of dealing services made available by Computershare.

In addition, one of the most convenient ways to invest in the Company is through a savings plan operated by Columbia Threadneedle Investments. Further details are provided on the following page.

Common reporting standards

Tax legislation requires investment fund companies to provide information annually to the local tax authority on the tax residencies of a number of non-UK based certificated Shareholders and corporate entities who have purchased shares in investment trusts. All new Shareholders, excluding those whose shares are held in CREST, who are entered onto the share register are sent a certification form for the purpose of collecting this information.

For further information, please see HMRC's Quick Guide: Automatic Exchange of Information – information for account holders gov.uk/government/publications/exchange-of-information-account-holders.

Registered in England and Wales with Company Registration No 02732011.

How to Invest

One of the most convenient ways to invest in CT UK Capital and Income Investment Trust PLC is through one of the savings plans run by Columbia Threadneedle Investments.

CT Individual Savings Account (ISA)
You can use your ISA allowance to make an annual tax efficient investment of up to £20,000 for the current tax year with a lump sum from £100 or regular savings from £25 a month. You can also transfer any existing ISAs to us whilst maintaining the tax benefits.

CT Junior Individual Savings Account (JISA)*
A tax efficient way to invest up to £9,000 per tax year for a child. Contributions start from £100 lump sum or £25 a month. JISAs or CTFs with other providers can be transferred to Columbia Threadneedle Investments.

CT Lifetime Individual Savings Account (LISA)
For those aged 18-39, a LISA could help towards purchasing your first home or retirement in later life. Invest up to £4,000 for the current tax year and receive a 25% Government bonus up to £1,000 per year. Invest with a lump sum from £100 or regular savings from £25 a month.

CT General Investment Account (GIA)
This is a flexible way to invest in our range of Investment Trusts. There are no maximum contributions, and investments can be made from £100 lump sum or £25 a month.

CT Junior Investment Account (JIA)
This is a flexible way to save for a child in our range of Investment Trusts. There are no maximum contributions, and the plan can easily be set up under bare trust (where the child is noted as the beneficial owner) or kept in your name if you wish to retain control over the investment. Investments can be made from a £100 lump sum or £25 a month per account. You can also make additional lump sum top-ups at any time from £100 per account.

CT Child Trust Fund (CTF)*
If your child already has a CTF, you can invest up to £9,000 per birthday year, from £100 lump sum or £25 a month. CTFs with other providers can be transferred to Columbia Threadneedle Investments.

Charges
Annual management charges and other charges apply according to the type of Savings Plan, these can be found on the relevant product Presales Cost & Charges disclosure on our website **www.ctinvest.co.uk**.

Annual account charge
ISA/LISA: £60+VAT
GIA: £40+VAT
JISA/JIA/CTF: £25+VAT
You can pay the annual charge from your account, or by direct debit (in addition to any annual subscription limits).

Dealing charges
£12 per fund (reduced to £0 for deals placed through the online Columbia Threadneedle Investor Portal) for ISA/GIA/LISA/JIA and JISA. There are no dealing charges on a CTF.
Dealing charges apply when shares are bought or sold but not on the reinvestment of dividends or the investment of monthly direct debits. Government stamp duty of 0.5% also applies on the purchase of shares (where applicable). **The value of investments can go down as well as up and you may not get back your original investment. Tax benefits depend on your individual circumstances and tax allowances and rules may change. Please ensure you have read the full Terms and Conditions, Privacy Policy and relevant Key Features documents before investing.** For regulatory purposes, please ensure you have read the Pre-sales Cost & Charges disclosure related to the product you are applying for, and the relevant Key Information Documents (KIDs) for the investment trusts you want to invest in, these can be found at **www.ctinvest.co.uk/documents**.

How to Invest
To open a new Columbia Threadneedle Savings Plan, apply online at www.ctinvest.co.uk Online applications are not available if you are transferring an existing Savings Plan with another provider to Columbia Threadneedle Investments, or if you are applying for a new Savings Plan in more than one name but paper applications are available at **www.ctinvest.co.uk/documents** or by contacting Columbia Threadneedle Investments.

New Customers:

Call: **0345 600 3030**** (9.00am – 5.00pm, weekdays)

Email: **invest@columbiathreadneedle.com**

Existing Savings Plan Holders:

Call: **0345 600 3030**** (9:00am – 5:00pm, weekdays)

Email: **investor.enquiries@columbiathreadneedle.com**

By post: Columbia Threadneedle Management Limited
PO Box 11114
Chelmsford CM99 2DG

You can also invest in the trust through online dealing platforms for private investors that offer share dealing and ISAs. Companies include: **Barclays Stockbrokers, EQi, Halifax, Hargreaves Lansdown, HSBC, Interactive Investor, Lloyds Bank, The Share Centre**

Notes

*The CTF and JISA accounts are opened by parents in the child's name and they have access to the money at age 18.
**Calls may be recorded or monitored for training and quality purposes.

To find out more, visit ctinvest.co.uk

0345 600 3030, 9.00am – 5.00pm, weekdays, calls may be recorded or monitored for training and quality purposes.

Alternative Performance Measures

The Company uses the following Alternative Performance Measures (**"APMs"**). APMs do not have a standard meaning prescribed by GAAP and therefore may not be comparable to similar measures presented by other entities. No new APMs have been identified or added since the prior year end.

Premium or Discount – the share price of an Investment Company is derived from buyers and sellers trading their shares on the stock market. This price is not identical to the Net Asset Value (**"NAV"**) per share of the Company. If the share price is lower than NAV per share, the shares are trading at a discount. This usually indicates that there are more sellers of shares than buyers. The discount is shown as a percentage of the NAV per share. Shares trading at a price above NAV per share are deemed to be at a premium.

		30 September 2024 pence	30 September 2023 pence
Net Asset Value per share	(a)	**343.84**	301.67
Share price per share	(b)	**334.00**	298.00
(Discount) or Premium (c= (b-a)/a)	(c)	**(2.9%)**	(1.2%)

Gearing – this is the ratio of the borrowings of the Company to its net assets. Borrowings have a "prior charge" over the assets of a company, ranking before ordinary Shareholders in their entitlement to capital and/or income. They may include: preference shares; debentures; overdrafts and short and long term loans from banks; and derivative contracts. If the Company has cash assets, these may be assumed either to net off against borrowings, giving a "net" or "effective" gearing percentage, or to be used to buy investments, giving a "gross" or "fully invested" gearing figure. Where cash assets exceed borrowings, the Company is described as having "net cash". The Company's maximum permitted level of gearing is set by the Board and is described within the Strategic Report and Directors' Report.

		30 September 2024 £'000	30 September 2023 £'000
Loan		**28,000**	25,000
Less cash and cash equivalents		**(319)**	(2,378)
Total	(a)	**27,681**	22,622
Net Asset Value	(b)	**343,994**	314,747
Gearing (c = a/b)	(c)	**8.05%**	7.19%

Ongoing Charges – are those expenses of a type which are likely to recur in the foreseeable future, whether charged to capital or revenue, and which relate to the operation of the investment company, expressed as a proportion of the average net assets of the Company over the reporting year (see Ten Year Record). The costs of buying and selling investments and derivatives are excluded, as are interest costs, taxation, non-recurring costs and the costs of buying back or issuing shares. Ongoing charges are based on costs incurred in the year as being the best estimate of future costs.

Ongoing charges calculation		30 September 2024 £'000	30 September 2023 £'000
Management fees		**1,470**	1,386
Other expenses		**806**	742
Broker fee		**10**	18
Less loan arrangement fees		**(30)**	–
Ad-hoc non-recurring expenses		**(24)**	(24)
Total	(a)	**2,232**	2,122
Average daily net assets	(b)	**333,109**	322,195
Ongoing charges (c = a/b)	(c)	**0.67%**	0.66%

Total Return – the theoretical return to Shareholders calculated on a per share basis by adding dividends paid in the period to the increase or decrease in the share price or NAV in the period. The dividends are assumed to have been re-invested in the form of shares or added to net assets respectively, on the date on which the shares were quoted ex-dividend.

	Net Asset Value	Share price
NAV/Share price per share at 30 September 2023 (pence)	**301.67**	**298.00**
NAV/Share price per share at 30 September 2024 (pence)	**343.84**	**334.00**
Change in the year	**14.0%**	**12.1%**
Impact of dividend reinvestments	**4.4%**	**4.5%**
Total return for the year	**18.4%**	**16.6%**

Glossary of Terms

AAF Report – Report prepared in accordance with Audit and Assurance Faculty guidance issued by the Institute of Chartered Accountants in England and Wales.

Administrator – State Street Bank and Trust Company.

AIC – Association of Investment Companies, the trade body for Closed-end Investment Companies.

AIC Code – the principles set out in the Association of Investment Companies Code of Corporate Governance.

AIFMD – Alternative Investment Fund Managers Directive requires that all investment vehicles ("**AIFs**") must appoint a Depositary and an Alternative Investment Fund Manager ("**AIFM**"). The Board of Directors of an Investment Trust, nevertheless, will remain fully responsible for all aspects of the Company's strategy, operations and compliance with regulations. The Company's AIFM is the Manager.

AIM – the Alternative Investment Market.

Broker – The Broker is Cavendish, previously known as Cenkos Securities plc. The duties of the Broker include transacting buy or sell orders in the Company's shares, maintain a regular dialogue with core Shareholders, and provide advice on trading of the Company's shares and significant movements in share price.

CT Savings Plans – the CT General Investment Account, CT Junior Investment Account, CT Investment Trust ISA, CT Junior ISA, CT Lifetime ISA and CT Child Trust Fund operated by Columbia Threadneedle Management Limited, a company authorised and regulated by the Financial Conduct Authority.

CT UK Capital and Income Investment Trust PLC – the "**Company**".

Benchmark – the FTSE All-Share Index (the "**Index**") is the benchmark against which the increase or decrease in the Company's Net Asset Value is measured. The Index averages the performance of a defined selection of companies on the London Stock Exchange and gives an indication of how a wide range of companies traded on the London Stock Exchange taken as a whole have performed in any period. As the investments within the Index are not identical to those held by the Company, the Index does not take account of operating costs and the Company's strategy does not include replicating (tracking) this index, there is likely to be some level of divergence between the performance of the Company and the Index.

Closed-end company – a company, including an Investment Company, with a fixed issued ordinary share capital which is traded on an exchange at a price not necessarily related to its Net Asset Value and the shares of which can only be issued or bought back by the Company in certain circumstances.

Cum-dividend – shares are classified as cum-dividend when the buyer of a security is entitled to receive a dividend that has been declared, but not paid. Shares which are not cum-dividend are described as ex-dividend.

Custodian – The Custodian is JPMorgan Chase Bank. A custodian is a specialised financial institution responsible for safeguarding, worldwide, the listed securities and certain cash assets of the Company, as well as the income arising therefrom, through provision of custodial, settlement and associated services.

Depositary – The Depositary is JPMorgan Europe Limited. Under AIFMD rules, the Company must appoint a depositary, whose duties in respect of investments, cash and similar assets include: safekeeping; verification of ownership and valuation; and cash monitoring. The appointed depositary has strict liability for the loss of the financial assets in respect of which it has safe keeping duties. The Depositary's oversight duties will include, but are not limited to, oversight of share buy backs, dividend payments and adherence to investment limits.

Derivative – a contract between two or more parties, the value of which fluctuates in accordance with the value of an underlying security. The contract is usually short term (for less than one year). Examples of derivatives are Put and Call Options, Swap contracts, Futures and Contracts for Difference. A derivative can be an asset or a liability and is a form of gearing because the fluctuations in its value are usually greater than the fluctuations in the underlying security's value.

Distributable Reserves – Reserves distributable by way of dividend or for the purpose of buying back ordinary share capital (see note 2 to the accounts). Company Law requires that Share Capital, the Share Premium Account and the Capital Redemption Reserve may not be distributed. The Company's articles of association allow distributions by way of dividend out of Capital Reserves. Dividend payments are currently made out of Revenue Reserve. The cost of any share buybacks are deducted from the Special and Capital Reserves.

Dividend Dates – Reference is made in announcements of dividends to three dates. The "**record**" date is the date after which buyers of the shares will not be recorded on the register of Shareholders as qualifying for the pending dividend payment. The "**payment**" date is the date that dividends are credited to Shareholders' bank accounts. The "**ex-dividend**" date is normally the business day prior to the record date.

Fund Manager – Julian Cane, an employee of the Manager with overall management responsibility for the total portfolio.

GAAP – Generally Accepted Accounting Practice. This includes UK GAAP and International GAAP (IFRS or International Financial Reporting Standards applicable in the European Union).

Investment Company (section 833) – UK Company Law allows an Investment Company to make dividend distributions out of realised distributable reserves, even in circumstances where it has made capital losses in any year (see note 2 to the accounts), provided the Company's assets remaining after payment of the dividend exceed 150% of the liabilities. An Investment Company is defined as investing its funds in shares, land or other assets with the aim of spreading investment risk.

Investment Trust taxation status (section 1158) – UK Corporation Tax law allows an Investment Company (referred to in tax law as an Investment Trust) to be exempted from tax on its profits realised on investment transactions, provided it complies with certain rules. These are similar to section 833 Company law rules but further require that the Company must be listed on a regulated stock exchange and that it cannot retain more than 15% of income received. The Directors' Report contains confirmation of the Company's compliance with this law and its consequent exemption from taxation on capital gains.

ISAE Report – Report prepared in accordance with the International Standard on Assurance Engagements.

Leverage – as defined under AIFMD rules, leverage is any method by which the exposure of an AIF (being an investment vehicle under the AIFMD) is increased through borrowing of cash or securities or leverage embedded in derivative positions. Leverage is broadly equivalent to gearing, but is expressed as a ratio between the net assets (excluding borrowings) and the net assets (after taking account of borrowings). Under the gross method, exposure represents the sum of the Company's positions after deduction of cash balances, without taking account of any hedging or netting arrangements. Under the commitment method, exposure is calculated without the deduction of cash balances and after certain hedging and netting positions are offset against each other.

Manager – Columbia Threadneedle Investment Business Limited, (AIFM), and its sister company Columbia Threadneedle Management Limited. These two companies are owned by Ameriprise Financial, Inc.

Overview
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Net Asset Value (NAV) – the assets less liabilities of the Company, as set out in the Balance Sheet, all valued in accordance with the Company's Accounting Policies (see note 2 to the accounts) and UK Accounting Standards. The net assets correspond to Total Shareholders' Funds, which comprise the share capital account, capital redemption reserve, share premium account, special reserve and capital and revenue reserves.

Non-executive Director – a Director who has a contract for services, rather than a contract of employment, with the Company. The Company does not have any executive Directors. Non-executive Directors' remuneration is described in detail in the Directors' Remuneration Report. The duties of the Directors, who govern the Company through the auspices of a Board and Committees of the Board, are set out in the Corporate Governance Statement.

Open-end investment vehicle – a collective investment scheme which issues shares or units directly to investors, and redeems directly from investors, at a price that is linked to the Net Asset Value of the fund.

Price/earnings multiple – This is a calculation carried out as a simple assessment of a company's valuation. It is the result of dividing the share price of a company by its earnings per share, therefore showing the multiple of earnings at which the shares trade.

Registrar – Computershare Investor Services PLC provide share registration services to the Company. They maintain the register of members and arrange the payment of dividends. Shares held by investors in the CT Savings Plans are held on the register in one nominee account under the name of State Street Nominees Limited.

SORP – Statement of Recommended Practice. The accounts of the Company are drawn up in accordance with the Investment Trust SORP, issued by the AIC, as described in note 2 to the accounts.

SSAE16 – Statement on Standards for Attestation Engagements 16, issued by the American Institute of Certified Public Accountants, is an independent snapshot of an organisation's control environment.

Total Return – The return to Shareholders calculated on a per share basis by adding dividends paid in the period to the increase or decrease in the Share Price or NAV in the period. The dividends are assumed to have been re-invested in the form of shares or net assets, respectively, on the date on which the shares were quoted ex-dividend.

UK Code of Corporate Governance (UK Code) – the standards of good practice in relation to board leadership and effectiveness, remuneration, accountability and relations with Shareholders that all companies with a listing on the London Stock Exchange are required to report on in their Annual Report and Accounts.

Warning to Shareholders – Beware of Share Fraud.

Fraudsters use persuasive and high-pressure tactics to lure investors into scams. They may offer to sell to you shares that turn out to be worthless or non-existent, or to buy your shares at an inflated price in return for an upfront payment following which the proceeds are never received.

If you receive unsolicited investment advice or requests:

- Check the Financial Services Register from **fca.org.uk** to see if the person or firm contacting you is authorised by the FCA
- Call the Financial Conduct Authority ("**FCA**") on **0800 111 6768** if the firm does not have contact details on the Register or you are told they are out of date
- Search the list of unauthorised firms to avoid at **fca.org.uk/scams**
- Consider that if you buy or sell shares from an unauthorised firm you will not have access to the Financial Ombudsman Service or Financial Services Compensation Scheme
- Think about getting independent financial and professional advice

If you are approached by fraudsters please tell the FCA by using the share fraud reporting form at **fca.org.uk/scams** where you can find out more about investment scams. You can also call the FCA Consumer Helpline on **0800 111 6768**. If you have already paid money to share fraudsters you should contact Action Fraud on **0300 123 2040**.

CT UK Capital and Income Investment Trust PLC
Report and Accounts
For the Year Ended
30 September 2024

Contact us

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To find out more visit **columbiathreadneedle.com**