Annual Report and Financial Statements

CT UK High Income Trust PLC

For the year ended:
31 March 2024

COLUMBIA THREADNEEDLE INVESTMENTS

Contents

Financial Calendar

Annual General Meeting		26 July 2024
First quarter's distribution paid	(XD Date 4 July 2024)	2 August 2024
Second quarter's distribution paid	(XD Date 3 October 2024)	1 November 2024
Announcement of Interim Results		December 2024
Third quarter's distribution paid	(XD Date 2 January 2025)	7 February 2025
Fourth quarter's distribution paid	(XD Date 3 April 2025)	2 May 2025
Announcement of Annual Results		May 2025

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Company Overview

CT UK High Income Trust PLC (the '**Company**') is an investment trust and its shares are listed on the premium segment of the Official List of the Financial Conduct Authority and traded on the London Stock Exchange.

Purpose

The purpose of the Company is to be a cost effective investment vehicle for investors seeking income and capital returns from a portfolio invested predominantly in UK equities.

Investment Objective

The investment objective of the Company is to provide an attractive return to shareholders each year in the form of dividends and/or capital repayments, together with prospects for capital growth.

In pursuit of its objective, the Company invests predominantly in UK equities and equity related securities of companies across the market capitalisation spectrum.

Capital Structure

The Company has two classes of shares: Ordinary shares and B shares. The rights of each class are identical, save in respect of the right to participate in distributions of dividends and capital. The net asset value attributable to each class of shares is the same.

Only Ordinary shares are entitled to dividends paid by the Company. B shares, instead of receiving dividends, receive a capital repayment at the same time as, and in an amount equal to, each dividend paid on the Ordinary shares.

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

The Company is registered in Scotland with company registration number SC314671
Legal Entity Identifier: 213800B7D5D7RVZZPV45

Financial Highlights

+11.8%

NAV total return[1]
Net asset value total return per share for the financial year was +11.8%, compared to the total return of the Benchmark[2] of +8.4%.

+10.2%

Ordinary share price total return[1]
Ordinary share price total return per share for the financial year was +10.2%, compared to the total return of the Benchmark[2] of +8.4%.

+5.5%

B share price total return[1]
B share price total return per share for the financial year was +5.5%, compared to the total return of the Benchmark[2] of +8.4%.

6.7%

Yield[1] on Ordinary shares
Distribution yield of 6.7% on Ordinary shares at 31 March 2024, compared to the yield on the FTSE All-Share Index of 3.8%. Total dividends increased by 2.0% to 5.62p per Ordinary share compared to the prior year.

6.7%

Yield[1] on B shares
Distribution yield of 6.7% on B shares at 31 March 2024, compared to the yield on the FTSE All-Share Index of 3.8%. Total capital repayments increased by 2.0% to 5.62p per B share compared to the prior year.

[1] Yield and total return – See Alternative Performance Measures on pages 87 and 88.
[2] Benchmark – FTSE All-Share Index.

Investors are reminded that the value of investments and any income from them may go down as well as up and they may not receive back the full amount invested. Tax benefits may vary as a result of statutory changes and their value will depend on individual circumstances.

Summary of Performance

Total Return[1]

	Year to 31 March 2024	Year to 31 March 2023
Net asset value per Ordinary share and B share	+11.8%	-0.4%
Ordinary share price	+10.2%	+0.6%
B share price	+5.5%	+2.3%
Benchmark[2]	+8.4%	+2.9%

Revenue and Distributions

	Year to 31 March 2024	Year to 31 March 2023	% Change
Distributions per Ordinary share and B share	5.62p	5.51p	+2.0
Yield[1] – Ordinary share	6.7%	6.7%	
Yield[1] – B share	6.7%	6.5%	
Revenue earnings per share	4.01p	3.62p	+10.8
Revenue reserve – per Ordinary share[3]	2.77p	2.83p	-2.1

Capital

	31 March 2024	31 March 2023	% Change
Net assets	£107.8m	£104.2m	+3.5
Net asset value per Ordinary share and B share	94.51p	89.97p	+5.0
FTSE All-Share Index	4,338.05	4,157.88	+4.3

Discount[1]

Ordinary shares	-10.6%	-8.9%	
B shares	-11.6%	-6.1%	

Gearing[1]

Gearing	12.5%	8.5%	

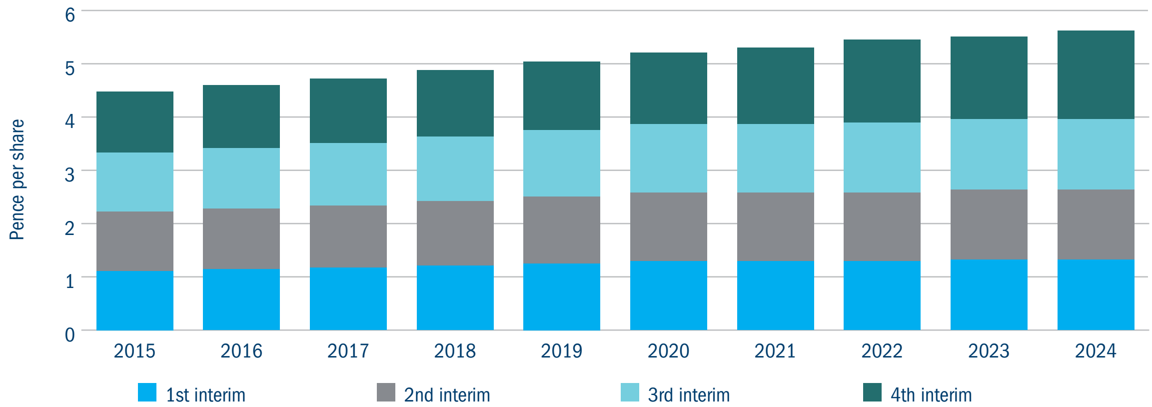
Ongoing Charges[1]

as percentage of average shareholders' funds	1.08%	1.02%	

(1) Total return, yield, discount, gearing and ongoing charges – see Alternative Performance Measures on pages 87 and 88.
(2) Benchmark – see definition on page 2.
(3) Calculated after deducting the fourth interim dividend (which was paid after the year end) from the revenue reserve at 31 March.
Sources: Columbia Threadneedle Investments and Refinitiv Eikon.

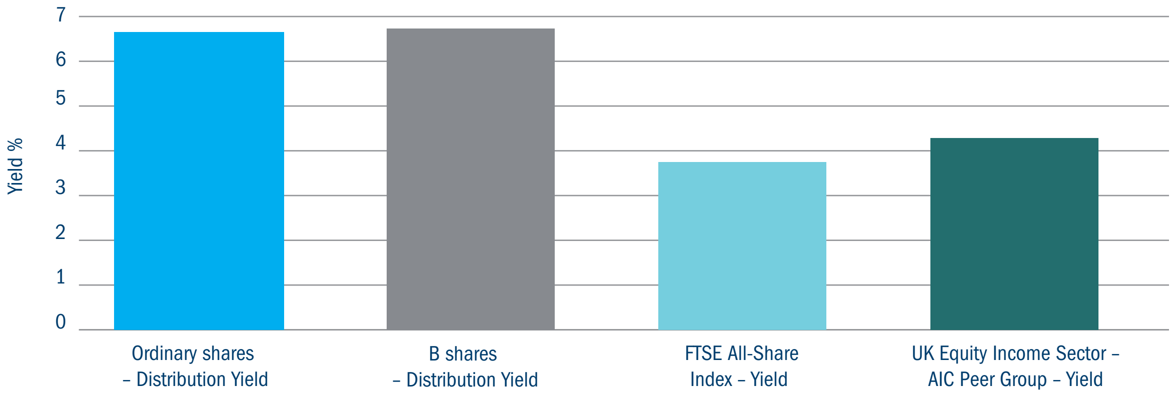
Annual dividends and Capital repayments

Growth in payments to shareholders over last ten financial years



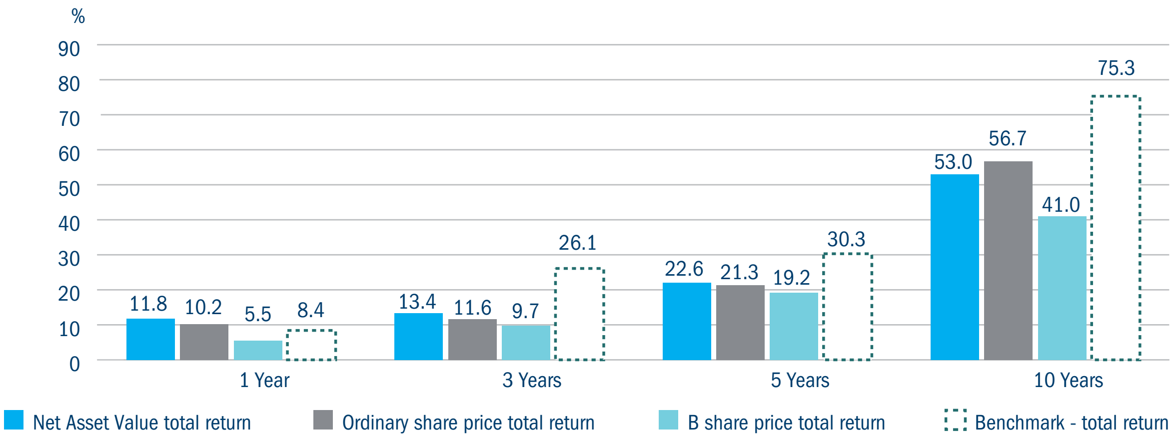
Source: Columbia Threadneedle Investments

Distribution yield compared to the Benchmark Index and Peer Group at 31 March 2024



Source: Refinitiv Eikon and AIC

Cumulative Performance to 31 March 2024



Source: Columbia Threadneedle Investments and Refinitiv Eikon

Strategic Report

This Strategic Report, which includes pages 5 to 28 and incorporates the Chairman's Statement, has been prepared in accordance with the Companies Act 2006.

Chairman's Statement

"Eleventh consecutive year of dividend/capital repayment increases and at 31 March 2024 the Ordinary shares and B shares had yields of 6.7%"

Andrew Watkins, Chairman

I am pleased to present the annual results of CT UK High Income Trust PLC for the financial year ended 31 March 2024. Particularly pleased, in fact, as against a backdrop during the year of high interest rates and inflation in the UK and an escalation of global tensions, David Moss, the Company's Portfolio Manager has produced index-beating returns and generated an increase in dividends and capital repayments.

These have not been easy times. I hope that one day I shall not have to write such words and that investment managers, to whom shareholders have entrusted their savings, will find the investment universe easier to navigate. But for now, our daily lives seem to be peppered with news of yet another conflict that threatens world peace. I see that this time last year I believed that "the worst is behind us". Palpably wrong. Russia seems to have settled in for the long term in its desire to rebuild the old Soviet Union through destroying Ukraine and the Israel-Palestine war shows little sign of any permanent resolution in the short term. How does one manage money in such unpredictable times?

Well, I'm delighted to say that your Portfolio Manager has indeed maintained his focus and concentrated on the Company's priorities for its shareholders, namely, the growth in capital and dividends. Over the last few years, the Board has employed the Company's revenue reserve to maintain and grow distributions and this year is no exception. However, the Portfolio Manager is very well aware of – and is delivering upon – the Board's stated objective to rebuild revenue reserves and the principal reason for drawing on reserves again this year was the timing of dividend payments from investee companies that occurred after our year end.

Performance

In the financial year to 31 March 2024 your Company produced a Net Asset Value ('NAV') total return of +11.8% against a total return of +8.4% from the FTSE All-Share Index, the benchmark index. This is a very welcome and highly commendable outperformance of +3.4 percentage points from the Company's Portfolio Manager, David Moss. This was especially so during another challenging economic period which saw inflation peak at 11.1% in early 2023 with an attendant rise in the Bank of England base rate to 5.25% in a belated attempt to combat inflation's harmful effects on consumers and the UK economy.

As you will read in the detailed Manager's Review, the portfolio has been fine-tuned since the appointment of David Moss in July 2023 to take account of changing market conditions and sentiment, an approach applauded by your Board as being not only sensible and pragmatic but also in the best long-term interests of shareholders.

The Board also concurred with David that the Company should remain geared throughout the period. This proved painful as interest rates rose but, as he was confident that positions in quality companies could be acquired at reasonable prices, it proved tactically correct to do so. Altering gearing levels on a play-by-play basis seldom proves beneficial and whilst the Company has a flexible revolving credit facility, maintaining full exposure was a unanimous decision.

Share Price Performance and Discount to NAV

At the financial year end, the Company's Ordinary share and B share prices stood at discounts to the net asset value of 10.6% and 11.6% respectively. These discounts were wider than the Board would prefer but may have been affected, temporarily, by adjustments in the market as the Company's Units were cancelled at the very end of its financial year. The average discount levels at which the Company's Ordinary shares and B shares traded relative to net asset value in the financial year were 6.9% and 5.2% respectively and it remains the Board's preference for the discounts to be in single figures whilst maintaining the balance of supply and demand in the market for both share classes on a daily basis.

Consequently, the share price total return for the Ordinary shares and B shares was +10.2% and +5.5% respectively.

Dividends and Capital Repayments

As already mentioned, your Board recognises the importance of dividends to shareholders and has utilised the Company's revenue reserve to maintain and increase dividend payments to Ordinary shareholders in recent years. Total distributions to shareholders this year increased by 2% to 5.62p per share compared to the previous year. In the year to 31 March 2024 the revenue earnings per share increased by 10.8% but, due to the timing of some dividend receipts, as explained earlier, it has been necessary to draw £105,000 from the revenue reserve. This is a very short-term situation as those companies that were due to pay in March duly paid in April 2024. After payment of the fourth interim dividend on 3 May 2024, the revenue reserve is £2.3 million, representing 2.77p per Ordinary share.

Your Company has now increased its distributions to shareholders in each financial year since 2013 and has been duly recognised by the AIC as being part of the next generation of "Dividend Heroes" for increasing dividends to shareholders in ten or more consecutive years. The total dividend/capital repayment for the year to 31 March 2024 represented a yield of 6.7% based on the Ordinary share price and B share price of 84.5p and 83.5p respectively at 31 March 2024.

Gearing

As at the end of the year under review, the Company had a total borrowing facility of £15 million through an unsecured Revolving Credit Facility with The Royal Bank of Scotland International Limited. Your Board believes that an investment company should use gearing to enhance returns to shareholders whenever possible and encourages the Portfolio Manager to use his discretion accordingly. As at the year end, all of the £15 million facility had been drawn down.

Annual General Meeting (AGM)

The AGM will be held at 11 am on 26 July 2024 at Columbia Threadneedle Investments, Cannon Place, 78 Cannon Street, London EC4N 6AG. It is an opportunity for shareholders to engage with the Board and Manager and I hope you will be able to attend.

Outlook

It is a relief for all to see that, in spite of recent tensions, energy prices have come off their highs and domestic bills have correspondingly fallen. Combined with average wage increases now exceeding inflation, it feels that discretionary spending power is improving despite it seeming that the cost of everything is still going up. Personally, I would not be surprised if manufacturers attempted to rebuild profits through price rises but competition is a great leveller when vying for the consumer's money.

So, that was a long-winded way of saying that my (relatively) optimistic outlook is back. With a General Election now called for 4 July 2024, whichever party forms the next Government is likely to oversee a slowly growing economy, inflation possibly at the Bank of England's target 2% rate accompanied by a very welcome (and overdue) fall in interest rates. Global tensions notwithstanding and assuming no major escalation or serious interruption to trade routes, it is possible to envision a much better environment for UK equities after a tough few years of treading water.

If my reading is correct, I firmly believe your Company is in the best possible shape to benefit accordingly. David Moss has constructed a balanced portfolio of companies with the potential to grow in capital terms and increase dividend payments, exactly the recipe required to produce positive returns for you, our shareholders. It is likely that the portfolio will remain geared during the Company's 2024-2025 financial year to capitalise accordingly, especially as interest rates decline and the cost of borrowing reduces. Making the most of the closed-ended structure of an investment company by gearing at appropriate times is wholly supported by your Board and should, I hope, reap rewards over the next 12 months.

As ever, thank you for being a shareholder in CT UK High Income Trust PLC. Your support is very much appreciated.

Andrew Watkins
Chairman
30 May 2024

Purpose, Strategy and Business Model

Purpose and Strategy

The purpose of the Company is be a cost effective investment vehicle for investors seeking income and capital returns from a portfolio invested predominately in UK equities.

The investment objective is to provide an attractive return to shareholders each year in the form of dividends and/or capital repayments, together with prospects for capital growth. We do this by investing predominantly in UK equities and equity related securities of companies across the market capitalisation spectrum. Our wider strategy is to promote the Company as a compelling investment choice through all available channels.

Business Model

CT UK High Income Trust PLC is a listed closed-end investment company and carries on business as an investment trust. As an investment company with no employees, the Directors believe that the best way of meeting their duty to promote the success of the Company and achieving its investment objective for the benefit of stakeholders is to work closely with its appointed Manager. The Board has contractually delegated the management of the investment portfolio, and other services, to Columbia Threadneedle Investment Business Limited (the '**Manager**') which is owned by Columbia Threadneedle Investments, the global investment management business of Ameriprise Financial, Inc. ('**Ameriprise**') a company incorporated in the United States. Within policies set and overseen by the Directors, the Manager has been given overall responsibility for the management of the Company's assets, gearing, stock selection and risk management. Engagement on environmental, social and governance ('**ESG**') matters is undertaken through a global team within Columbia Threadneedle Investments.

As a listed closed-end investment company, the Company is not constrained by asset sales to meet redemptions. The Company's capital structure provides the flexibility to take a longer term view and to remain invested while taking advantage of volatile market conditions. Having the ability to borrow to invest is a significant advantage over a number of other investment fund structures. These features combine to form a resilient and adaptable business model.

The Company's Board of non-executive Directors is responsible for the overall stewardship and governance of the Company and how it promotes the success of the Company is set out on pages 22 and 23. The Board's biographical details can be found on page 29. The Company has no executive Directors or employees.

The Board remains responsible for decisions over corporate strategy, corporate governance, risk and control assessment, setting policies as detailed on pages 27 and 28, setting limits on gearing and monitoring investment performance.

Alignment of Values and Culture

In addition to strong investment performance from our Manager, we expect it to adhere to the highest standards of responsible investment, transparency, corporate governance and business ethics and that its values and culture align with our own. Columbia Threadneedle Investments was an original signatory to the United Nations Principles for Responsible Investment ('**UNPRI**') and in 2023, across each reporting module, it scored in line or above the investment management median. The Manager has a culture of diversity, collaboration and inclusion, anchored by shared values and industry-leading employee engagement in keeping with the Board's own expectations and beliefs.

Responsible Investment Impact

Environmental, Social and Governance ('**ESG**') issues can present both opportunities and threats to the long-term investment performance the Company aims to deliver and its approach, as set out on pages 17 to 21, is aligned towards the delivery of sustainable investment performance over the longer term.

The direct impact of the Company's activities on the community or environment is minimal as it has no employees, premises, physical assets or operations, either as a producer or a provider of goods and services, and it does not have customers in the traditional sense. Consequently, it does not directly generate any greenhouse gas or other emissions or pollution. The Company's indirect impact occurs through its investments and this is mitigated by the Manager's Responsible Investment approach as explained on pages 17 to 21.

The Manager

A summary of the investment management agreement is contained in note 4 to the financial statements. The Manager also acts as the Alternative Investment Fund Manager ('**AIFM**') under the Alternative Investment Fund Managers Directive ('**AIFMD**') and provides ancillary functions such as administration, marketing, accounting and company secretarial services to the Company.

During the financial year, on 13 July 2023, the Board announced that David Moss would succeed Philip Webster to act as the Portfolio Manager ('**Portfolio Manager**') to the Company, on behalf of the Manager. David has 28 years' industry experience, the majority of them in managing assets on behalf of a wide variety of clients, including investment trusts. He is supported in carrying out research and in the selection of stocks by a team of investment professionals. Details of the Manager's investment philosophy and process are set out on pages 12 and 13.

Manager Evaluation

Investment performance and responsible ownership are fundamental to delivering the investment objective for shareholders and therefore an important responsibility of the independent non-executive Board of Directors is the robust annual evaluation of the Manager. This evaluation is an essential element of strong governance and mitigation of risk. The process for the evaluation of our Manager's performance and its capabilities and resources for the period under review, which was conducted by the Engagement and Remuneration Committee, and the basis on which the re-appointment decision was made, is set out on page 41.

Investment Policy

The Company's investment policy is set out on page 27 and an analysis of the investment portfolio is contained on pages 14 to 16.

Any material change to the investment policy of the Company will only be made with shareholder approval.

Managing Risks and Opportunities

We seek to make effective use of our corporate structure and the investment opportunities that lead to long-term growth in capital and income for our shareholders. These opportunities do not come without risks and therefore the performance of our Manager is monitored at each Board meeting on a number of levels. In addition to managing the investments, ancillary functions such as administration, marketing, accounting and company secretarial services are also carried out by the Manager. At each Board meeting it reports on the Company's investment portfolio, performance, recent portfolio activity, market outlook, revenue and expense forecasts, internal control procedures, any errors, marketing, shareholder and other stakeholder issues including the prices of the Company's shares relative to NAV, together with accounting and regulatory updates. The Board also considers compliance with the investment policy, investment restrictions and compliance with borrowing covenants.

The Company's principal risks and uncertainties that could threaten its objective, strategy and performance, and how the Board manages such risks, are set out in detail on pages 24 and 25. The risk of not achieving the Company's objective, or of consistently underperforming its benchmark or competitors, may arise from any or all of inappropriate investment strategy, poor market conditions, the use of gearing, insufficient monitoring of costs and service provider issues.

In addition to monitoring our Manager's performance, capabilities, available resources and its systems and controls, the Directors also review the services provided by other principal suppliers. These include JPMorgan Chase Bank, the Custodian and JPMorgan Europe Limited, the Depositary in their duties towards the safeguarding of the Company's assets.

Review of Performance and Outlook

The principal policies that support our investment and business strategy are set out on pages 27 and 28. Shareholders can assess our financial performance from the Key Performance Indicators ('**KPIs**') that are set out on page 9. The Chairman's Statement on pages 5 and 6 and the Manager's Review on pages 10 and 11, both of which form part of this Strategic Report, provide a review of the Company's returns and market conditions during the financial year, the position of the Company at the year end, and the outlook for the coming year.

In light of the Company's strategy, investment processes and control environment (relating to both the oversight of its service providers and the effectiveness of the risk mitigation activities), the Board has set out its viability assessment and statement on page 26 and its reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the next three years.

Stakeholder Communication and Marketing

The Company fosters good working relationships with its key stakeholders; such as the Manager, shareholders, bankers and other key service providers. The Board works closely with the Manager to ensure optimal delivery of the Company's investment proposition through all available channels and, together, we remain focused on promoting the success of the Company. The Manager offers a range of savings plans for retail investors which are a convenient and flexible way to invest in the Company, details of which can be found in the 'How to Invest' section of this report on page 84.

The Company welcomes the views of all shareholders and places great importance on communication with them. In addition to the annual and half-year reports that are available for shareholders, monthly fact sheets and additional information is included on the Company's website at ctukhighincome.co.uk.

Whenever the Manager holds meetings with the Company's larger shareholders, these are reported on to the Board. The Chairman and other Directors are available to meet shareholders if required. In addition, meetings are held with current and prospective shareholders and analysts covering the investment trust sector.

The Annual General Meeting of the Company provides a forum, both formal and informal, for all shareholders to meet and discuss issues with the Directors and Manager of the Company.

Through the Manager, we also make sure the savings plan investors are encouraged to vote at the AGM in addition to those who hold their shares on the main shareholder register. Details of the voting results on each resolution are published on the Company's website.

Key Performance Indicators

The Board recognises that it is the distribution level of the Ordinary shares and B shares together with the longer term share price performance that is most important to the Company's investors. Share price performance is driven largely by the performance of the net asset value.

The Board uses a number of performance measures to assess the Company's success in meeting its objectives. The key performance indicators ('KPIs') (also referred to as Alternative Performance Measures) are set out below. Additional comments are provided in the Chairman's Statement and the Manager's Review discussing the performance of the Company during the current year.

Total return[(1)] performance to 31 March 2024

	1 Year %	3 Years %	5 Years %	10 Years %	
Net asset value per Ordinary share and B share	11.8%	13.4%	22.6%	53.0%	This measures the Company's share price and NAV total returns (which assumes dividends/capital repayments paid by the Company have been reinvested), relative to the benchmark.
Ordinary share price	10.2%	11.6%	21.3%	56.7%	
B share price	5.5%	9.7%	19.2%	41.0%	
Benchmark[(2)]	8.4%	26.1%	30.3%	75.3%	

Distribution Yield[(1)]%

Financial year to 31 March	2024 %	2023 %	2022 %	
Ordinary shares	6.7	6.7	6.3	This shows the Company's distribution yield at the year-end relative to the benchmark.
B shares	6.7	6.5	6.2	
Yield on FTSE All-Share Index	3.8	3.6	3.1	

Average discount[(1)] to NAV

During the financial year to 31 March	Ordinary shares %	B shares %	
2024	-6.9	-5.2	This is the average difference between the share price and the NAV per share during the financial year.
2023	-7.5	-4.3	
2022	-6.9	-5.2	

Ongoing charges ratio[(1)]

As at 31 March	%	
2024	1.08	This data shows whether the Company is being run efficiently. It measures the running costs as a percentage of average net assets.
2023	1.02	
2022	0.98	

(1) See Alternative Performance Measures on pages 87 and 88 for explanation.
(2) Benchmark – see definition on page 2.
Sources: Columbia Threadneedle Investments and Refinitiv Eikon.

Manager's Review

David Moss, Portfolio Manager

The last financial year has been different from recent ones in that Covid has not been a subject of discussion nor the key driver of share prices. We have, though, arguably been dealing with the consequences of the pandemic – namely the huge increases in Government borrowing and the money supply together with the breakdown of supply chains exacerbated by the conflict in Ukraine. The result has been that two directly related topics have been the only real driver of equity markets in the last twelve months – inflation and interest rates. When we started our financial year on 1 April 2023, we had already seen the fastest pace of UK base rate rises ever and we saw a further 100 basis points before the end of August. While sentiment on inflation has waxed and waned since then and the Bank of England has kept rates flat, there is clear evidence of inflation falling and we look forward to the Company's new financial year with a focus on when the first rate cut will be, rather than if it will happen.

What has perhaps been surprising is that while the UK economy has clearly slowed as a result of these interest rate increases, we have seen neither the collapse in consumer spending nor rise in unemployment predicted by some. While the UK experienced a very brief technical recession, the impact was minimal. The biggest liability for UK consumers is their mortgage and the nature of the majority of UK mortgages, where the rates are fixed typically for two to five years, has meant that together with the sheer number of UK homeowners that don't have a mortgage, many households have yet to be negatively impacted by higher rates. While inflation has clearly had an effect on household consumption habits, we have also seen rising nominal wages helping to offset the impact. With employment numbers remaining strong, inflation now falling and lower long-term rates feeding into lower mortgage rates, the outlook for the UK consumer is, in our opinion, improving. While we expect to see interest rates fall this year we do not see them falling to anywhere near the levels prevailing pre-and during the pandemic. Contrary to many, we see this as a positive and an environment that we consider 'normal' where money is not free and accordingly capital should be allocated more efficiently and one where savers are rewarded rather than punished.

After the turbulence in politics last year, we have had a relatively stable political backdrop in the last twelve months. We can expect a lot more political noise at least during the rest of this calendar year as we move through the general election and see the emergence of actual policy thereafter. Despite the economy holding up, a better outlook ahead and cuts to National Insurance contributions, it appears clear that this election will see a change in Government. Whilst the likelihood of a Labour administration often causes concern for investors and volatility in markets, for now at least the messaging from Labour and in particular the Shadow Chancellor has been benign. We will see the reality in due course but for now we see nothing to disturb our positive view of the year ahead.

Performance

While UK equities were volatile at times, falling 10% from the initial high point in April 2023 and then rising and falling over 6% twice more during the Company's financial year, better economic news, in particular on inflation, led the UK stock market, as measured by the FTSE All-Share Index, to rise fairly consistently from the October 2023 low to produce a total return of 8.4% over our financial year.

The net asset value ("NAV") total return of the Company was 11.8% over the financial year out-performing the benchmark index by 3.4 percentage points, representing a welcome return to out-performance. This represents an acceleration in performance from the first part of the financial year helped by the judicious use of gearing, the Company's portfolio was ahead of a rising market, with the biggest driver of performance being strong stock selection.

Pleasingly, we have had positive contributions from stocks we have held for some time, as well as stocks newly purchased this year. It has taken over a decade, but legal finance group **Burford Capital** finally received a positive opinion from the Judge in its case against the Argentinian Government for the forced nationalisation of YPF. There are still appeals to come but the market recognised the potential for value generation and the shares responded very strongly. Two other long-held investments were also amongst the leading positive

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contributors with **Cairn Homes** producing strong results with rising dividends and share buybacks as they benefit from being the largest housebuilder in an Irish market with a shortage of housing. The biggest individual contributor was private markets investor **Intermediate Capital Group** where asset raising and investment returns have been robust. The demand from investors for access to private assets looks set to remain strong for years to come. Recent purchase **SAP** was amongst the top positive contributors as results were consistently good, the company increased guidance and was seen as a beneficiary of Artificial Intelligence.

Portfolio Changes

There has been an increase in turnover in the financial year as we looked to position the portfolio for what we felt were the opportunities ahead. This focused overwhelmingly on increasing the level of sustainable income generated by the portfolio and investing in companies where we could expect this to grow into the future. We approached this in two ways; we sold out of companies where dividends were zero or very low and where there was little prospect of any meaningful income soon and re-invested the proceeds in companies that have high current dividend yields and/or have the ability to grow distributions to shareholders. The latter is, we believe, the most important element as our strategy is to provide shareholders with a high and growing level of income. In terms of the companies that we sold, this included **THG**, **ASOS**, **Wizz Air** and **Delivery Hero**, all companies that we felt would struggle to fulfil expectations and where we saw no prospect of dividends on any sensible time horizon. We also sold a number of stocks with very low dividend yields and limited growth prospects including **Experian**, **Deutsche Boerse**, **ASML** and **Hiscox**.

We have made new investments in several areas but activity within the financials sector stands out. As stated above, we believe we are now in an era in which money is no longer free, i.e. interest rates will be positive even if lower than now. This is a significant change for banks in particular which have struggled to generate acceptable returns for some time. After many years of limited demand for credit and strict regulation, UK banks are very well capitalised, highly liquid and, having been ignored by investors for years, are now very attractively valued. In this new era, they are able to generate low-mid teens returns on equity and can deliver significant returns to shareholders including very attractive and growing dividends and we have, therefore, bought a position in **NatWest Group**. All the previous points apply to NatWest but in addition, at the time of purchase, the resolution of well-publicised internal issues and the change of CEO gave us even greater comfort.

We also added to our position in specialist buy-to-let lender **OSB Group** and bought UK asset manager and insurance company **M&G**.

Two of our purchases this year have been the largest stocks in the UK market – **AstraZeneca** and **Shell**. While we believe we can add a lot of value at the smaller end of the market we will not be dogmatic about what makes a good business whether that be size or type. **AstraZeneca** under CEO Pascal Soriot's tenure has proven to be one of the UK's most dynamic and high growth companies and one of the world's foremost pharmaceutical companies. **Shell** in common with most of its peers, has had a radical transformation in its approach to capital allocation. The oil companies have experienced high oil prices many times in the past but this boon normally results in big increases in capital expenditure on increasingly marginal projects and ultimately weaker returns for shareholders. In this cycle, **Shell** has been very disciplined on investment and the result has been high and growing returns to shareholders.

Outlook

What is most important for us is the quality of companies we invest in and the price we pay, not any particular economic view. That said, few of our investee companies operate in isolation and we are positive for the year ahead as the combination of an improving economic outlook, falling inflation and lower interest rates should be a very positive backdrop for equities. We can look at other equity markets and question whether this is priced in, but we are firmly of the view that this is not the case in the UK and especially in the more domestically exposed areas of the market. We and others have written extensively about the low valuation of UK equities but for our Company this provides fantastic opportunities. We can invest in companies that have the levels of dividends we need to meet our ambitions for our shareholders but the reason for these high dividends is not because they are weak or low returning businesses, but because they are in an out-of-favour market – the UK – and often in out-of-favour sectors. The result is that not only do these companies pay high dividends now, but we strongly believe they can grow these dividends into the future. Dividends grew 7.7% last year in the UK and we would expect more growth this coming year, together with a continuation of share buybacks if low valuations persist.

David Moss
Portfolio Manager
Columbia Threadneedle Investment Business Limited
30 May 2024

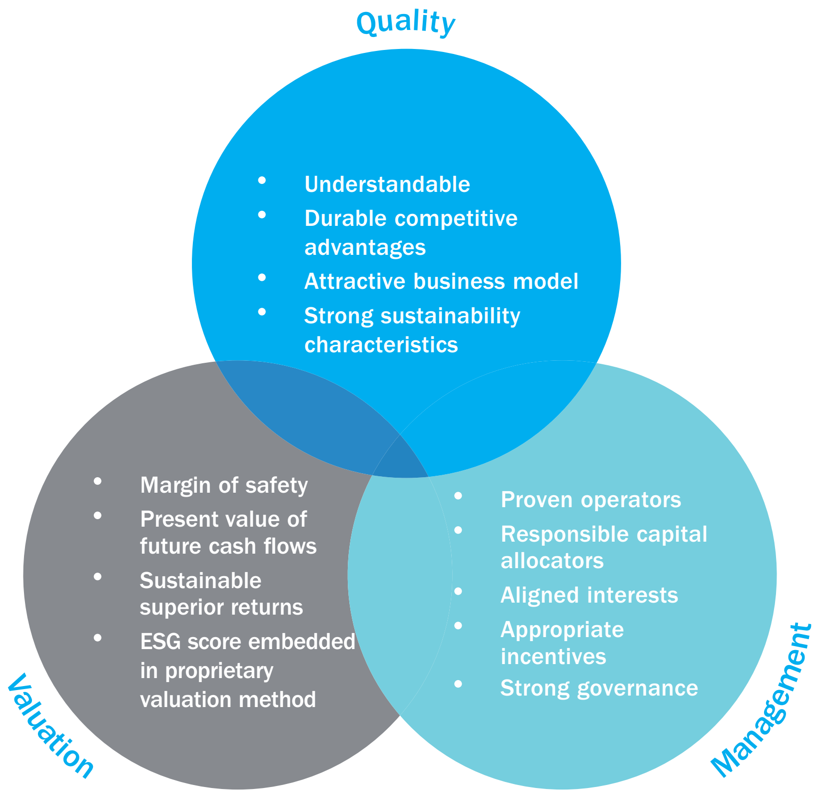
Manager's Investment Philosophy and Process

We believe investment markets can be inefficient and that share prices may not fully reflect the future prospects and returns of companies. We believe it is possible to identify significant deviations between market prices and a conservative assessment of the intrinsic value of a business.

By investing in such companies at attractive prices, superior investment performance can be generated. In particular, we believe those companies that can compound returns at sustainably high rates over many years tend to be undervalued by the market. 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 that the market eventually rewards this success with higher valuations.

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 the high returns generated by our holdings to be reflected in share prices, which will in turn benefit further from valuation increases 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.

The Investment Process focuses on Three Aspects for Each Company



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. This is not really a measure that most practical investors would find useful or familiar. We prefer an approach which focuses on companies with attractive returns and relatively little debt where we expect to be able to reduce the risk of a permanent loss of capital.

We carry out detailed analysis of all the companies in which we invest, looking in particular at three aspects: the Quality of the company; its Management; and the Valuation of the shares. Amongst the most important issues examined is a thorough assessment of the sustainability of the company's competitive position and returns it can generate, and the ability of the management team and its alignment with shareholders. Integral to our assessment of these factors is an analysis of the Environmental, Social and Governance ('**ESG**') issues that face the company and its responses to them which is fully integrated into our process and valuation analysis. More detail is given on pages 17 to 21. Our valuation approach focuses on discounted cash flows, but is pragmatic enough to realise this does not work for all companies in all sectors so other valuation methods are also used.

Before investing, we ascertain that the share price stands at a reasonable discount to an assessment of the intrinsic value of the business, giving us a margin of safety on the investment.

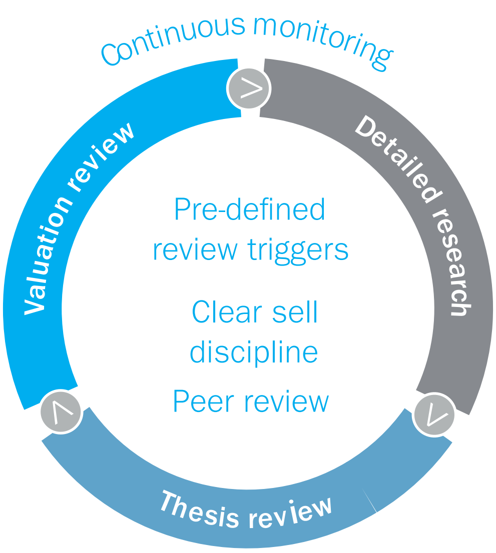
Our research is conducted in-house, which is peer reviewed by the wider investment team prior to any purchase decision. This ensures the benefit of shared knowledge and experience is brought to bear on each investment. The progress of the company and its share price will then be continually monitored with in-depth reviews and retesting of the original investment thesis particularly if the company or its share price don't 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; continual 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.

David Moss
Portfolio Manager
30 May 2024

Implementation of the Investment Process

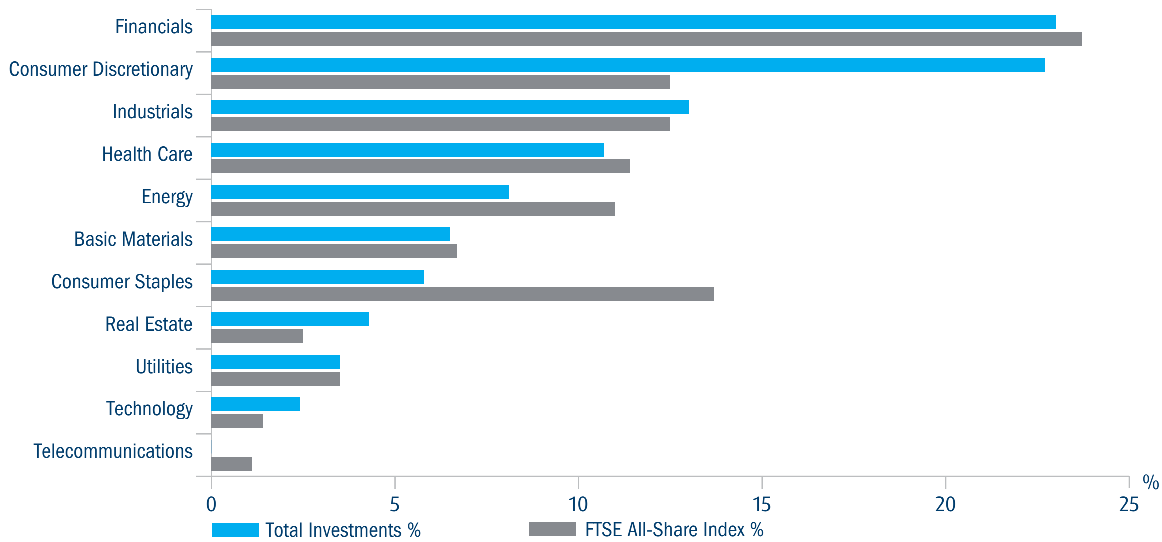


Classification of Investments

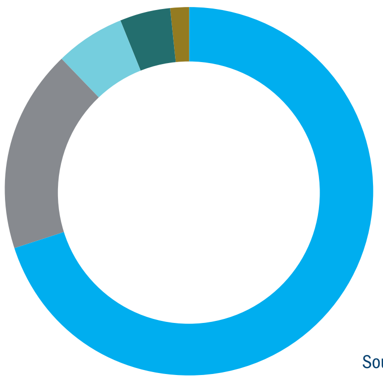
The following table and chart shows, at 31 March 2024, the percentage weightings by industry classification benchmark ('**ICB**') industry of the investment portfolio in comparison to the FTSE All-Share Index.

Investment Portfolio by ICB Industry

ICB Industry	% Total investments	% FTSE All-Share Index
Financials	23.0	23.7
Consumer Discretionary	22.7	12.5
Industrials	13.0	12.5
Health Care	10.7	11.4
Energy	8.1	11.0
Basic Materials	6.5	6.7
Consumer Staples	5.8	13.7
Real Estate	4.3	2.5
Utilities	3.5	3.5
Technology	2.4	1.4
Telecommunications	0.0	1.1
Total	100.0	100.0



Investment Portfolio analysis by Index as at 31 March 2024



	% of Investment Portfolio
FTSE 100	70.0%
FTSE 250	17.9%
Overseas	6.0%
Non-Index	4.6%
AIM	1.5%
	100.0%

Source: Columbia Threadneedle Investments

Investment Portfolio

At 31 March 2024

Company (ICB Industry – Sector)	Market Value 31 March 2024 £'000	% of Total Investments
Shell (Energy – Oil, Gas & Coal) A leading international oil exploration, production and marketing group. Historically, Shell and its peers struggled to generate consistently good returns on capital, but the combination of a higher oil price and much greater capital discipline is driving higher returns and very strong cash generation.	9,796	8.1
AstraZeneca (Health Care – Pharmaceuticals & Biotechnology) AstraZeneca is a major international pharmaceutical company which has consistently been one of the most innovative companies in the UK. Its pipeline of new drugs is proving successful and producing strong growth now, with more potential further out.	7,861	6.5
Rio Tinto (Basic Materials – Industrial Metals & Mining) Rio Tinto is a diversified international mining company with very strong positions in iron ore and aluminium and has been investing heavily in copper where demand should grow over many years due to the demands from electrification.	6,633	5.5
GSK (Health Care – Pharmaceuticals & Biotechnology) GSK is a global manufacturer and marketer of pharmaceutical products. Post the spin-off of the over-the-counter healthcare business GSK is a pure play pharmaceutical company, with strong positions in areas such as vaccines and HIV treatment, and is starting to see a return in growth from its R&D investment.	5,118	4.2
Phoenix Group Holdings (Financials – Life Insurance) Phoenix Group is the UK's largest long-term savings and retirement business and offer a range of products across their market-leading pensions, savings and life insurance brands. Phoenix consistently pays a high and growing dividend.	4,866	4.0
Legal & General Group (Financials – Life Insurance) Legal & General is one of the UK's leading financial services groups. The market leader in the Pension buy-out market in the UK, this market is expected to provide strong growth for several years. Despite this growth, Legal & General pays out a high dividend to shareholders.	4,443	3.6
RELX (Consumer Discretionary – Media) RELX is a multinational information and analytics company with strong positions in financial and legal information and the publisher of some of the largest and well-known academic publications in the world.	4,386	3.6
NatWest Group (Financials – Banks) NatWest is one of the foremost UK financial institutions with leading positions in all segments. The bank is very well capitalised which is enabling it to make significant returns to shareholders.	4,348	3.6
Imperial Brands (Consumer Staples – Tobacco) Imperial Brands is involved in the manufacture, marketing and selling of cigarettes and other tobacco products. It is also at the forefront of developing alternatives to traditional tobacco products.	4,316	3.5
Compass Group (Consumer Discretionary – Consumer Services) Compass is the global leader in outsourced catering. The business has emerged in a stronger position post the pandemic and is the market leader in most segments in most countries, benefiting from significant economies of scale.	4,243	3.5
Ten Largest Investments	**56,010**	**46.1**

At 31 March 2024

Company	ICB Industry – Sector	Market Value 31 March 2024 £'000	% of Total Investments
Cairn Homes	Consumer Discretionary – Household Goods & Home Construction	3,909	3.2
OSB Group	Financials – Finance & Credit Services	3,765	3.1
M&G	Financials – Investment Banking & Brokerage Services	3,745	3.1
Smurfit Kappa Group	Industrials – General Industrials	3,624	3.0
Vistry Group	Consumer Discretionary – Household Goods & Home Construction	2,986	2.5
Rolls Royce	Industrials – Aerospace & Defense	2,826	2.3
British American Tobacco	Consumer Staples – Tobacco	2,758	2.3
Intermediate Capital Group	Financials – Investment Banking & Brokerage Services	2,696	2.2
Londonmetric Property	Real Estate – Real Estate Investment Trusts	2,610	2.2
Supermarket Income REIT	Real Estate – Real Estate Investment Trusts	2,580	2.1
Twenty Largest Investments		**87,509**	**72.1**
Mercedes-Benz	Consumer Discretionary – Automobiles & Parts	2,426	2.0
SSE	Utilities – Electricity	2,384	2.0
Pearson	Consumer Discretionary – Media	2,329	1.9
Ibstock	Industrials – Construction and Materials	2,317	1.9
Hargreaves Lansdown	Financials – Investment Banking & Brokerage Services	2,254	1.9
WPP	Consumer Discretionary – Media	2,109	1.7
Ashtead Group	Industrials – Industrial Transportation	2,106	1.7
Rotork	Industrials – Electronic & Electrical Equipment	1,898	1.6
Persimmon	Consumer Discretionary – Household Goods & Home Construction	1,848	1.5
Compagnie Financière Richemont	Consumer Discretionary – Personal Goods	1,802	1.5
Thirty Largest Investments		**108,982**	**89.8**
Pennon Group	Utilities – Gas, Water & Multi-utilities	1,794	1.5
Burford Capital	Financials – Investment Banking & Brokerage Services	1,762	1.5
SAP	Technology – Software & Computer Services	1,556	1.3
Schneider Electric	Industrials – Electronic & Electrical Equipment	1,495	1.2
Dunelm Group	Consumer Discretionary – Retailers	1,494	1.2
CRH	Industrials – Construction & Materials	1,439	1.2
Sage Group	Technology – Software & Computer Services	1,282	1.1
Croda International	Basic Materials – Chemicals	1,213	1.0
Investors Securities Company Limited	N/A (subsidiary undertaking)	250	0.2
Total Investments		**121,267**	**100.0**

Sustainability and ESG

As stewards of more than £100 million of net assets, we support investing responsibly and the Company benefits from the Manager's approach in this field.

Responsible Investment

We believe investing responsibly is fundamental to long-term wealth creation. The Company has not set out to be an investment trust with any ESG or sustainable characteristics. However, we have a Manager that integrates the consideration of financially material environmental, social and governance ('**ESG**') 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 believe that good financial outcomes are more likely to be achieved if we fully understand the risks and opportunities that relate to the markets in which we invest. More than ever, ESG is a critical component of this understanding. We need to ensure the companies we invest in have a robust approach to managing environmental and social risks and opportunities. We also expect good governance practices which we believe better positions companies to manage risks, identify opportunities, and deliver sustainable growth.

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

- The Company's own responsibilities on matters such as governance; and
- The impact the Company has through the investments that are made on its behalf by its Manager.

The Company's compliance with the AIC Code of Corporate Governance is detailed in the Corporate Governance Statement on pages 37 to 39. In addition, the Principal Policies statement on pages 27 and 28 notes the Company's policies towards board diversity and tenure, integrity and business ethics, UK financial sanctions and prevention of the facilitation of tax evasion.

The Board recognises that the most material way in which the Company can have an impact is through responsible ownership of its investments. The Manager engages actively with the management of investee companies to encourage high standards of ESG practice.

Responsible Ownership

Engaging actively with companies on significant ESG matters to reduce risk, improve performance, encourage best practice and underpin long-term investor value forms a fundamental part of the Manager's approach towards responsible investment. Engagement in the first instance rather than simply divesting or excluding investment opportunities is also part of this approach.

The Manager's Corporate Governance Guidelines set out its expectations of the management of investee companies in terms of good corporate governance. This includes the affirmation of responsibility for reviewing internal ethics policies and ensuring that there is an effective mechanism for the internal reporting of wrongdoing, whether within the investee company itself, or involving other parties, such as suppliers, customers, contractors or business partners. 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.

ESG and the Investment Process

During 2023, as part of the integration of the Manager's business with Columbia Threadneedle Investments, the Manager underwent an extensive project to join all investment teams together on a single order management system ('**OMS**'). This was completed in October 2023 and helped to expand the availability of the Manager's ESG integration tools, through the combined OMS. 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 ('**SDG**') mapping tool;
- Net zero framework;
- Good governance model;
- Exclusions framework; and
- Controversy rating.

These tools mark a starting point for the Manager's ESG assessment and the Responsible Investment team at the Manager hosted training sessions on them as well as thematic ESG topics. The Portfolio Manager works with the Responsible Investment analysts to ensure that those performing the work on individual investment opportunities for the Company are well informed in what to look for in relation to the ESG aspects of their analysis. Specialism within the Responsible Investment team allows the fund managers to talk to those who understand the key ESG issues relating to a particular sector.

ESG analysis is therefore a key part of our quality scoring of companies and overall risk assessment. The Portfolio Manager also note if individual investments are aligned explicitly with any of the UN Sustainable Development Goals. More information on the approach and methodology can be found on the Manager's website at www.columbiathreadneedle.com.

Portfolio Case Study

NatWest Group

NatWest is a key retail and commercial bank in the UK, providing numerous financial services to personal, business and commercial customers. The company plays an important role in supporting the UK economy and local communities, with a high share of their loan book going towards small and medium-sized enterprises, where they play a proactive role in supporting the growth of these businesses and broader financial inclusion efforts. Serving their 19 million customers and their local communities remains the key pillar of their ESG strategy.

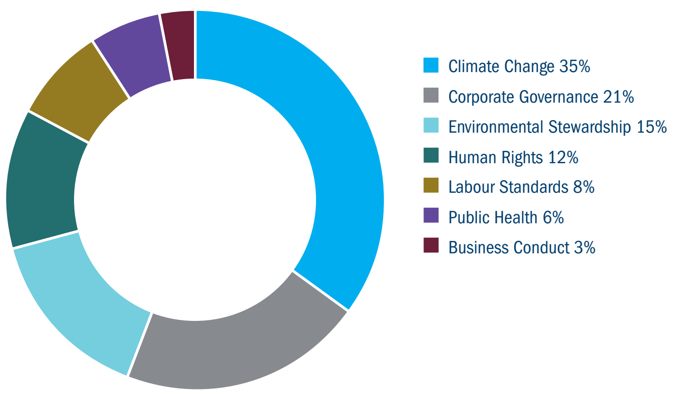
This is exemplified in their approach to climate risk management and decarbonisation, having recently released a sector-leading climate transition plan, detailing how they are putting their broader ESG strategy into practice. As part of this, the company has measured 90% of their loan and financed investments emissions, setting targets for a total of 9 sectors. This includes for their residential mortgage book, which accounts for 50% of their total lending. They have set a target for 50% of this portfolio to have an Energy Performance Certificate rated A to C by 2030, in order to support the decarbonisation of buildings, which accounts for 17% of UK total emissions. They offer a suite of green mortgage products to incentivise and support clients to enhance their energy efficiency and reduce their emissions. In light of lower demand for these products, they have more recently developed several tools to better help clients understand potential cost savings and options to enhance energy efficiency, stimulating demand for these products whilst also supporting the UK Government's decarbonisation goals. They have also played a proactive role in engaging with Government to implement policies to enhance energy efficiency in homes.

More broadly, NatWest continued to action their Transition-Plan-Taskforce aligned climate transition plan by focusing on prioritising climate-related opportunities based on their relative commercial and decarbonisation potential to support their customers. They have now provided £61.9 billion in climate and sustainable funding and financing against their target of £100 billion by the end of 2025.

Engagement

During the year ended 31 March 2024, the Responsible Investment team engaged 40 times with management in 15 companies in the investment portfolio, across 3 countries. Following its engagement, the Manager recorded 6 improvements in their ESG policy, management systems or practices. The most common areas for discussion were Net Zero, followed by Energy Transition, Climate Change Disclosure and Transparency, and Human Rights Due Diligence. Analysis of this engagement follows.

2024 engagement analysis



Source: Columbia Threadneedle Investment Business Limited

Engagement examples in the reporting period	
Rio Tinto (Basic Materials – Industrial Metals & Mining) **Issue:** Climate Change **SDG target(s):** 13.2 Climate Action	Rio Tinto (Rio) is the world's second largest metals and mining company. It announced in July 2023 that it is unlikely to achieve its 2025 climate targets; largely due to the scope 1 and 2 emissions from its Australian aluminium refineries, stating that the target could only be reached if it 'resorted' to buying carbon credits. As a result, the Manager engaged with Rio Tinto on this announcement, seeking to understand the barriers that the company had identified and any plans to address them. Rio Tinto has been hit hard by the revisions to the Australian 'safeguarding mechanism' which taxes the country's largest industrial sites (ie those that emit more than 100,000 tons of direct (scope 1) carbon dioxide emissions annually). In July 2023, Rio reported a US$1.2bn write down of its Australian aluminium refiners due to the mechanism's new rules. The Manager engaged with Rio on its reaction to this policy, as well as its preparedness for any future punitive measures. According to the Investor Relations team, the company were actually aware of the risks to the aluminium refineries and had planned for this eventuality. As a result, the Manager encouraged the company to provide better scenario analyses and risk assessments to investors around the potential for further regulatory shifts in any of the countries it operates refineries in, as the actions taken by the company did not indicate that Rio had embedded this potential write-down risk into its climate strategy and financial planning. Rio is being transparent about its current struggles with net-zero, which the Manager commends. However, the Manager is keen to see clearer evidence of it aligning its financial accounts and risks with its net-zero strategy. The Manager will continue to engage with Rio on its decarbonisation target and have already reached out to set up a follow up conversation on its offsetting strategy –now its last resort for achieving its 2025 targets.
Smurfit Kappa Group PLC (Industrials – General Industrials) **Issue:** Environmental Stewardship **SDG target(s):** 15.5 Life on Land	Smurfit Kappa Group PLC (Smurfit) is an Ireland-based provider of paper-based packaging. It is the largest producer in Europe of corrugated packaging, containerboard and 'bag in box', and it is the only Pan-American producer of containerboard and corrugated packaging. The Manager had two meetings with the company in 2023 and participated in their ESG materiality survey. Biodiversity was a key focus for the Manager's conversations. Smurfit's primary operational impact on biodiversity is through its Colombian forestry assets. It also discloses on the presence of threatened species and protected areas in the vicinity of operational sites, but has not set operational targets on biodiversity. The bulk of Smurfit's wood fibre is sourced from third party providers, currently 94% of this supply is Forest Stewardship Council's chain of custody certified which is market leading, but the firm has not set wider biodiversity targets for suppliers. The Manager flagged to Smurfit that several industry peers have now set explicit biodiversity targets covering operations and suppliers, and that there are an increasing number of ways to collect data and have suppliers certified to improved standards. The company seemed receptive of the Manager's views on this, and the Manager followed up with additional guidance. The Manager spoke about the impact of the EU Deforestation Regulation. The company has evolved its due diligence practices to meet the requirements, but still has a considerable way to go to meet the geolocation requirement. The Manager encouraged Smurfit to set top-level biodiversity targets for its Colombian and European operations that cover both set-aside areas for conservation and plantations, and provided examples of targets the company could look to emulate. The Manager also encouraged the company to explore setting biodiversity targets to cover the suppliers it procures from. The company also reached out to the Manager to request that it complete their bi-annual ESG materiality assessment which is being carried out by a third-party consultant. Smurfit Kappa has been responsive to the Manager's engagement. The Manager will continue its engagement on environmental stewardship in 2024 with a particular focus on water stewardship.

Engagement examples in the reporting period	
GSK (Health Care – Pharmaceuticals & Biotechnology) **Issue:** Public Health **SDG target(s):** 3.8 Good health and well-being	GSK is a global bio-pharmaceutical company which manufactures innovative medicines and vaccines. US regulatory requirements due to take effect in 2024 will push the industry to include diversity planning in their trial protocol or justify why this is not necessary. In the Manager's view, being under-prepared for this might result in novel drugs and therapies not being approved by the FDA, which poses a very material risk to drug manufacturers and Contract Research Organisations (CROs). As part of the Manager's diversity in clinical trials engagement project, it organised a call with GSK's Senior Vice President of Global Clinical Operations to learn more about the company's work on diversity in clinical trials and preparations for stricter regulation. The Manager discussed the regulatory requirements on diversity in clinical trials and how GSK prepares for compliance. The company has a dedicated team that works on diversity in clinical trials, which ultimately falls under the Chief Scientific Officer. While work on trial diversity costs time and effort, GSK considers this a continuous learning curve for the company. They stressed that this is the right thing to do for patients and communities and that financially, the cost of getting it wrong will be more substantial. They also consider it a crucial part of their ambition to reach 2.5 billion patients by the end of 2030. The company shared a number of insightful case studies, for instance on how it works together with patient advocacy groups to assess and better understand patient needs as well as increasing the availability of Decentralised Clinical Trials (DCT). Finally, GSK shared more insight into how they collaborate with CROs, that they expect these to adhere to GSK's third-party vendor rules and that GSK is not interested in working with CROs who do not work on improving diversity in clinical trials. The key take-away from this conversation was that diversity in clinical trials is increasingly embedded in the company-wide strategy. GSK feels confident about their preparedness for regulatory requirements, having made efforts to increase diversity in clinical trials for over 15 years. This is evidenced by successful progress on their target to have 100% of 2023 phase III trials contain a proactive strategy to enroll appropriately diverse trial participants, consistent with the disease epidemiology. We consider GSK a leader in this space and will monitor further developments.

Voting on portfolio investments

As noted previously, the Manager's Corporate Governance Guidelines set out expectations of the boards 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 is empowered to exercise discretion in the use of the Company's voting rights and reports to the Board on its voting record. The Manager will vote on all investee company resolutions.

The Manager is a signatory of the UK Stewardship Code. Its statement of compliance can be found on the Manager's website at **www.columbiathreadneedle.com**.

We expect the Company's shares to be voted on all holdings where possible. During the financial year, the Manager voted at **38** meetings of investee companies held by the Company. The Manager did not support management's recommendations on at least one resolution at approximately **31%** of all meetings. With respect to all items voted, the Manager supported over **91%** of all management resolutions. One of the most contentious voting issues remained remuneration. Either by voting against or abstaining, the Manager did not support **15%** of all management resolutions relating to pay, often due to either poor disclosure or a misalignment of pay with long-term performance.

Climate Change

The Manager considers climate change to be one of the defining issues of our generation, and fully supports the goals of the Paris agreement. The Company expects the Manager to incorporate considerations around financially material climate change risks and opportunities in its investment processes.

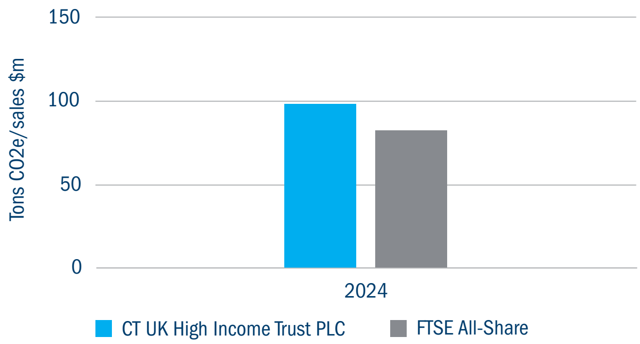
The Manager published its second climate change report in June 2023. The report, which is available on the Manager's website, details how the Manager manages climate-related risks and opportunities, in line with the recommendations of the Taskforce on Climate-related Financial Disclosures ('**TCFD**').

This year, in accordance with the deadline for complying with regulations set by the Financial Conduct Authority, disclosure specific to the Company's portfolio will be published on the Manager's website. The report will provide data on the portfolio's carbon footprint and the largest individual contributors to the carbon footprint by individual issuer and sector as well as overall net zero alignment of the portfolio.

In line with this reporting, we disclose as follows the portfolio weighted average carbon intensity ('**WACI**') of the Company's investments. WACI shows the emissions impact of companies as a proportion of sales. It shows how companies generate revenue while emitting more or lesser amounts of greenhouse gas ('**GHG**'). A low score means a fund invests in more carbon-efficient companies. WACI is calculated by dividing GHG emissions by the revenue generated by companies held. It is reported in GHG per $m of underlying revenues of holdings in the fund. WACI gives an indication of exposure to companies with high emissions.

We are of course aware that some of the new holdings acquired during the year have contributed to our portfolio having a higher carbon intensity than at the prior year end. We focus on businesses that are taking action to improve their industries rather than only considering the absolute numbers contributing to the calculation. Using some of the largest contributors as examples, Shell is working to increase the proportion of gas produced; CRH are building new roads using old, recycled roads; and Ibstock are making bricks with renewable energy.

Weighted-average carbon intensity



Source: Columbia Threadneedle Investment Business Limited

2024

In 2024 the Manager will continue focusing on its priority engagement themes: climate change; environmental stewardship; public health; labour standards; human rights; corporate governance and business conduct. The Manager will identify and prioritise companies for engagement based on a number of financially material factors including: the impact of ESG factors; the investment team's and research analysts' judgement and expertise; previous engagement track record and level of exposure.

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 7, the Company is an externally managed investment company and has no employees, customers or premises.

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.

As set out on page 7, the Board's principal working relationship is with the Manager which is responsible for the management of the Company's assets in line with the investment objective and policy set by the Board. The Manager also provides ancillary functions such as administration, marketing, accounting and company secretarial services to the Company and acts as the AIFM.

The Board works closely with the Manager and oversees the various matters which have been delegated to it, and to ensure the Company's daily operations run smoothly for the benefit of all shareholders. The portfolio activities undertaken by our Manager are set out in the Manager's Review on pages 10 and 11.

While the Company's direct impact on the community and environment is limited, its indirect ESG impact occurs through the businesses in which it invests. The Board gives effect to this through the Manager's Responsible Investment approach which is set out on pages 17 to 21. The Board is very supportive of the Manager's approach, which focuses on engagement with the investee companies on ESG issues and how these link with the United Nations Sustainable Development Goals ('**SDGs**'). 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 41.

In addition to the Company's shareholders, Manager and bankers, other key stakeholders include its service providers such as the Custodian and Depositary, Broker and Registrar. The Board receives regular reports from the Company's key service providers on an ongoing basis and evaluates them to ensure expectations on service delivery are met.

The Board places great importance on communication with shareholders and further information is set out on page 8.

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

- **Portfolio manager change**
  During the financial year, in July 2023, the Board announced that David Moss had been appointed as the Company's Portfolio Manager with immediate effect. David has worked for 26 years at the Company's Investment Manager, which became part of Columbia Threadneedle Investments in 2021 and is currently Head of European Equities Research Strategy. David has 28 years' industry experience, managing assets on behalf of a wide variety of clients, including investment trusts. The Board believes David's experience makes him very well suited to the role and to deliver the Company's investment objective for shareholders. The Company's investment policy and objective has remain unchanged.

- **Dividends/capital repayments.**
  The Board recognises that the distribution levels on the Company's shares are important to shareholders. Following the payment of the fourth interim dividend and capital repayment, dividends/capital repayments total 5.62p per share for the financial year to 31 March 2024. This represents an increase of 2.0% compared to the prior year. Over the last few years and since the COVID-19 pandemic, the Company has made use of some of its revenue reserve to help supplement revenue earnings to pay dividends when there was a shortfall in revenue income. It has been a key objective of the Board and Manager to return to a covered dividend and to rebuild the revenue reserve. In the year to 31 March 2024 the revenue earnings per share increased by 10.8% in comparison to the prior year, however £105,000 was utilised from the revenue reserve. The need for this was due to timing, as a couple of stocks moved their ex-dividend dates from March 2024 to April 2024 resulting in income moving to the next financial year. At 31 March 2024, the yield on the Ordinary shares and B shares was 6.7%, as compared to the yield on the FTSE All-Share Index of 3.8% at that time.

- **Units**
  Since the Company's launch, Units (which each comprised three ordinary shares and one B share) were admitted to trading on the main market of the London Stock Exchange. In order to simplify the Company's listing structure, the Board decided to cancel them and in March 2024 took the requisite steps to do so. Instead, Unit holders now hold and trade their underlying Ordinary shares and B shares independently.

- **Continuation measurement period**
  At the 2022 Annual General Meeting, approval was granted by shareholders to reduce the five year performance period (which was stipulated in the Company's Articles of Association) to three years, over which the Company's performance against the FTSE All-Share Index is measured. Therefore should the net asset value total return of the Ordinary shares not be equal to or greater than the total return performance of the FTSE All-Share Index for the three years to 31 March 2025, a continuation vote will be held at the 2025 Annual General Meeting. There has been no change to the portfolio management process despite the shorter performance period, but should the performance hurdle not be met, this change will allow shareholders an opportunity to consider the life of the Company sooner than otherwise would have been the case.

- **Retail investors**
  A significant proportion of the Company's shareholders are retail investors who invest through savings or execution-only platforms. These include those who invest through the Manager's 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. Now that Child Trust Fund accounts, are reaching maturity, the Board's objective is to retain as many of these young investors as possible. Prior to account maturity the Manager writes to their parents setting out their options and currently retention rates are in line with expectations. The Manager remains committed to its savings plans and its relationship with its customers and has invested significantly in its offering to enhance digital capabilities in order to meet its customers' expectations.

- **Institutional shareholders, wealth managers and IFAs**
  The Manager has a team dedicated to fostering good relations with institutional shareholders, wealth managers and independent financial advisers and keeping investors regularly informed, with the aim of promoting the Company's investment proposition and improving the rating of the Company's share prices. This team organises meetings with these parties as well as preparing webinars, interviews and videos which are shared through various media channels. The team gathers feedback and answers any queries in relation to the Company and its investment strategy. Feedback from these activities is reported to the Board.

Principal Risks and Uncertainties and Viability Statement

As an investment company, investing primarily in listed securities, most of the Company's principal risks and uncertainties that could threaten the achievement of its objective, strategy, future performance, liquidity and solvency are market-related.

A summary of the Company's risk management and internal controls arrangements is included within the Report of the Audit Committee on pages 42 to 45. By means of the procedures set out in that summary, the Board has established an ongoing process for identifying, evaluating and managing the significant risks faced by the Company. The Board also considers emerging risks which might affect the Company and related updates from the Manager on such risks are also considered. During the year risks included the outlook for inflation and ongoing macroeconomic and geopolitical concerns. Any emerging risks that are identified and that are considered to be of significance would be included on the Company's risk register with any mitigations. These significant risks, emerging risks and other risks are regularly reviewed by the Audit Committee and the Board. They have also regularly reviewed the effectiveness of the Company's risk management and internal control systems for the period.

In November 2021, the Company's Manager, which was part of BMO GAM (EMEA) was acquired by Ameriprise and the integration of its business with Columbia Threadneedle Investments then progressed. There has been little change for your Company, however, an acquisition such as this introduces some uncertainty, until the integration of systems is fully implemented. A critical milestone was the move to a new order management system, Aladdin, which is widely regarded as the market leading system. This change was successfully completed in October 2023 and this risk is now viewed as reduced.

The principal risks and uncertainties faced by the Company, and the Board's mitigation approach, are described below.

Note 21 to the financial statements provides detailed explanations of the risks associated with the Company's financial instruments and their management.

Principal Risks and Uncertainties	Mitigation
Investment performance risk Inappropriate strategy, asset allocation, stock selection, (in the context of the market, economic or geopolitical backdrop) and the use of gearing could all lead to poor returns for shareholders including impacting the capacity to pay dividends. **No change in overall risk but given macroeconomic and geopolitical concerns, this risk remains heightened.**	The Company's objective and investment policy and performance against peers and the benchmark are considered by the Board at each meeting and strategic issues are considered regularly. The Board regularly considers the composition and diversification of the Investment Portfolio (which comprises listed securities) and considers individual stock performance together with purchases and sales of investments. Investments and markets are discussed in detail with the Manager on a regular basis. Engagement on environmental, social and governance matters is undertaken by the Manager and its approach is explained on pages 17 to 21. As a closed-end investment company, it is not constrained by asset sales to meet redemptions so can remain invested through volatile market conditions and is well suited to investors seeking longer term returns. The Board regularly considers ongoing charges combined with underlying dividend income from portfolio companies and the consequent dividend paying capacity of the Company.

Principal Risks and Uncertainties	Mitigation
Legal and regulatory risk Breach of regulatory rules could lead to the suspension of the Company's stock exchange listing, financial penalties, or a qualified audit report. Breach of section 1158 of the Corporation Tax Act 2010 could lead to the Company being subject to tax on capital gains. **No change in overall risk**	The Board liaises with advisors to ensure compliance with laws or regulations. The Manager and its Operational Risk Management team provide regular reports to the Board and Audit Committee on their monitoring and oversight of such rules and are reviewed by the Board. This includes the conditions to maintain investment trust status including the income distribution requirement. The Board has access to the Manager's Head of Operational Risk Management and requires any significant issues directly relevant to the Company to be reported immediately.
Third party service delivery and Cyber risks Failure of the Manager as the Company's main service provider or disruption to its business, or that of an outsourced or third party service provider, could lead to an inability to provide accurate reporting and monitoring or a misappropriation of assets leading to a potential breach of the Company's investment mandate or loss of shareholders' confidence. External cyber attacks could cause such failure or could lead to the loss or sabotage of data. **No change in overall risk but due to the integration with Columbia Threadneedle's systems, this risk was heightened**	The Board meets regularly with the management of the Manager and its Operational Risk Management team to review internal control and risk reports which includes oversight of its own third party service providers. The Manager's appointment is reviewed annually and the contract can be terminated with six months' notice. The Manager has a business continuity plan in place to ensure that it is able to respond quickly and effectively to an unplanned event that could affect the continuity of its business. The Manager has outsourced certain functions to State Street Bank and Trust Company ('**State Street**') and supervision of such third party service providers, including the administrator of the Manager's savings plans, has been maintained by the Manager. This includes the review of IT security and heightened cyber threats. The Manager also closely monitors the performance of its technology platform to ensure it is functioning within acceptable service levels. The Board receives quarterly reports from the Depositary confirming safe custody of the Company's assets and cash and holdings are reconciled to the Custodian's records. The Custodian's internal controls reports are also reviewed by the Manager and key points reported to the Audit Committee. The Board also receives periodic updates from the custodian on its own cyber-security controls. The Depositary is specifically liable for loss of any of the Company's assets that constitute financial instruments under the AIFMD.

Viability assessment and statement

In accordance with the UK Corporate Governance Code, the Board is required to assess the future prospects for the Company and has considered that a number of characteristics of its business model and strategy were relevant to this assessment:

- The Board looks to long-term outperformance rather than short-term opportunities.
- The Company's investment objective, strategy and policy, which are subject to regular Board monitoring, mean that the Company is invested primarily in liquid listed securities and that the level of borrowing is restricted.
- The Company is a listed closed-end investment trust, whose shares are not subject to redemptions by shareholders.
- Subject to shareholder continuation votes, in the event that the net asset value total return performance of the Company is less than that of the FTSE All-Share Index over the relevant period, the Company's business model and strategy is not time limited. The current performance measurement period for this purpose will be the three years to 31 March 2025.

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

- The Company retains title to all assets held by the Custodian under the terms of a formal agreement with the Custodian and Depositary.
- The borrowing facility, which remains available until September 2025, is also subject to a formal agreement, including financial covenants with which the Company complied in full during the year.
- Revenue and expenditure forecasts are reviewed by the Directors at each Board Meeting.
- Cash is held with banks approved and regularly reviewed by the Manager.
- The operational robustness of key service providers and the effectiveness of alternative working arrangements.
- That alternative service providers could be engaged at relatively short notice if necessary.

In considering the viability of the Company, the Directors carried out a robust assessment of the principal risks and uncertainties which could threaten the Company's objective and strategy, future performance and solvency. This included the impact of market volatility and a significant fall in equity markets on the Company's investment portfolio. These risks, their mitigations and the processes for monitoring them are set out on pages 24 and 25 on Principal Risks and Uncertainties, on pages 42 to 45 in the Report of the Audit Committee and in note 21 of the financial statements.

The Directors also considered:

- The level of ongoing charges incurred by the Company which are modest and predictable and (at 31 March 2024) total 1.08% of average net assets.
- Future revenue and expenditure projections.
- The Company's ability to meet liquidity requirements given its investment portfolio consists mainly of readily realisable listed equity securities which can be realised if required.
- The ability to undertake share buy-backs if required.
- Whether the Company's objective and investment policy continue to be relevant to investors.
- The effect of significant future falls in investment values and the ability to maintain dividends and capital repayments, particularly given the uncertainty in markets and macroeconomic and geopolitical concerns.

These matters were assessed over a three year period to May 2027, and the Board will continue to assess viability over three year rolling periods.

As part of this assessment the Board considered stress tests and scenarios which considered the impact of severe stock market volatility on shareholders' funds and declines in income over a three year period. The results demonstrated the impact on the Company's net assets and its expenses and its ability to meet its liabilities over that period.

A rolling three year period represents the horizon over which the Directors believe they can form a reasonable expectation of the Company's prospects, balancing the Company's financial flexibility and scope with the current outlook for longer-term economic conditions affecting the Company and its shareholders.

Based on their assessment, and in the context of the Company's business model, strategy and operational arrangements set out above, the Directors have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the three year period to May 2027.

Principal Policies

Investment Policy

In pursuit of its objective, the Company invests predominantly in UK equities and equity related securities of companies across the market capitalisation spectrum.

The objective will be to achieve a total return in excess of that of the FTSE All-Share Index. The Manager will approach investment portfolio construction with the aim of maintaining a diversified portfolio with approximately 40 holdings at any given time. No single investment in the portfolio may exceed 10 per cent of the Company's gross assets at the time of purchase. In addition, the Manager expects few individual holdings to exceed five per cent of the Company's gross assets at the time of purchase. There are no maximum levels set for exposures to sectors.

Income may be enhanced from the investment portfolio by writing call options, but only where the portfolio has an existing holding and the holding is greater than the amount of stock subject to the call option. The percentage of the portfolio that may be used to generate call premium is limited to 5 per cent by value at any one time. The Company may use derivatives for efficient portfolio management from time to time.

The Company has the power under its Articles of Association to borrow an amount up to 100 per cent of the Company's Adjusted Capital and Reserves. The Directors currently intend that the aggregate borrowings of the Company will be limited to approximately 20 per cent of the Company's gross assets immediately following drawdown of any new borrowings. The Directors will however retain flexibility to increase or decrease the level of gearing to take account of changing market circumstances and in pursuit of the Company's investment objectives.

As required by the Listing Rules, the Company has a policy to invest no more than 15 per cent of gross assets in other listed investment companies.

The Company's Benchmark

The Company's benchmark is the FTSE All-Share Index.

Gearing Policy

As explained in the Investment Policy, the Company has the flexibility to borrow and the Board has set a gearing limit. The Board receives recommendations on gearing levels from the Manager and it is responsible for setting the gearing range within which the Manager may operate.

The Company has a £15 million unsecured revolving credit facility with The Royal Bank of Scotland International Limited, which is available until 28 September 2025 and is described in more detail in the notes to the financial statements. At 31 March 2024, borrowings totalling £15 million had been drawn down.

Dividend/Capital Repayment Policy

Within the Company's investment objective is the aim to provide an attractive return to shareholders in the form of dividends and/or capital repayments.

In determining dividend payments, the Board takes account of income forecasts, brought forward revenue reserves, prevailing inflation rates, the Company's dividend payment record and the Corporation Tax rules governing investment trust status. Dividends can also be paid from capital reserves where the balance on this reserve is positive. At the same time as dividend payments are made to Ordinary shareholders, capital repayments of the same amount are made to B shareholders from the special capital reserve. Risks to the dividend policy have been considered as part of the Principal Risks and Uncertainties and Viability statement on pages 24 to 26 and include financial risks leading to a deterioration in the level of income received by the Company or a significant change to the Company's regulatory environment.

Dividends/capital repayments are currently paid quarterly in August, November, February and May.

In the financial year to 31 March 2025 the Board is strongly minded to try and maintain the annual level of dividend/capital repayment.

Buy-backs/Discount Policy

Share buy-backs help reduce the volatility of the discount and enhance the net asset value per share for continuing shareholders.

While the Directors will at all times retain discretion over whether or not to repurchase shares, it will be the Company's policy, in the absence of unforeseen or extreme circumstances and subject to the aim of maintaining the Ordinary share: B share ratio within the range (72.5% : 27.5% and 77.5% : 22.5%), to repurchase shares of either class when there are net sellers and the market price stands at a discount to net asset value of 5% or more. The Board may, if it considers it to be in the best interests of the Company, amend this ratio from time to time. However, the Board will always be mindful of any impact on the level of revenue available for the Ordinary shares. Shares will not be bought back at a premium to net asset value. Shares which are bought back by the Company may be cancelled or may be held in treasury. There is no limit on the amount of shares the Company can hold in treasury. Shares held in treasury may be resold at a price not less than the net asset value per share.

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.

Taxation

The policy towards taxation is one of full commitment to complying with applicable legislation and statutory guidelines.

The Company has received approval from HMRC as an investment trust under Section 1158 of the Corporation Tax Act 2010 ("**Section 1158**") and has since continued to comply with the eligibility conditions such that it does not suffer UK Corporation Tax on capital gains. The Manager ensures that the Company submits correct taxation returns annually to HMRC; settles promptly any taxation due; and claims back, where possible, taxes suffered in excess of taxation treaty rates on non-UK dividend receipts.

Board Diversity and Tenure

The Board is composed solely of non-executive Directors and its approach to the appointment of non-executive Directors is based on its belief in the benefits of having a diverse range of experience, skills, length of service and backgrounds. The Board is conscious of the diversity targets set out in the FCA Listing Rules and the Board complies with the UK Corporate Governance Code and AIC Code in appointing appropriately diverse, independent non-executive Directors who set the operational and moral standards of the Company. The Board will always appoint the best qualified person for the role and will not discriminate on the grounds of gender, race, ethnicity, religion, sexual orientation, age, physical ability, educational, professional or socio-economic background. The Board is committed to maintaining the highest levels of corporate governance in terms of independence and would normally expect the Directors to serve for a nine-year term although this may be adjusted for reasons of flexibility and continuity. As each of the Audit Committee, the Engagement and Remuneration Committee and the Nomination Committee comprise all of the Directors, the diversity policy applied to the Board generally applies equally to each of the Company's committees.

In accordance with Listing Rule 9.8.6R(9), (10) and (11) the Board is required to disclose on a 'comply or explain' basis whether it has met the following targets: (i) at least 40 per cent of the Board should be women; (ii) at least one of the senior board positions should be held by a woman; and (iii) at least one member of the Board should be from a minority ethnic background. The Board has provided the information set out in the following tables in relation to diversity; the data for which has been obtained through the completion of questionnaires by the individual Directors. As is shown, the Company does not meet the targets. The Company's board, with four non-executive directors, is relatively small which makes achieving these targets more challenging.

Board Gender as at 31 March 2024[1]

	Number of Board members	Percentage of the Board	Number of senior positions on the Board[3]
Men	3	75%	2
Women	1	25%[2]	–
Not specified/ prefer not to say	–	–	–

(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 which does not have the roles of CEO or CFO.
(2) This does not meet the Listing Rules target of 40%.
(3) The senior positions on the Board consist of the Chairman and the Senior Independent Director. The position of the Chairman of the Audit Committee is held by a woman however this is not currently defined as a senior position under the Listing Rules.

Board Ethnic Background as at 31 March 2024[1]

	Number of Board members	Percentage of the Board	Number of senior positions on the Board[3]
White British or other White (including minority-white groups)	4[2]	100%	2
Mixed/Multiple Ethnic Groups	–	–	–
Asian/Asian British	–	–	–
Black/African/ Caribbean/ Black British	–	–	–
Other ethnic group, including Arab	–	–	–
Not specified/ prefer not to say	–	–	–

(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 which does not have the roles of CEO or CFO.
(2) This does not meet the Listing Rules target of at least 1 individual from a minority ethnic background.
(3) The senior positions on the Board consist of the Chairman and the Senior Independent Director.

Integrity and Business Ethics

The Board applies a strict anti-bribery and anti-corruption policy insofar as it applies to any directors or employee of the Manager or 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, hospitality and similar matters.

The Strategic Report, contained on pages 5 to 28, has been approved by the Board of Directors.

By order of the Board
For Columbia Threadneedle Investment Business Limited
Company Secretary
6th Floor
Quartermile 4
7a Nightingale Way
Edinburgh EH3 9EG
30 May 2024

Board of Directors

Andrew Watkins
Chairman of the Board and Nomination Committee
Appointed on 29 June 2017 and as Chairman on 20 July 2022.

Experience and contribution: He has worked in the financial services industry for over 45 years and was head of Client Relations for investment trusts at Invesco from 2004 until his retirement in June 2017. He is a Member of The Chartered Institute for Securities and Investment.

Other appointments: Andrew is currently a non-executive director and chairman of Ashoka India Equity Investment Trust plc and a non-executive director of Chelverton UK Dividend Trust PLC, Baillie Gifford European Growth Trust plc and Consistent Unit Trust Management Company Limited.

Helen Galbraith (nee Driver)
Chairman of the Audit Committee
Appointed on 6 May 2020 and as Chairman of the Audit Committee on 27 July 2021.

Experience and contribution: Helen has over 20 years' experience in the Insurance and Asset Management industry as Head of Investor Relations at Aviva plc, Head of Global Equities at Aviva Investors and managing UK equities as Investment Director at Standard Life Investments. Helen is the founder of Moneyready, an online financial education platform for young people. She is a Chartered Financial Analyst.

Other appointments: Helen is currently a non-executive director of Schroder UK Mid Cap Fund PLC and a non-executive director and Chair of Orwell Housing Association.

Stephen Mitchell
Senior Independent Director and Chairman of the Engagement and Remuneration Committee
Appointed on 6 May 2020 and as Senior Independent Director on 20 July 2022 and as Chairman of the Engagement and Remuneration Committee on 2 December 2020.

Experience and contribution: He has worked in investments for 40 years, most recently as a global equity specialist, previously on Japanese and Asia-Pacific equities. He worked at Flemings then JPMorgan Asset Management and Private Bank for 24 years, subsequently at Caledonia Investment Trust running a global equity income fund and then Jupiter Asset Management. Latterly he also covered investment strategy and multi-asset allocation.

Other appointments: Stephen is currently a Trustee of National Trust for Scotland and chair of its investment committee, and a member of the investment committee at Westminster Almshouses.

Angus Pottinger
Non-Executive Director
Appointed on 24 November 2022.

Experience and contribution: He has worked in financial services for over 35 years, including most recently 22 years in Invesco's investment trust team, where he was Head of Investment Company Services, specifically in charge of accounting, company secretarial and administration functions. Prior to that he was a corporate broker at Merrill Lynch.

Other appointments: Angus is currently a trustee of the Invesco UK pension scheme and a director of Boardforms Ltd, a provider of board evaluation services.

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

Report of the Directors

The Directors submit the Annual Report and Financial Statements of the Company for the year to 31 March 2024. The Directors' biographies, Corporate Governance Statement, the Report of the Nomination Committee, the Report of the Engagement and Remuneration Committee, the Report of the Audit Committee and the Directors' Remuneration Report form part of this Report of the Directors.

Statement Regarding Annual Report and Financial Statements

The Directors consider that, following a detailed review and advice from the Audit Committee, the Annual Report and Financial Statements for the year to 31 March 2024, 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 Committee reviewed the draft Annual Report and Financial Statements for the purpose of this assessment and, in reaching this conclusion, the Directors have assumed that the reader of the Annual Report and Financial Statements would have a reasonable level of knowledge of the investment industry in general and investment companies in particular. The outlook for the Company can be found on pages 6 and 11. Principal risks and uncertainties can be found on pages 24 and 25 with further information in note 21 to the financial statements. There are no instances where the Company is required to make disclosures in respect of Listing Rule 9.8.4R.

Results and Dividends

The results for the year are set out in the financial statements on pages 58 to 76. The return to shareholders was £11,222,000.

The Company has paid quarterly interim dividends in the year ended 31 March 2024 as follows:

Interim Dividend Payments

	Payment date	Rate per Ordinary share
Fourth interim for 2023	5 May 2023	1.55p
First interim for 2024	4 August 2023	1.32p
Second interim for 2024	3 November 2023	1.32p
Third interim for 2024	2 February 2024	1.32p

Dividend payments in the prior year ended 31 March 2023 are set out in note 9 to the financial statements.

A fourth interim dividend of 1.66p per Ordinary share was paid on 3 May 2024 to Ordinary shareholders on the register at close of business on 5 April 2024. This dividend, together with the first three interim dividends of 1.32p per Ordinary share paid during the year, make a total dividend for the financial year to 31 March 2024 of 5.62p per Ordinary share. This represents an increase of 2.0% over the 5.51p per Ordinary share paid in respect of the previous financial year.

At the same time as dividend payments are made to Ordinary shareholders, capital repayments of the same amount are made to B shareholders from the special capital reserve.

As set out in the Company's dividend/capital repayment policy on page 27, payments are made quarterly and the Company does not currently pay a final dividend that would require formal shareholder approval at the AGM. This enables the fourth interim dividend/capital repayment to be made in May and earlier than would be possible if classed as a final dividend/ capital repayment and subject to shareholder approval at the AGM in July.

As an alternative, the Board proposes to seek formal shareholder approval at the AGM, and in future years, to continue quarterly payments (**Resolution 9**).

Principal Activity and Status

The Company is registered in Scotland as a public limited company in terms of the Companies Act 2006 (number: SC314671) and is an investment company under section 833 of the Companies Act 2006.

The Company carries on business as an investment trust and has been approved as such by HM Revenue & Customs ('**HMRC**'), subject to it continuing to meet the relevant eligibility conditions and ongoing requirements. As a result, it is not liable to corporation tax on capital gains. The Company intends to conduct its affairs so as to enable it to comply with the requirements.

The Company is required to comply with company law, the rules of the Financial Conduct Authority, and other legislation and regulations including financial reporting standards and its own Articles of Association.

The Company is a member of the Association of Investment Companies (the '**AIC**').

Subsidiary Company

The Company has a 100% interest in Investors Securities Company Limited (number: SC140578), a company which deals in investments. In the year to 31 March 2024, Investors Securities Company Limited made a profit before taxation of £nil (2023: £nil).

Investors Securities Company Limited did not trade during the year to 31 March 2024 and it has not been consolidated in the financial statements in accordance with section 405 of the Companies Act 2006 on grounds of materiality.

Accounting and Going Concern

Shareholders will be asked to approve the adoption of the Annual Report and Financial Statements at the AGM (**Resolution 1**).

The financial statements start on page 58 and the unqualified Independent Auditor's Report on the financial statements is on pages 50 to 57. The significant accounting policies of the Company are set out in note 1 to the financial statements.

In assessing the going concern basis of accounting, the Directors have had regard to the guidance issued by the Financial Reporting Council and have undertaken a rigorous review of the Company's ability to continue as a going concern.

As an investment company, investing primarily in listed securities, most of the Company's principal risks and uncertainties are market-related. An explanation of these risks and how they are managed is set out on pages 24 and 25. The Board has, in particular, considered the outlook for inflation and ongoing macroeconomic and geopolitical concerns which have impacted the value of investments, but does not believe the Company's ability to continue as a going concern is affected.

The Company's investment objective and investment policy, which is described on pages 7 and 27 and which is subject to regular Board monitoring processes, is designed to ensure that the Company is invested mainly in liquid, listed securities. The value of these investments exceeds the Company's liabilities by a significant margin. The Company retains title to all assets held by its custodian, and has an agreement relating to its borrowing facility with which it has complied during the year. Cash is only held with banks approved and regularly reviewed by the Manager.

As part of the going concern review, the Directors noted that a borrowing facility of a £15 million revolving credit facility is committed to the Company until 28 September 2025 and loan covenants are reviewed by the Board on a regular basis. Further details are set out in note 16 to the financial statements.

Note 21 to the financial statements sets out the financial risk profile of the Company and indicates the effect on the assets and liabilities of falls (and rises) in the value of securities and market rates of interest.

The Company does not have a fixed life. However, in the event that the net asset value total return performance of the Company is less than that of the FTSE All-Share Index over the relevant three year period, in accordance with the Company's articles of association, shareholders will be given the opportunity to vote on whether the Company should continue in existence, by ordinary resolution at the Company's Annual General Meeting. The current three year performance measurement period will run to 31 March 2025.

At the AGM held on 20 July 2022, an ordinary resolution that the Company should continue in existence, was passed. Also, a special resolution that new articles of association be approved and adopted was passed, which included reducing the performance measurement period from five years to three years, as referenced above.

The Directors believe, having assessed the principal risks and other matters, in light of the controls and review processes noted previously and bearing in mind the nature of the Company's business and assets and revenue and expenditure projections, that the Company has adequate resources to continue in operational existence for a period of at least twelve months from the date of approval of the financial statements. For these reasons, they continue to adopt the going concern basis in preparing the financial statements.

The Company's longer term viability is considered in the 'Viability assessment and statement' on page 26.

Statement of Disclosure of Information to the Auditor

Each of the Directors confirm that, so far as he or she is aware, there is no information relevant to the preparation of the Annual Report and Financial Statements of which the Company's auditor is unaware, and each Director has taken all the steps that he or she ought to have taken as a Director in order to make himself or herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Re-appointment of Auditor

Deloitte LLP was re-appointed as the Company's auditor at the Annual General Meeting on 20 July 2023 and it has expressed its willingness to continue in office as the Company's auditor. A resolution proposing its re-appointment and a resolution authorising the Directors to determine its remuneration will be submitted at the Annual General Meeting (**Resolutions 7 and 8**).

Further information in relation to the re-appointment can be found on page 45.

Capital Structure and Voting Rights

The Company's capital structure is explained in the 'Capital Structure' section on page 82 of this Annual Report and Financial Statements and details of the share capital, including voting rights, are set out in note 17 to the financial statements. Details of voting rights are also set out in the Notes to the Notice of Annual General Meeting.

At 31 March 2024 there were 102,067,144 Ordinary shares of 0.1p each listed, of which 18,744,491 were held in treasury and 32,076,703 B shares of 0.1p each listed, of which 1,367,953 were held in treasury. At 31 March 2024, the total listed share capital of the Company was represented 76.1 per cent by Ordinary shares and 23.9 per cent by B shares.

There are: no significant restrictions concerning the transfer of securities in the Company (other than certain restrictions imposed by laws and regulations such as insider trading laws); no agreements known to the Company concerning restrictions on the transfer of securities in the Company or on voting rights; and no special rights with regard to control attached to securities. Pursuant to the Company's loan facility agreement, repayment may be required in the event of a change in control of the Company. There are no significant agreements which the Company is a party to that might be affected by a change of control of the Company following a takeover bid.

Substantial Interests in Share Capital

At 31 March 2024 the Company had received notification of the following holdings of voting rights (under the FCA's Disclosure Guidance and Transparency Rules):

	Ordinary Shares	
	Number held	Percentage held*
D. C. Thomson & Company Limited	7,944,896	9.5
Thomson Leng Provident Fund	3,800,000	4.6

* Based on 83,322,653 Ordinary Shares in issue as at 31 March 2024.

	B Shares	
	Number held	Percentage held*
D. C. Thomson & Company Limited	2,241,623	7.3

* Based on 30,708,750 B Shares in issue as at 31 March 2024.

The Company has not received any other notification of any changes in these voting rights and no new holdings have been notified since 31 March 2024 up to the date of this report.

Manager's Savings Plans

Approximately 46% of the Company's total share capital is held through the Manager's savings plans. The Manager does not have discretion to exercise any voting rights in respect of the shares held through the savings plans. Instead the nominee company holding these shares votes in line with any voting directions received from the underlying planholders. Where no instruction is received from any underlying planholder, the voting rights attached to their shares will not be exercised.

Borrowings

The Company has a £15 million unsecured revolving credit facility with The Royal Bank of Scotland International Limited, of which £15 million was drawn down at the year-end. Further information is included in note 16 to the financial statements.

Directors' Remuneration Report

At the AGM held on 20 July 2023, shareholders approved the Directors' Remuneration Policy and it is intended that this policy will continue for the three year period ending at the AGM in 2026, when shareholders will next be asked for their approval.

There have been no material changes to the policy since approved by shareholders at the AGM held on 20 July 2023.

The Directors' Remuneration Report, which can be found on pages 46 to 48, provides detailed information on the remuneration arrangements for the Directors of the Company and includes the Directors' Remuneration Policy. Shareholders will be asked to approve the Annual Report on Directors' Remuneration (**Resolution 2**) at the AGM on 26 July 2024.

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.

Director Re-Elections

Biographical details of the Directors, all of whom are non-executive, can be found on page 29 and are incorporated into this report by reference.

All of the Directors held office throughout the year under review.

As explained in more detail under the Corporate Governance Statement on pages 37 to 39, the Board has agreed that all Directors will retire annually. Accordingly, Helen Galbraith, Stephen Mitchell, Angus Pottinger and Andrew Watkins will retire at the AGM and, being eligible, offer themselves for re-election (**Resolutions 3, 4, 5 and 6**).

The skills and experience each Director brings to the Board for the long-term sustainable success of the Company are set out below.

- **Resolution 3** relates to the re-election of Helen Galbraith who was appointed on 6 May 2020 and has over 20 years' experience in the Insurance and Asset Management industry. She also has relevant accounting experience and is a Chartered Financial Analyst.
- **Resolution 4** relates to the re-election of Stephen Mitchell who was appointed on 6 May 2020 and has worked in investments for over 40 years most recently as a global equity specialist.
- **Resolution 5** relates to the re-election of Angus Pottinger who was appointed on 24 November 2022 and has worked in financial services for over 35 years, including most recently 22 years in Invesco's investment trust team, where he was Head of Investment Company Services, specifically in charge of accounting, company secretarial and administration functions.
- **Resolution 6** relates to the re-election of Andrew Watkins who was appointed on 29 June 2017 and has extensive experience and knowledge of investment trusts and the sector having been Head of Client Relations for Investment Trusts at Invesco until his retirement in 2017. He is a Member of The Chartered Institute for Securities and Investment.

The Directors believe that the Board has an appropriate balance of skills, experience, independence and knowledge of the Company to enable it to provide effective strategic leadership and proper governance of the Company. The Chairman and the Board confirms that, following formal performance evaluations, the performance of each of the Directors continues to be effective and demonstrates commitment to the role and, having considered the Directors' other time commitments and Board positions are satisfied that each Director has the capacity to be fully engaged with the Company's business. In addition, the Board believes that each Director is independent in character and judgement, that they perform their duties at all times in an independent manner and that there are no relationships or circumstances which are likely to affect the judgement of any Director. The Board believes that continuity and experience add significantly to the strength of the Board. Additional information on diversity and tenure is set out on pages 28 and 40. The Chairman and the Board therefore believes that it is in the interests of shareholders that each of those Directors seeking re-election are re-elected.

There are no service contracts in existence between the Company and any Directors but each of the Directors has been issued with, and accepted, the terms of a letter of appointment that sets out the main terms of their appointment. Amongst other things, the letter includes confirmation that the Director has a sufficient understanding of the Company and the sector in which it operates, and sufficient time available to discharge their duties effectively taking into account their other commitments. These letters are available for inspection upon request at the Company's registered office during normal business hours and will be available for inspection at the Annual General Meeting.

Directors' Interests and Letters of Indemnity

There were no contracts of significance to which the Company was a party and in which a Director is, or was, materially interested during the year.

The Company has entered into letters of indemnity in favour of each of the Directors and these were in force throughout the year ended 31 March 2024. These letters give each Director the benefit of an indemnity to the extent permitted by the Companies Act 2006 against liabilities incurred by each of them in the execution of their duties and the exercise of their powers. A copy of each letter of indemnity is available for inspection at the Company's registered office during normal business hours and will be available for inspection at the Annual General Meeting. The Company also maintains Directors' and Officers' liability insurance.

Conflicts of Interest

Under the Companies Act 2006 a Director must avoid a situation where he or she has, or could have, a direct or indirect interest that conflicts, or possibly may conflict, with the Company's interests. The requirement is very broad and could apply, for example, if a Director becomes a Director of another company or a trustee of another organisation. The Companies Act 2006 allows Directors of public companies to authorise conflicts and potential conflicts, where appropriate, where the Articles of Association contain a provision to this effect. The Company's Articles of Association give the Directors authority to approve such situations.

The Board therefore has procedures in place for the authorisation and review of potential conflicts relating to the Directors.

The Company maintains a register of Directors' conflicts of interest which have been disclosed and approved by the other Directors. Other than authorisation of Directors' other directorships, no authorisations have been sought. This register is kept up-to-date and the Directors are required to disclose to the Company Secretary any changes to conflicts or any potential new conflicts.

Safe Custody of Assets

The Company's investments are held in safe custody by JPMorgan 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 investment management agreement. The Custodian is paid a variable fee dependent on the number of trades and the value and location of the securities held.

Depositary

JPMorgan Europe Limited (the '**Depositary**') acts as the Company's depositary in accordance with the Alternative Investment Fund Managers Directive ('**AIFMD**'). The Depositary's responsibilities, which are set out in an Investor Disclosure Document on the Company's website, include, but are not limited to, cash monitoring, ensuring the proper segregation and safe keeping of the Company's financial instruments that are held by the custodian and monitoring the Company's compliance with investment and leverage limit requirements. The Depositary receives for its services a fee of 0.01% 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.

Management and Management Fees

The Manager provides management, administration, marketing, accounting and company secretarial services to the Company. A summary of the investment management agreement between the Company and the Manager in respect of the services provided is given in note 4 to the financial statements. The Manager is the Company's AIFM, for which it does not receive any additional remuneration.

Since the end of the year, the Engagement and Remuneration Committee has reviewed the appropriateness of the Manager's appointment. In carrying out its review the Committee considered the past investment performance of the Company and the ability of the Manager to produce satisfactory investment performance in the future. It also considered the length of the notice period of the investment management agreement and the fees payable to the Manager, together with the standard of other services provided, which include administration, marketing, accounting and company secretarial services. Following this review, which included a comparison against the terms of appointment of investment managers for similar investment companies, it is the Directors' opinion that the continuing appointment of the Manager on the terms agreed is in the best interests of shareholders as a whole.

Other Companies Act 2006 Disclosures

- The rules for appointment and replacement of Directors are contained in the Articles of Association of the Company. In respect of retiral by rotation, the Articles of Association provide that each Director is required to retire at the third Annual General Meeting after the Annual General Meeting at which last elected. As mentioned earlier in this Annual Report and Financial Statements, the Board has agreed that all Directors will retire annually.
- Amendment of the Articles of Association and powers to issue and buy-back shares require shareholder authority.
- There are no agreements between the Company and the Directors providing for compensation for loss of office that occurs because of a takeover bid.

Future Developments of the Company

The future success of the Company in pursuit of its investment objective is dependent primarily on the performance of its investments and the outlook for the Company is set out in the Chairman's Statement on page 6 and the Manager's Review on page 11.

Environmental, Social and Governance

Details of the Company's Environmental, Social and Governance policies including voting on portfolio investments is set out on pages 17 to 21.

The Company seeks to conduct its affairs responsibly and environmental factors are, where appropriate, taken into consideration with regard to investment decisions taken on behalf of the Company.

Greenhouse Gas Emissions & Taskforce for Climate Related Financial Disclosures ('TCFD')

All of the Company's activities are outsourced to third parties, it has no employees and all of its Directors are non-executive. As such it does not have any physical assets, property, employees or operations of its own and does not generate any greenhouse gas or other emissions.

As the Company did not consume more than 40,000 kWh of energy during the year, it is exempt from reporting under Streamlined Energy and Carbon Reporting regulations.

Under Listing rule 15.4.29(R), the Company, as a listed closed-end investment company, is exempt from complying with the TCFD, however the Company has disclosed its assessment of the weighted-average carbon intensity of its investments on page 21.

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

Financial Instruments

The Company's financial instruments comprise its investment portfolio, cash balances, bank borrowings and debtors and creditors that arise directly from its operations such as sales and purchases awaiting settlement and accrued income. The financial risk management objectives and policies arising from its financial instruments and the exposure of the Company to risk are disclosed in note 21 to the financial statements.

Annual General Meeting

The Company is required by law to hold an Annual General Meeting ('**AGM**') and it will be held at Columbia Threadneedle Investments, Cannon Place, 78 Cannon Street, London EC4N 6AG on 26 July 2024 at 11 am. The Notice of Annual General Meeting is set out on pages 78 to 81. David Moss, the Portfolio Manager will give a presentation at the AGM and there will also be an opportunity to ask questions. If you are unable to attend the AGM, you may submit any questions you may have with regard to the resolutions proposed at the AGM or the performance of the Company, in advance of the meeting to the following email address: UKHITCoSec@columbiathreadneedle.com. The Portfolio Manager's presentation will be available to view on the Company's website, ctukhighincome.co.uk, following the meeting.

The AGM is scheduled to be held in person and voting on all resolutions will be conducted by way of a poll. Shareholders are encouraged to exercise their votes either through the Registrar's online portal or by completing and returning their Form of Proxy or Form of Direction. The results of the poll will be announced via a regulatory announcement and posted on the Company's website at ctukhighincome.co.uk after the meeting. Any changes to the AGM arrangements will be announced via a regulatory announcement and will be included on the Company's website.

Resolutions 10 to 13 are explained below.

Directors' Authority to Allot Shares (Resolutions 10 and 11)

The Directors are seeking authority to allot Ordinary shares and B shares.

Resolution 10 (authority to allot shares) will, if passed, authorise the Directors to allot new Ordinary shares up to an aggregate nominal amount of £4,166 consisting of 4,166,000 Ordinary shares and new B shares up to an aggregate nominal amount of £1,535 consisting of 1,535,000 B shares, being approximately 5 per cent of the total issued Ordinary shares and B shares respectively (excluding treasury shares) as at 30 May 2024. This authority therefore authorises the Directors to allot up to 5,701,000 shares in aggregate representing approximately 5 per cent of the total share capital in issue (excluding treasury shares).

Resolution 11 (power to disapply pre-emption rights) will, if passed, authorise the Directors to allot new Ordinary shares up to an aggregate nominal amount of £4,166 and new B shares up to an aggregate nominal amount of £1,535, being 4.1 per cent and 4.8 per cent of the total issued Ordinary shares and B shares respectively (including treasury shares) as at 30 May 2024, for cash without first offering such shares to existing shareholders pro rata to their existing holdings. This authority therefore authorises the Directors to allot up to 5,701,000 shares in aggregate for cash on a non pre-emptive basis representing 4.2 per cent of the total share capital in issue (including treasury shares).

These authorities will continue until the earlier of 30 September 2025 and the conclusion of the Company's next Annual General Meeting.

The Directors have no current intention to exercise these authorities and will only allot new shares pursuant to these authorities if they believe it is advantageous to the Company's shareholders to do so and will not result in a dilution of net asset value per share. The Directors consider that the authorisations proposed in Resolutions 10 and 11 are necessary to retain flexibility, although they do not intend to exercise the powers conferred by these authorisations at the present time.

Directors' Authority to Buy-back Shares (Resolution 12)

At the Annual General Meeting held on 20 July 2023 shareholders gave the Company authority to make market puchases of up to 14.99% of each of the issued Ordinary shares and issued B shares (in each case, excluding shares held in treasury). During the year to 31 March 2024 the Company purchased through the market for treasury 1,750,000 Ordinary shares of 0.1p each, representing 2.1% of the Ordinary shares in issue at the previous year end, for a total consideration of £1,293,000 in accordance with the Company's discount management policy. During the year to 31 March 2024, the Company did not purchase through the market any B shares of 0.1p each for treasury. Subsequent to the year end, no Ordinary shares or B shares have been purchased through the market between 31 March 2024 and 30 May 2024.

The current authority of the Company to make market purchases of up to 14.99% of each of the issued Ordinary shares and issued B shares (in each case, excluding shares held in treasury) expires at the end of the Annual General Meeting and **Resolution 12**, as set out in the notice of the Annual General Meeting, seeks renewal of that authority. The renewed authority to make market purchases will be in respect of a maximum of 14.99% of each of the issued Ordinary shares and issued B shares (in each case, excluding treasury shares) of the Company on the date of the passing of the resolution. The price paid for shares will not be less than the nominal value of 0.1p per share nor more than the higher of (a) 5 per cent above the average of the middle market values (as derived from the Daily Official List of the London Stock Exchange) of those shares for the five business days before the shares are purchased and (b) the higher of the last independent trade and the highest current independent bid on the London Stock Exchange. This power will only be exercised if, in the opinion of the Directors, a purchase will result in an increase in the net asset value per share and is in the interests of the shareholders. Any shares purchased under this authority will be purchased with cash and will either be held in treasury or cancelled. This authority will expire on the earlier of 30 September 2025 and the conclusion of the next Annual General Meeting of the Company.

There is no limit on the number of shares that a company can hold in treasury at any one time and the Board has not set a limit on the number of shares that can be held in treasury by the Company.

There were 114,031,403 Ordinary shares and B shares in issue (excluding treasury shares) as at 30 May 2024; of which 83,322,653 (73.1 per cent) are Ordinary shares and 30,708,750 (26.9 per cent) are B shares. At that date, the Company held 18,744,491 Ordinary shares (18.4 per cent of the total Ordinary share capital) in treasury and 1,367,953 B shares (4.3 per cent of the total B share capital) in treasury.

The Company therefore in aggregate holds 20,112,444 shares in treasury representing 17.6 per cent of the total share capital in issue (excluding treasury shares).

Treasury Shares (Resolution 13)

The Board continues to believe that the effective use of treasury shares assists the liquidity in the Company's securities and management of the discount by addressing imbalances between demand and supply for the Company's securities.

Resolution 13, if passed, will enable the Company to sell shares from treasury without having first to make a pro rata offer to existing shareholders. This authority will be limited to shares representing approximately 8.2 per cent and 9.6 per cent of the Company's issued Ordinary share capital and B share capital respectively (including treasury shares) as at the date of passing of the resolution. The sale of shares from treasury is to be at a price not less than the net asset value per share of the Ordinary shares (in the case of a sale of Ordinary shares) or B shares (in the case of a sale of B shares).

Recommendation

The Board considers that the passing of the resolutions to be proposed at the Annual General Meeting is in the best interests of the Company and its shareholders as a whole and it unanimously recommends that all shareholders vote in favour of those resolutions. The Directors intend to vote in favour of each of the resolutions in respect of their own beneficial holdings of 70,479 Ordinary shares, representing approximately 0.06% of the issued share capital of the Company as at the date of this document. Information on shareholder voting rights is set out in the Notes to the Annual General Meeting.

Individual Savings Accounts

The Company's shares are qualifying investments for Individual Savings Accounts. It is the current intention of the Directors that the Company will continue to conduct its affairs to satisfy this requirement.

By order of the Board
For Columbia Threadneedle Investment Business Limited
Company Secretary
Quartermile 4
7a Nightingale Way
Edinburgh EH3 9EG
30 May 2024

Corporate Governance Statement

The biographical details of the Directors responsible for the governance of your Company are set out on page 29. Committee membership is also included and the respective terms of reference and biographies are also available on the Company's website ctukhighincome.co.uk

In seeking to maintain the confidence and trust of the Company's shareholders, the Board sets out to adhere to the highest standards of corporate governance, business and ethics transparency and it remains committed to doing so. As the Board believes that good governance creates value, it expects the companies in which it invests to apply similar standards.

Governance Overview

Throughout the financial year, an Audit Committee, Engagement and Remuneration Committee and Nomination Committee were in place. The role and responsibilities of these committees are set out in their respective reports, which follow, and their terms of reference are also available on the Company's website. Each of the committees comprises all of the Directors. The Board considers that, given its size, it would be unnecessarily burdensome to establish separate committees which did not include the entire Board and believes that this enables all Directors to be kept fully informed of any issues that arise.

As set out in the Strategic Report, the Board has appointed the Manager to manage the investment portfolio as well as to carry out the day to day management and administrative functions. Reporting from the Manager is set out on pages 10 to 13 and in the Report of the Audit Committee in respect of internal controls on pages 42 to 45. The Board's evaluation of the Manager and its alignment with the values of the Board can be found on pages 7 and 8.

The Board has direct access to company secretarial advice and services of the Manager which, through the Company Secretary, is responsible for ensuring that Board and committee procedures are followed and applicable laws, regulations and best practice requirements are complied with. The proceedings at all Board and Committee meetings are fully recorded through a process that allows any Director's concerns to be recorded by the Company Secretary in the minutes.

Compliance with the AIC Code of Corporate Governance (the 'AIC Code')

The Board of CT UK High Income Trust PLC has considered and supports the principles and provisions of the AIC Code published in February 2019. The AIC code addresses the principles and provisions set out in the UK Corporate Governance Code (the "**UK Code**") as well as setting out additional provisions on issues that are of specific relevance to investment companies. There are also two main differences. In the AIC Code, both the nine year limit on chair tenure and the restriction on the chair of the Board being a member of the Audit Committee have been removed.

Andrew Watkins was appointed to the Board on 29 June 2017 and then as Chairman on 20 July 2022 and has therefore served for less than nine years. None of the Directors standing for re-election at the forthcoming AGM has served in excess of nine years.The tenure policy relating to the Directors, which includes the Chairman, is set out on page 28.

The Board considers that reporting against the principles and provisions of the AIC Code, which has been endorsed by the Financial Reporting Council, provides more relevant information to shareholders. By reporting against the AIC Code, the Company meets its obligations in relation to the UK Code (and associated disclosure requirements under paragraph 9.8.6 of the Listing Rules) and as such does not need to report further on issues contained in the UK Code which are not relevant to it as an externally managed investment company.

The Board believes that the Company has complied with the recommendations of the AIC Code during the year under review and up to the date of this report and, except as regards the provisions of the UK Code set out below, has thereby complied with the relevant provisions of the UK Code:

- the role of the Chief Executive;
- executive directors' remuneration;
- the need for an internal audit function;
- membership of the Audit Committee by the Chairman of the Board; and
- workforce engagement.

For the reasons set out in the AIC Code, the Board considers these provisions as not being relevant to the position of the Company, being an externally managed investment company. In particular, all of the Company's daily management and administrative functions have been delegated to the Manager. As a result, the Company has no executive Directors, employees or internal operations. As explained in the Report of the Audit Committee, the Chairman of the Board is also a member of the Audit Committee, as permitted by the AIC Code. Therefore, with the exception of the need for an internal audit function, which is addressed on page 44, we have not reported further in respect of these provisions.

The AIC code can be found on theaic.co.uk and the UK code on frc.org.uk.

Company Purpose

The Company's purpose, values and culture and the basis on which it aims to generate value over the longer term is set out within the Purpose, Strategy and Business Model on pages 7 and 8. How the Board seeks to promote the success of the Company is set out on pages 22 and 23.

Board Leadership

The Board consists solely of non-executive Directors and Andrew Watkins is the Chairman. The Board is responsible for the effective stewardship of the Company's affairs and has in place a schedule of matters that it has reserved for its decision, which is reviewed periodically.

The Board currently meets at least five times a year and at each meeting the Board reviews the Company's investment performance and considers financial analyses and other reports of an operational nature. The Board monitors compliance with the Company's objectives and is responsible for setting investment and gearing limits within which the Manager has discretion to act, and thus supervises the management of the investment portfolio which is contractually delegated to the Manager.

An investment management agreement between the Company and its Manager, Columbia Threadneedle Investment Business Limited, sets out the matters over which the Manager has authority and the limits beyond which Board approval must be sought. All other matters, including strategy, investment and dividend/capital repayment policies, gearing, and corporate governance procedures, are reserved for the approval of the Board of Directors.

Division of Board Responsibilities

As an externally managed investment company, all the Directors are non-executive and there are no employees. Andrew Watkins, as Chairman, is responsible for the leadership and management of the Board and promotes a culture of openness, challenge and debate. The Chairman sets the agenda for all Board meetings under a regular programme of matters in conjunction with the Company Secretary. There is a strong working relationship with the Manager and the Portfolio Manager and related personnel attend the meetings throughout the year and report to the Board. Discussions are held in a constructive and supportive manner with appropriate challenge and strategic guidance and advice from the Board whenever necessary, consistent with the culture and values.

Stephen Mitchell is the Senior Independent Director and he acts as an experienced sounding board for the Chairman or as an intermediary for other Directors and shareholders. He also leads the annual evaluation of the Chairman.

In order to enable them to discharge their responsibilities, all Directors have full and timely access to relevant information. Directors, may at the expense of the Company, seek independent professional advice on any matter that concerns them in the furtherance of their duties. No such advice was taken during the year under review. The Company maintains appropriate directors' and officers' liability insurance.

Under the Articles of Association of the Company, the number of Directors on the Board may be no less than two and no more than seven. Directors may be appointed by the Company by ordinary resolution or by the Board. Any Director appointed by the Board would hold office only until the next general meeting and then be eligible for election by shareholders. The Board has agreed that all Directors will retire annually and, if appropriate, seek re-election.

Full details of the duties of Directors are provided at the time of appointment. New Directors receive an induction from the Manager on joining the Board, and all Directors are encouraged to attend relevant training courses and seminars and receive regular updates on the industry and changes to laws, regulations and best practice requirements from the Company Secretary and other parties, including the AIC. All of the Directors consider that they have sufficient time to discharge their duties.

All Directors are considered by the Board to be independent of the Company's Manager and the Board believes that each Director is independent in character and judgement and that they perform their duties at all times in an independent manner and that there are no relationships or circumstances which are likely to affect the judgement of any Director.

Directors' attendance during the year ended 31 March 2024

	Board of Directors	Audit Committee	Engagement and Remuneration Committee	Nomination Committee
No. of meetings	5	3	1	1
A K Watkins	5	3	1	1
H M Galbraith	5	3	1	1
S J Mitchell	5	3	1	1
A W Pottinger	5	3	1	1

During the year, additional meetings were also held to approve matters such as interim dividends and capital repayments.

Composition and Succession

The composition of the Board and Committees together with the experience of the members is set out on page 29. The Company's diversity and tenure policy is set out on page 28.

Over the last few years, a succession plan has been in place, which has enabled the retirement of the longer serving Directors while balancing the need to ensure an adequate level of continuity and experience on the Board. While these changes were completed in November 2022, as set out in the Report of the Nomination Committee on page 40, the composition of the Board and succession continues to be considered and reviewed.

Board Evaluation and Effectiveness

During the year the performance of the Board and Committees, including the performance of each individual Director, was evaluated through a formal assessment process, led by Andrew Watkins, the Chairman. The performance of the Chairman was evaluated by the other Directors under the leadership of Stephen Mitchell, the Senior Independent Director. This process involved discussions with individual Directors, individual feedback from the Chairman to each of the Directors and discussion of the points arising amongst the Directors.

Following this process, it was concluded that the performance of each Director and the Chairman continues to be effective and each remain committed to the Company and that the Board oversees the management of the Company effectively and has the requisite skills and expertise to safeguard shareholders' interests.

The conclusion from the assessment process was also that the Audit Committee, Nomination Committee and Engagement and Remuneration Committee were operating effectively, with the right balance of membership, experience and skills.

Audit, Risk Management and Internal Control

The Board has a well established and effective Audit Committee, the report of which is set out on pages 42 to 45. The report includes how the Board oversees the risk management and internal control framework and determines the nature and extent of the principal risks the Company is willing to take in order to achieve its long-term strategic objectives. Details of the principal risks and uncertainties are set out on pages 24 and 25 and further information on the Company's risk management and internal control framework can be found on pages 42 to 45.

The report of the Audit Committee explains how the independence and effectiveness of the external Auditor is assessed and how the Board satisfies itself on the integrity of financial statements. The report also covers the process under which the Board satisfied itself that the Annual Report and Financial Statements, taken as a whole, presents a fair, balanced and understandable assessment of the Company's position and prospects. The rationale for the Company not having established its own internal audit function is also explained in the report.

Relations with Shareholders and Stakeholders

Communication with the Company's key stakeholders, who are its shareholders, the Manager, bankers and other key service providers is set out on page 8.

Remuneration

Information on the remuneration arrangements for the non-executive Directors of the Company can be found in the Directors' Remuneration Report on pages 46 to 48 and in note 6 to the financial statements.

The remuneration policy is explained on page 46 and that, as non-executive Directors, their fees are set at a level commensurate with the skills and experience necessary for the effective stewardship of the Company and the contribution towards the delivery of the investment objective. While there are no executive Directors and no employees, shareholders should expect that the fees paid to the Manager are aligned with the Company's purpose, values and the successful delivery of its long-term strategy.

Share Capital and Companies Act 2006 Disclosures

Details of the Company's capital structure is set out on page 82 and details of substantial interests in the Company's share capital and other Companies Act 2006 Disclosures are included on pages 32 and 34.

By order of the Board
For Columbia Threadneedle Investment Business Limited
Company Secretary
Quartermile 4
7a Nightingale Way
Edinburgh EH3 9EG
30 May 2024

Report of the Nomination Committee

Composition of the Committee

The Committee comprises the full Board and is chaired by Andrew Watkins. The Committee's terms of reference can be found on the website at ctukhighincome.co.uk

Role of the Committee

The primary role of the Nomination Committee is to review and make recommendations with regard to Board structure, size and composition. It takes into account the ongoing requirements of the Company and the need to have a balance of skills, experience, diversity (including gender, race, ethnicity, religion, sexual orientation, age, physical ability, educational, professional and socio-economic background), independence and knowledge of the Company within the Board and ensuring succession planning is carefully managed.

The Committee met on one occasion during the financial year and considered and reviewed the following matters:

- the size of the Board and its composition, particularly in terms of succession planning and the experience and skills of individual Directors and diversity of the Board as a whole;
- tenure;
- the election/re-election of Directors at the annual general meeting;
- the criteria for future Board appointments and the methods of recruitment, selection and appointment; and
- future retirement of Directors.

Diversity and Tenure

The Company's Board diversity and tenure policy is shown on page 28 and recruitment searches are open to a diverse range of candidates. Other than the diversity targets set out in the Listing Rules, the Directors have not set any measurable objectives in relation to diversity of the Board and will always appoint the best qualified person for the role.

The Board believes that a Director's tenure does not necessarily reduce his or her contribution or ability to act independently and that continuity and experience can add significantly to the strength of investment company Boards where the characteristics and relationships tend to differ from those of other companies. However, the Board is committed to maintaining the highest levels of corporate governance in terms of independence and would expect that Directors would normally serve for not more than nine years, however this may be adjusted for reasons of flexibility and continuity.

Appointments and Succession Planning

Appointments of all new non-executive Directors are made on a formal basis, using professional search consultants as appropriate, with the Nomination Committee agreeing the selection criteria and the method of recruitment, selection and appointment.

A succession plan, to allow for the retirement of the longer serving Directors, has been in progress over the last few years and was completed in November 2022. The emphasis was on ensuring the highest level of skills, knowledge and experience of the Board and when recruiting new Directors consideration was given to the current skills and experience of the Board and the remaining tenure of each Director. This assisted in identifying the desired attributes of the new Directors and ensured that the Board continued to comprise individuals with appropriate and complementary skills and experience and continuity. The composition of the Board and future succession continues to be reviewed and monitored.

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 39. The conclusion from the process was that the Committee was operating effectively, with the right balance of experience and skills.

Andrew Watkins
Chairman of the Nomination Committee
30 May 2024

Report of the Engagement and Remuneration Committee

Composition of the Committee

The Committee comprises the full Board and is chaired by Stephen Mitchell. The Committee's terms of reference can be found on the website at ctukhighincome.co.uk

Role of the Committee

The Committee meets at least annually and its role is to review the terms and conditions of the Manager's appointment and the services it and other key service providers provide and the fees charged, and also to review the remuneration of Directors.

The Committee met on one occasion during the financial year.

Manager Evaluation Process and Re-appointment

Since the end of the year, the Committee has reviewed the appropriateness of the Manager's appointment. In carrying out its review the Committee considered the past investment performance of the Company and the skills, experience and depth of the Manager's team involved in managing the Company's assets and its ability to produce satisfactory investment performance in the future.

Investment performance is also considered by the Board at every meeting, with a formal evaluation by the Committee each year. For the purposes of its ongoing monitoring, the Board receives reports from the Manager on investment activity, attribution, gearing, risk and performance. This enables the Board to assess the sources of positive and negative contribution to returns in terms of gearing and stock selection. While shorter term data is important, the assessment of the Manager's performance is also considered over a three year period, looking at comparisons against the benchmark and a peer group of other UK Equity Income investment companies. The period of three years matches the period between shareholder continuation votes, in the event that the NAV total return performance of the Company is less than that of the FTSE All-Share Index over the relevant three year period. This allows the Board to assess the management of the investment portfolio against the Company's investment objective on an ongoing basis together with performance against the Company's key performance indicators. The current performance measurement period for this purpose will be the three year period to 31 March 2025.

The annual evaluation that took place in May 2024 included a presentation from the Portfolio Manager and the Manager's Head of Investment Trusts. This included reporting on the investment performance and its ability to successfully deliver the investment strategy for shareholders. The Manager also reported on the strength of its current business, the integration of its business with that of Columbia Threadneedle Investments, the resources and opportunities that are now available as part of the enlarged business and the continued support of the investment trust business.

The Committee also considered the length of the notice period of the investment management contract and fees payable to the Manager, together with the standard of other services provided which include ESG, marketing, company secretarial and accounting services.

Following this review, it was the Committee's view that the continuing appointment of the Manager on the terms agreed was in the best interests of shareholders as a whole. The Board ratified this recommendation.

Review of Directors' Fees

The Company Secretary, Columbia Threadneedle Investment Business Limited, provides information on comparative levels of Directors' fees in advance of the Committee considering the level of Directors' fees. Following a review for the forthcoming year to 31 March 2025 (and as indicated last year) the Committee concluded the amount paid to Directors would remain unchanged.

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 39. The conclusion from the process was that the Committee was operating effectively, with the right balance of experience and skills.

Stephen Mitchell
Chairman of the Engagement and Remuneration Committee
30 May 2024

Report of the Audit Committee

Composition of the Committee

The Board recognises the requirement for the Audit Committee as a whole to have competence relevant to the sector in which the Company operates and at least one member with recent and relevant experience.

The Audit Committee is chaired by Helen Galbraith who is a Chartered Financial Analyst and has recent and relevant financial experience. The Audit Committee operates within clearly defined terms of reference and comprises the full Board. These directors have a combination of relevant financial, investment and business experience and specifically with respect to the investment company sector and accordingly have sufficient experience to discharge their responsibilities. Given the relevant experience of Andrew Watkins, the Chairman of the Board, his continued independence and valued contribution, the Audit Committee considers it appropriate that he is a member. Details of the members can be found on page 29 and the Committee's terms of reference are available on the Company's website ctukhighincome.co.uk

The performance of the Committee was evaluated as part of the Board appraisal process.

Role of the Committee

The duties of the Audit Committee include ensuring the integrity of the financial reporting and financial statements of the Company, reviewing the annual and half-year financial statements, the risk management and internal controls processes, and the terms of appointment and remuneration of the Auditor, Deloitte LLP ('**Deloitte**'), including its independence and objectivity. It also provides a forum through which the Auditor reports to the Board of Directors and meets at least twice a year including at least two meetings with Deloitte.

The Audit Committee met on three occasions during the financial year and the attendance of each of the members is set out on page 39. In the due course of its duties, the Committee had direct access to Deloitte and senior members of the Manager's Fund Management, Investment Trust and Operational Risk Management teams. Amongst other things, the Audit Committee considered and reviewed the following matters and reported thereon to the Board:

- the annual and half-year results announcements, and annual and half-year reports and financial statements;
- the accounting policies of the Company and the allocation of management expenses and interest costs between capital and revenue;
- the principal and emerging risks and uncertainties faced by the Company and the effectiveness of the Company's internal control and risk management environment;
- consideration of the assumptions underlying the Board's statements on going concern and viability;
- the effectiveness of the external audit process and any related non-audit services and the independence and objectivity of Deloitte, it's re-appointment, remuneration and terms of engagement;
- the policy on the engagement of Deloitte to supply non-audit services and approval of any such services;
- the implications of proposed new accounting standards and regulatory changes;
- 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 and other significant third party service providers;
- whether the Annual Report and Financial Statements as a whole is fair, balanced and understandable;
- the operational arrangements and performance of the Manager and other third party service providers in terms of business continuity; and
- the integration of BMO GAM (EMEA) (which included the Company's investment manager) and its systems, risk management and internal control infrastructure with Columbia Threadneedle Investments.

Following the change of ownership of BMO GAM (EMEA) in November 2021, the integration with Columbia Threadneedle Investments is now almost complete, but the Audit Committee has continued to monitor it from a risk management and internal control perspective. A critical milestone was the move to a new order management system, Aladdin, which was successfully completed in October 2023. The Audit Committee has received confirmation from the Manager that the systems of risk management and internal control have operated effectively throughout the year under review and thereafter to the date of this report.

During the preparation of both the half-year report for the six month period ended 30 September 2023 and the Annual Report and Financial Statements for the year ended 31 March 2024, the Committee has considered the outlook for inflation and macroeconomic and geopolitical concerns upon the risks, operations and accounting basis of the Company. As noted within Principal Risks and Uncertainties and Viability Statement on pages 24 to 26 the Directors have reviewed the risk register of the Company and agreed that the overall risk from some of its principal risks remain heightened.

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 49.

On broader control policy issues, the Committee has considered and is satisfied with the Code of Conduct and the Anti-Bribery and Anti-Corruption Policy to which the Manager's employees are subject. The Board is responsible for ensuring appropriate procedures and processes are in place to enable issues of concern to be raised. The Committee has also considered the Manager's Whistleblowing Policy, under which its directors and staff may, in confidence, raise concerns about possible improprieties in financial reporting or other matters.

Risk Management

The Board has established an ongoing process designed to meet the particular needs of the Company in managing the risks to which it is exposed, consistent with the related guidance issued by the Financial Reporting Council.

The Manager's Operational Risk Management team provides regular control reports to the Audit Committee and the Board covering risk and compliance and any significant issues of direct relevance to the Company are required to be reported to the Audit Committee and Board without delay.

For the management of risk, a key risk summary is produced to help identify the risks to which the Company is exposed, the controls in place and the actions being taken to mitigate them. The Audit Committee and Board has a robust process for considering the resulting risk control assessment and reviews the significance of the risks and reasons for any changes.

The Company's principal risks and uncertainties and their mitigations are set out on pages 24 and 25 with additional information provided in note 21 to the financial statements. The integration of these risks into the consideration of the Viability Statement on page 26 was also fully considered and the Audit Committee concluded that the Board's Statement was soundly based. The period of three years was also agreed as being appropriate for the reasons given in the Statement.

Internal Controls

The Board has overall responsibility for the Company's system of risk management and internal control, for reviewing its effectiveness and ensuring that risk management and internal control processes are embedded in the daily operations, which are managed by the Manager.

The Audit 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, including financial, operational, compliance and overall risk management, is exercised by the Audit Committee and the Board through regular reports provided by the Manager. The reports cover investment performance, attribution, compliance with agreed and regulatory investment restrictions, financial analyses, revenue estimates, performance of the third party administrator of the Manager's savings plans and other relevant issues. During the year, the Audit Committee also received a presentation from the Manager's Chief Information Security Officer on its information and cyber security programme.

At each Board meeting, the Board monitors the investment performance of the Company in comparison to its objective and relevant equity market indices. The Board also reviews the Company's activities since the last Board meeting to ensure that the Manager adheres to the agreed investment policy and approved investments guidelines and, if appropriate, approves changes to such policy and guidelines.

The system of risk management and internal control is designed to manage, rather than eliminate risk and, by its nature, can only provide reasonable, but not absolute, assurance against material misstatement, loss, or fraud. Further to the review by the Audit 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 Internal Controls in accordance with ISAE 3402 and AAF 01/20 for the year to 1 October 2023 (the '**ISAE/AAF Report**') that has been prepared for its investment trust clients. The Audit Committee also received confirmation from the Manager that, subsequent to this date, on 2 October 2023, the move to the Aladdin order management system was completed and there had been no other significant changes to the control environment. Containing a report and an unqualified opinion from independent reporting accountants KPMG LLP, it sets out the Manager's control environment and procedures with respect to the management of its clients' investments and maintenance of their financial records. The effectiveness of these controls is monitored by the Manager's Audit and Compliance Committee, which, for the year to 1 October 2023, received regular internal audit reports. 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 identified and which would be reported to the Board. Any errors or breaches relating to the Company are reported at each Audit Committee and Board Meeting by the Manager. No failings or weaknesses material to the overall control environment and financial statements in respect of the Company were identified in the year under review nor to the date of this report.

The Audit Committee also reviewed appropriate reports on the internal controls of other significant service providers, such as the Custodian and Registrar, and was satisfied that there were no material exceptions.

The review procedures have been in place throughout the financial year and up to the date of approval of the financial statements, and the Board is satisfied with their effectiveness.

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

The Audit Committee has reviewed the need for an internal audit function. Based on review, observation and enquiry, the Audit Committee and the Board have concluded that the systems and procedures employed by the Manager provide sufficient assurance that a sound system of internal control, which safeguards shareholders' investments and the Company's assets, is maintained. In addition, the Company's financial statements are audited by an external Auditor. An internal audit function, specific to the Company, is therefore considered unnecessary but this decision will be kept under review.

Significant Matters Considered by the Audit Committee in Relation to the Financial Statements

Matter	Action
Investment Portfolio Valuation	
Possibility of incorrect valuation of the investment portfolio.	The Company's accounting policy is stated in note 1 to the financial statements. The Board reviews the full portfolio valuation at each Board meeting and receives quarterly monitoring and control reports from the Manager and Depositary. The Audit Committee reviewed the Manager's annual ISAE/AAF Report, as referred to on page 43, which is reported on by independent external accountants and sets out the systems, processes and controls around the daily pricing of equity securities. The Manager has provided further assurance that controls have operated satisfactorily since that date. The Audit Committee also reviewed internal controls reports from State Street.
Misappropriation 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 Audit Committee reviewed the Manager's ISAE/AAF Report, as referred to on page 43, which details the controls around the reconciliation of the Manager's records to those of the Custodian. The Audit Committee also reviewed the Custodian's semi-annual internal controls report, which is reported on by independent external accountants, and which provides details regarding its control environment. The Depositary has issued reports confirming, amongst other matters, the safe custody of the Company's assets for the period to 31 March 2024. The Audit Committee also reviewed internal controls reports from State Street.
Income Recognition	
Incomplete or inaccurate income recognition, including allocation between revenue and capital, could have an adverse effect on the Company's net asset value and earnings per share and its level of dividend cover.	The Audit Committee reviewed the Manager's ISAE/AAF Report, as previously referred to, which details the systems, processes and controls around the recording of investment income. It also compared the final level of income received for the year to the budget for the year and discussed the accounting treatment of all special dividends received with the Manager.
Investment Trust Tax Status	
As an investment trust company, the Company is exempt from taxation arising on capital gains. Breach of Section 1158 of the Corporation Tax Act 2010 could lead to the Company being subject to tax on capital gains.	The Audit Committee reviewed the Company's ongoing compliance with the investment trust conditions set out in Section 1158 of the Corporation Tax Act 2010. In particular, the Audit Committee ensured that the retained revenue after tax for the year was less than 15 per cent of the Company's total income.

The Audit Committee read and discussed this Annual Report and Financial Statements and concluded that it is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's performance objective and strategy.

External Audit Process and Significant Matters Considered by the Audit Committee

In carrying out its responsibilities, the Audit Committee has considered the planning arrangements, scope, materiality levels and conclusions of the year end 31 March 2024 external audit of the financial statements. The table on page 44 describes the significant matters considered by the Audit Committee in relation to the financial statements for the year and how these were addressed.

The Audit Committee met in May 2024 to discuss the draft Annual Report and Financial Statements, with representatives of Deloitte and the Manager in attendance and Deloitte presented their year-end report to the Audit Committee. At the conclusion of the audit, Deloitte did not report any audit differences in excess of their reporting threshold of £0.05 million, nor any differences below that level which would warrant disclosure on qualitative grounds. In addition Deloitte did not highlight any other issues to the Audit Committee which would cause it to qualify its audit report nor did it highlight any fundamental internal control weaknesses. Deloitte issued an unqualified audit report which is included on pages 50 to 57.

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 Auditor is 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 Auditor.

In particular, the Committee has a policy that the accumulated costs of all non-audit services sought from the Auditor in any one year should not exceed 30% of the likely audit fees for that year and not exceed 70% of the average audit fee for the previous three years.

In relation to the provision of non-audit services by the Auditor it has been agreed that all non-audit work to be carried out by the Auditor must be approved in advance by the Audit Committee. Deloitte did not receive any fees for non-audit services during the year (2023: £nil).

Auditor Assessment, Independence and Re-appointment

The Audit Committee reviews the re-appointment of the Auditor every year and has been satisfied with the effectiveness of Deloitte's performance on the audit just completed.

As part of the review of auditor independence and effectiveness, Deloitte has confirmed that it is independent of the Company and has complied with relevant auditing standards. In evaluating Deloitte, the Audit Committee has taken into consideration the standing, skills and experience of the firm and the audit team. The Audit Committee, from direct observation and enquiry of the Manager, remains satisfied that Deloitte continues to provide effective independent challenge in carrying out its responsibilities. Deloitte's fee for the audit (excluding VAT) was £36,500 (2023: £33,500).

Following professional guidelines, the Senior statutory auditor rotates at least every five years. Michael Caullay, the current senior statutory auditor was engaged for the first time during the year ended 31 March 2023, which was Deloitte's sixth year as Auditor. Accordingly, the year ended 31 March 2024 represents Michael Caullay's second year as the Senior Statutory auditor and Deloitte's seventh year as Auditor. The Audit Committee also considered the evaluation of Deloitte's audit performance through the Audit Quality Review performed by the Financial Reporting Council.

On the basis of this assessment, the Audit Committee has recommended the re-appointment of Deloitte to the Board.

Helen Galbraith
Chairman of the Audit Committee
30 May 2024

Directors' Remuneration Report

Full details of the Company's policy with regards to Directors' fees, and fees paid during the year ended 31 March 2024, are shown below. This shows all major decisions on Directors' remuneration, and any substantial changes made during the year relating to Directors' remuneration, including the context in which any changes occurred.

Under company law, the Auditor is required to audit certain disclosures provided. Where disclosures have been audited they are indicated as such. The Auditor's opinion is included in its report on pages 50 to 57.

The Board consists solely of independent non-executive Directors. The Company has no executive Directors or employees. The Engagement and Remuneration Committee is responsible for determining the level of Directors' fees and its report is set out on page 41.

Directors' Remuneration Policy

The Company's policy is that the remuneration of non-executive Directors should be 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, their responsibilities, duties and time commitment required and be fair and comparable to that of other investment companies that are similar in size and have similar investment objectives. 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 Company has not received any views from its shareholders in respect of the levels of Directors' remuneration. It is a requirement that shareholder approval of the policy is sought at least every three years and this policy was last approved by shareholders at the AGM on 20 July 2023. It is intended that the policy will continue for the three year period ending at the AGM in 2026, when it will next be put to shareholders for approval.

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 £175,000 per annum in aggregate and may not be changed without seeking shareholder approval at a general meeting. Directors are not eligible for bonuses, pension benefits, share options, long-term incentive schemes or other benefits.

The non-executive Directors are engaged under letters of appointment and do not have service contracts. Each Director has a letter of appointment setting out the terms and conditions of his or her appointment and such letters are available for inspection at the Company's registered office during business hours.

The dates on which each Director was appointed to the Board are set out under their biographies on page 29. The terms of appointment provide that a Director shall retire and be subject to election at the first Annual General Meeting after his or her appointment. Directors are thereafter obliged to retire periodically and, if they wish, to offer themselves for re-election by shareholders, at least every three years after that. However, in accordance with the recommendations of the UK Code and the AIC Code, the Board has agreed that all Directors will retire annually and, if appropriate, seek re-election. All the Directors were last elected or re-elected at the AGM held on 20 July 2023 and all will stand for re-election at the AGM on 26 July 2024. There is no notice period and no provision for compensation upon termination of appointment.

Voting at Annual General Meeting on Directors' Remuneration Policy

The Directors' Remuneration Policy was last approved by shareholders at the Company's Annual General Meeting held on 20 July 2023. 97.5% of votes were in favour of the resolution and 2.5% of votes were against.

Annual Statement

As Chairman of the Engagement and Remuneration Committee, I confirm that throughout the year to 31 March 2024, Directors' fees were unchanged.

Future Policy Table

Following a review of the level of Directors' fees for the forthcoming year, the Engagement and Remuneration Committee concluded that the amount paid to Directors would remain unchanged.

Based on this, Directors' fees for the financial year to 31 March 2025 would be as follows:

Director	31 March 2025 £	31 March 2024[(1)] £	31 March 2023[(1)] £
Chairman	41,250	41,250	39,000
Audit Committee chairman	34,500	34,500	32,500
Director	27,500	27,500	26,000

(1) Actual Directors' fees for the years ended 31 March 2024 and 31 March 2023 respectively.

Annual Report on Directors' Remuneration

Directors' Emoluments for the Year (audited)

The Directors who served during the financial year received the following amounts for services as non-executive Directors for the years ended 31 March 2024 and 2023 and can expect to receive the fees indicated for 2025 as well as reimbursement for expenses necessarily incurred. No other forms of remuneration were paid during the year.

Fees for services to the Company (audited)

	Fees (audited)			Taxable benefits[1] (audited)			Total (audited)			Anticipated fees[2]
Director	31 March 2024 £	31 March 2023 £	% change	31 March 2024 £	31 March 2023 £	% change	31 March 2024 £	31 March 2023 £	% change	31 March 2025 £
A K Watkins (Chairman)[3]	41,250	35,118	+17.5	–	368	-100.0	41,250	35,486	+16.2	41,250
J M Evans[3]	n/a	11,887	n/a	n/a	–	n/a	n/a	11,887	n/a	n/a
H M Galbraith	34,500	32,500	+6.2	–	276	-100.0	34,500	32,776	+5.3	34,500
S J Mitchell	27,500	26,000	+5.8	–	276	-100.0	27,500	26,276	+4.7	27,500
A W Pottinger[4]	27,500	9,207	+198.7	27	–	n/a	27,527	9,207	+199.0	27,500
Total	**130,750**	**114,712**	**+14.0**	**27**	**920**	**-97.1**	**130,777**	**115,632**	**+13.1**	**130,750**

(1) Comprises amounts reimbursed for expenses incurred in carrying out business for the Company, which have been grossed up to include PAYE and NI contributions.
(2) Fees expected to be payable to the Directors during the year ended 31 March 2025. Taxable benefits are also anticipated but are not currently quantifiable.
(3) J M Evans was the Chairman until he retired following the AGM on 20 July 2022. A K Watkins was then appointed Chairman.
(4) Appointed as a non-executive director on 24 November 2022.

Annual Percentage Change

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

Director	2024 (audited) %	2023 (audited) %	2022 (audited) %	2021 (audited) %	2020 (audited) %
A K Watkins	+17.5[1]	+35.1[1]	+10.6	0.0	+2.2
H M Galbraith	+6.2	+6.7	+43.5[2]	n/a	n/a
S J Mitchell	+5.8	0.0	+22.5[3]	n/a	n/a
A W Pottinger	+198.7[4]	n/a[4]	n/a	n/a	n/a

(1) Appointed as Chairman following the AGM on 20 July 2022.
(2) Appointed as a non-executive director on 6 May 2020 and became Chairman of the Audit Committee on 27 July 2021.
(3) Appointed as a non-executive director on 6 May 2020.
(4) Appointed as a non-executive director on 24 November 2022.

Relative Importance of Spend on Pay

The table below shows the actual expenditure during the year in relation to Directors' remuneration (excluding taxable benefits), other expenses and shareholder distributions:

	31 March 2024 £	31 March 2023 £	Change %
Aggregate Directors' Remuneration	130,750	114,712	+14.0
Management fee and other expenses	1,008,000	1,016,000	-0.8
Distributions paid to Shareholders	6,334,000	6,382,000	-0.8
Aggregate cost of shares repurchased	1,293,000	79,000	+1536.7

Directors' Shareholdings (audited)

There is no requirement under the Company's Articles of Association for the Directors to hold shares in the Company. The Directors who held office at the year end and their interests in the shares of the Company at 31 March 2024 (all of which were beneficially held) were as follows:

	31 March 2024		31 March 2023	
Director	Ordinary Shares	B Shares	Ordinary Shares	B Shares
A K Watkins (Chairman)	16,057	–	16,057	–
H M Galbraith	22,000	–	12,000	–
S J Mitchell	12,675	–	12,675	–
A W Pottinger	19,747	–	15,000	–

There have been no changes in any of the Directors' interests in the shares of the Company between 31 March 2024 and 30 May 2024.

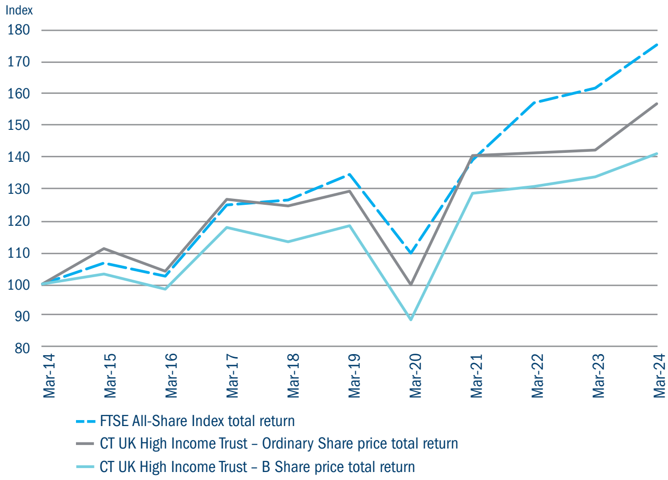
Company Performance

The Board is responsible for the Company's investment strategy and performance, whilst the management of the investment portfolio is delegated to the Manager.

The following graph compares, for the required ten year period to 31 March 2024, the total return (assuming all dividends and capital repayments are reinvested) to Ordinary shareholders and B shareholders compared to the total return on the FTSE All-Share Index. This index was chosen for comparison purposes, as it represents a comparable broad equity market index; however it should be noted that up to 20% of the Company's assets were held in higher yielding securities towards the start of this period.

An explanation of the performance of the Company is given in the Chairman's Statement and Manager's Review.

Share Price Total Return and the FTSE All-Share Index Total Return Performance Graph (rebased to 100 at 31 March 2014)



Source: Refinitiv Eikon

Voting at Annual General Meeting on Annual Remuneration Report

At the Company's last Annual General Meeting, held on 20 July 2023, shareholders approved the Directors' Remuneration Report in respect of the year ended 31 March 2023. 97.3% of votes were in favour of the resolution and 2.7% were against.

An ordinary resolution for the approval of this Annual Report on Directors' Remuneration will be put to shareholders at the forthcoming Annual General Meeting (**Resolution 2**).

On behalf of the Board
Stephen Mitchell
Director
30 May 2024

Statement of Directors' Responsibilities

Statement of Directors' Responsibilities in Relation to the Annual Report and Financial Statements

The Directors are responsible for preparing the Annual Report and Financial Statements in accordance with applicable United Kingdom law and UK-adopted International Accounting Standards. The Directors are also required to prepare a Strategic Report, Directors' Report, Directors' Remuneration Report and Corporate Governance Statement.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with UK-adopted International Accounting Standards.

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 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 they have been prepared in accordance with UK-adopted International Accounting Standards, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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 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 Annual Report and Financial Statements is published on the ctukhighincome.co.uk website which is maintained by Columbia Threadneedle Investments. The work carried out by the Auditor does not involve consideration of the maintenance and integrity of the Company's website and, accordingly, the Auditor accepts no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Responsibility statements under the Disclosure Guidance and Transparency Rules in respect of the Annual Report and Financial Statements

Each of the Directors listed on page 29 confirms that to the best of their knowledge:

- the financial statements, prepared in accordance with UK-adopted International Accounting Standards, give a true and fair view of the assets, liabilities, financial position and return of the Company;
- the Strategic Report and the Report of the Directors include a fair review of the development and performance of the business and the position of the Company together with a description of the principal risks and uncertainties that they face; and
- taken as a whole, the Annual Report and Financial Statements are fair, balanced and understandable and provide the information necessary for shareholders to assess the performance, strategy and business model of the Company.

On behalf of the Board
Andrew Watkins
Chairman
30 May 2024

Independent Auditor's Report

to the members of CT UK High Income Trust PLC

Report on the audit of the financial statements

1. Opinion

In our opinion the financial statements of CT UK High Income Trust PLC (the 'Company'):

- **give a true and fair view of the state of the Company's affairs as at 31 March 2024 and of its profit for the year then ended;**
- **have been properly prepared in accordance with United Kingdom adopted international accounting standards and the Statement of Recommended Practice issued by the Association of Investment Companies in July 2022 "Financial Statements of Investment Trust Companies and Venture Capital Trusts"; and**
- **have been prepared in accordance with the requirements of the Companies Act 2006.**

We have audited the financial statements which comprise:

- the Statement of Comprehensive Income;
- the Statement of Financial Position;
- the Cash Flow Statement;
- the Statement of Changes in Equity; and
- the related notes 1 to 23.

The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom adopted international accounting standards and the Statement of Recommended Practice issued by the Association of Investment Companies in July 2022 'Financial Statements of Investment Trust Companies and Venture Capital Trusts' ('SORP').

2. 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 are 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 Financial Reporting Council's (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. We confirm that we have not provided any non-audit services prohibited by the FRC's Ethical Standard to the Company.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

3. Summary of our audit approach

Key audit matters	The key audit matter that we identified in the current year was the valuation and ownership of listed investments.
Materiality	The materiality that we used in the current year was £1.08m (2023: £1.04m) which was determined on the basis of 1% of net assets at 31 March 2024.
Scoping	Audit work to respond to the risks of material misstatement was performed directly by the audit engagement team.
Significant changes in our approach	There have been no significant changes in our audit approach for the current year.

4. 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:

- obtaining an understanding of the directors' process for evaluating the Company's ability to continue as a going concern;
- reviewing the output of the directors' assessment of the Company's ability to remain an Investment Trust;
- assessing the performance and position of the Company, including its strong cash position, dividend income and management fee expenses;
- assessing whether the Company has complied with the revolving credit facility agreement for its borrowing to assess the continued availability of the borrowing facility;
- assessing the Company's ability to cover its expenses for the 12-month period from the date of signing the financial statements, including the ability of the Company to exit underperforming investments, if needed; and
- assessing the appropriateness of the disclosures in the financial statements relating to going concern.

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 reporting on how the Company 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.

5. 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. These matters included 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.

5.1. Valuation and ownership of listed investments

Key audit matter description	As an investment entity, the Company holds listed investments of £121.0m (2023: £112.8m). These represent the most quantitatively significant financial statement line on the statement of financial position. There is a risk that investments may not be valued correctly or may not represent the property of the Company. This may result in a material misstatement within the investments held at fair value through profit or loss and we consider that there is a potential area for fraud since investment return is a key performance indicator for the Company. Additionally, there is a risk that investments are not actively traded and therefore inappropriately presented as level 1 in the fair value hierarchy. Refer to note 1 to the financial statements for the accounting policy on investments and details of the investments are disclosed in note 11 to the financial statements. The valuation and ownership of listed investments is included in the Audit Committee Report as a significant reporting matter on page 44.
How the scope of our audit responded to the key audit matter	We have performed the following procedures to test the valuation and ownership of investments at 31 March 2024: • We obtained an understanding of, and tested the operating effectiveness of the relevant controls at State Street over the valuation and ownership of listed investments; • We agreed 100% of the Company's listed investment portfolio at the year end to confirmations received independently from JP Morgan; and • We tested the bid prices of 100% of listed investments on the investment ledger at year end to closing bid prices published by an independent pricing source. In addition, we performed the following procedures to address whether the investment portfolio was actively traded and designated with the correct fair value hierarchy: • We assessed the post year-end volume of trade data in order to identify any investments that are not actively traded; and • We tested the completeness and accuracy of disclosures in relation to fair value measurements and liquidity risk.
Key observations	Based on the work performed we concluded that the valuation and ownership of listed investments, and disclosure thereof, is appropriate.

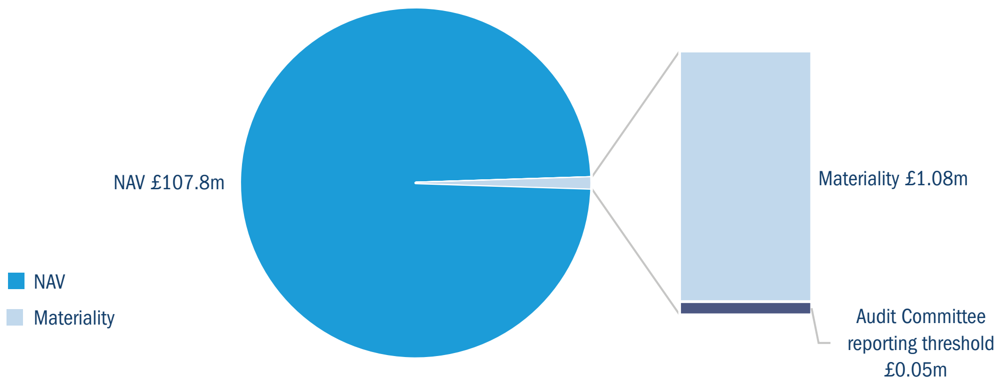
6. Our application of materiality

6.1. Materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We use materiality both in planning the scope of our audit work and in evaluating the results of our work.

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

Materiality	£1.08m (2023: £1.04m)
Basis for determining materiality	1% (2023: 1%) of net assets.
Rationale for the benchmark applied	Net assets has been selected as it is considered the most relevant benchmark for investors and is the key driver of shareholder value.



6.2. Performance materiality

We set performance materiality at a level lower than materiality to reduce the probability that, in aggregate, uncorrected and undetected misstatements exceed the materiality for the financial statements as a whole. Performance materiality was set at 70% of materiality for the 2024 audit (2023: 70%). In determining performance materiality, we considered the following factors :

i. there have been no significant changes in the business structure and operations;

ii. our experience from previous audits has indicated a low number of corrected and uncorrected misstatements identified in prior periods; and

iii. there were no significant changes in the Company's operating environment caused by the uncertainty and volatility brought about by inflation and increased interest rates.

6.3. Error reporting threshold

We agreed with the Audit Committee that we would report to the Committee all audit differences in excess of £54,000 (2023: £52,000), as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds. We also report to the Audit Committee on disclosure matters that we identified when assessing the overall presentation of the financial statements.

7. An overview of the scope of our audit

7.1. Scoping

Our audit was scoped by obtaining an understanding of the entity and its environment, including internal control, and assessing the risks of material misstatement. Audit work to respond to the risks of material misstatement was performed directly by the audit engagement team. The Company was audited as a single component.

7.2. Our consideration of the control environment

Certain accounting responsibilities have been delegated to State Street, including the calculation of the net asset value and maintenance of the Company's accounting records.

In assessing the Company's control environment, we considered controls in place at State Street. As part of this we reviewed State Street's Service Organisation Controls (SOC 1) Report and have taken a controls reliance approach in respect of the controls relating to valuation and ownership of listed investments. We also reviewed State Street's controls report in respect of general IT controls. Further, we obtained an understanding of relevant business processes and controls that address the risk of material misstatement in financial reporting.

7.3 Our consideration of climate related risks

In planning our audit, we have considered the potential impact of climate change on the business and its financial statements. The Company continues to develop its assessment of the potential impacts of environmental, social and governance ("ESG") related risks, including climate change, as outlined on page 17. As a part of our audit, we held discussions to understand the process of identifying climate-related risks, the determination of mitigating actions and the impact on the Company's financial statements. We performed our own qualitative risk assessment of the potential impact of climate change on the account balances and classes of transactions. We have read the disclosures in the annual report to consider whether they are materially consistent with the financial statements and our knowledge obtained in the audit.

8. Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

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.

9. Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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.

10. 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.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

11. Extent to which the audit was considered 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 below.

11.1. Identifying and assessing potential risks related to irregularities

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance including the design of the Company's remuneration policies, key drivers for directors' remuneration, bonus levels and performance targets;
- results of our enquiries of management, the directors and the Audit Committee about their own identification and assessment of the risks of irregularities, including those that are specific to the Company's sector;
- any matters we identified having obtained and reviewed the Company's documentation of their policies and procedures relating to:
    - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
    - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
    - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations.
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the valuation and ownership of listed investments. In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory framework that the Company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act, Listing Rules and UK tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Company's ability to operate or to avoid a material penalty. This included the requirements of the United Kingdom's Financial Conduct Authority ("FCA") and the Alternative Investment Fund Managers Directive.

11.2. Audit response to risks identified
As a result of performing the above, we identified the valuation and ownership of listed investments as a key audit matter related to the potential risk of fraud. The key audit matters section of our report explains the matter in more detail and also describes the specific procedures we performed in response to that key audit matter.

In addition to the above, our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management and the Audit Committee concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

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

Report on other legal and regulatory requirements

12. Opinions on other matters prescribed by the Companies Act 2006

In our opinion the part of the directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

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 any material misstatements in the strategic report or the directors' report.

13. Corporate Governance Statement

The 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 and our knowledge obtained during the audit:

- **the directors' statement with regards to the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified on page 31 of the annual report;**
- **the directors' explanation as to its assessment of the Company's prospects, the period this assessment covers and why the period is appropriate on page 26 of the annual report;**
- **the directors' statement on fair, balanced and understandable on page 30 of the annual report;**
- **the board's confirmation that it has carried out a robust assessment of the emerging and principal risks on page 26 of the annual report;**

- **the section of the annual report that describes the review of effectiveness of risk management and internal control systems on page 24 of the annual report; and**
- **the section describing the work of the Audit Committee on page 42 of the annual report.**

14. Matters on which we are required to report by exception

14.1. Adequacy of explanations received and accounting records

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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 are not in agreement with the accounting records and returns.

We have nothing to report in respect of these matters.

14.2. Directors' remuneration

Under the Companies Act 2006 we are also required to report if in our opinion certain disclosures of directors' remuneration have not been made or the part of the directors' remuneration report to be audited is not in agreement with the accounting records and returns.

We have nothing to report in respect of these matters.

15. Other matters which we are required to address

15.1. Auditor tenure

Following the recommendation of the Audit Committee, we were first appointed by the members of the Company on 29 June 2017 to audit the financial statements for the year ending 31 March 2018 and subsequent financial periods. The period of total uninterrupted engagement including previous renewals and reappointments of the firm is 7 years, covering the years ending 31 March 2018 to 31 March 2024.

15.2. Consistency of the audit report with the additional report to the Audit Committee

Our audit opinion is consistent with the additional report to the Audit Committee we are required to provide in accordance with ISAs (UK).

16. 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.

Michael Caullay CA (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
Glasgow, United Kingdom

30 May 2024

Statement of Comprehensive Income

For the year to 31 March

Notes		Revenue Year to 31 March 2024 £'000	Capital Year to 31 March 2024 £'000	Total Year to 31 March 2024 £'000	Revenue Year to 31 March 2023 £'000	Capital Year to 31 March 2023 £'000	Total Year to 31 March 2023 £'000
	Capital gains/(losses) on investments						
11	Gains/(losses) on investments held at fair value through profit or loss	**–**	**7,674**	**7,674**	–	(4,177)	(4,177)
	Exchange gains/(losses)	**1**	**9**	**10**	3	(16)	(13)
	Revenue						
2	Income	**5,603**	**–**	**5,603**	5,007	–	5,007
	Total income	**5,604**	**7,683**	**13,287**	5,010	(4,193)	817
	Expenditure						
4	Investment management fee	**(186)**	**(435)**	**(621)**	(183)	(427)	(610)
5	Other expenses	**(518)**	**–**	**(518)**	(521)	–	(521)
	Total expenditure	**(704)**	**(435)**	**(1,139)**	(704)	(427)	(1,131)
	Profit/(loss) before finance costs and tax	**4,900**	**7,248**	**12,148**	4,306	(4,620)	(314)
	Finance costs						
7	Interest on bank loans	**(269)**	**(627)**	**(896)**	(67)	(155)	(222)
	Total finance costs	**(269)**	**(627)**	**(896)**	(67)	(155)	(222)
	Profit/(loss) before tax	**4,631**	**6,621**	**11,252**	4,239	(4,775)	(536)
8	Taxation	**(30)**	**–**	**(30)**	(47)	–	(47)
	Profit/(loss) and total comprehensive income/(expense) for the year	**4,601**	**6,621**	**11,222**	4,192	(4,775)	(583)
10	**Earnings per share**	**4.01p**	**5.77p**	**9.78p**	3.62p	(4.12)p	(0.50)p

The total column of this statement represents the Company's Income Statement and Statement of Comprehensive Income, prepared in accordance with UK-adopted International Accounting Standards. The supplementary revenue return and capital return columns are both prepared under guidance published by the Association of Investment Companies.

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

No operations were acquired or discontinued in the year.

The accompanying notes on pages 62 to 76 are an integral part of these financial statements.

Statement of Financial Position

As at 31 March

Notes		31 March 2024 £'000	31 March 2023 £'000
	Non-current assets		
11	Investments held at fair value through profit or loss	**121,267**	113,018
	Current assets		
13	Receivables	**1,203**	1,394
14	Cash and cash equivalents	**1,086**	2,288
		2,289	3,682
	Total assets	**123,556**	116,700
	Current liabilities		
15	Payables	**(790)**	(529)
16	Bank loans	**(15,000)**	(12,000)
		(15,790)	(12,529)
	Total liabilities	**(15,790)**	(12,529)
	Net assets	**107,766**	104,171
	Equity attributable to equity shareholders		
17	Share capital	**134**	134
18	Share premium	**153**	153
	Capital redemption reserve	**5**	5
	Buy-back reserve	**79,022**	80,315
	Special capital reserve	**8,320**	10,012
	Capital reserves	**16,444**	9,823
	Revenue reserve	**3,688**	3,729
	Equity shareholders' funds	**107,766**	104,171
19	**Net asset value per Ordinary share**	**94.51p**	89.97p
19	**Net asset value per B share**	**94.51p**	89.97p

Company Number: SC314671

Approved by the Board and authorised for issue on 30 May 2024 and signed on its behalf by:

Andrew Watkins, Director

The accompanying notes on pages 62 to 76 are an integral part of these financial statements.

Cash Flow Statement

For the year to 31 March

Notes		Year to 31 March 2024 £'000	Year to 31 March 2023 £'000
	Cash flows from operating activities		
	Profit/(loss) before taxation	**11,252**	(536)
	Adjustments for:		
11	(Gains)/losses on investments held at fair value through profit or loss	**(7,674)**	4,177
	Exchange (gains)/losses	**(10)**	13
2	Interest income	**(84)**	(70)
	Interest received	**84**	70
2	Dividend income	**(5,519)**	(4,937)
	Dividend income received	**5,727**	4,698
	Decrease/(increase) in receivables	**1**	(64)
	Increase/(decrease) in payables	**45**	(15)
	Finance costs	**896**	222
	Overseas tax suffered	**(69)**	(76)
	Cash flows from operating activities	**4,649**	3,482
	Cash flows from investing activities		
	Purchases of investments	**(62,065)**	(45,856)
	Sales of investments	**61,699**	42,153
	Cash flows from investing activities	**(366)**	(3,703)
	Cash flows before financing activities	**4,283**	(221)
	Cash flows from financing activities		
9	Dividends paid on Ordinary shares	**(4,642)**	(4,690)
9	Capital returns paid on B shares	**(1,692)**	(1,692)
17	Shares purchased for treasury	**(1,293)**	(79)
	Interest on bank loans	**(868)**	(203)
	Drawdown of bank loans	**3,000**	4,500
	Cash flows from financing activities	**(5,495)**	(2,164)
	Net decrease in cash and cash equivalents	**(1,212)**	(2,385)
	Cash and cash equivalents at the beginning of the year	**2,288**	4,686
	Effect of movement in foreign exchange	**10**	(13)
	Cash and cash equivalents at the end of the year	**1,086**	2,288
	Represented by:		
	Cash at bank	**176**	199
	Short term deposits	**910**	2,089
		1,086	2,288

The accompanying notes on pages 62 to 76 are an integral part of these financial statements.

Statement of Changes in Equity

For the year to 31 March

Notes		Share capital £'000	Share premium £'000	Capital redemption reserve £'000	Buy-back reserve £'000	Special capital reserve £'000	Capital reserve – investments sold £'000	Capital reserve – investments held £'000	Revenue reserve £'000	Total £'000
	Balance as at 31 March 2023	**134**	**153**	**5**	**80,315**	**10,012**	**7,965**	**1,858**	**3,729**	**104,171**
	Movement during the year ended 31 March 2024									
	(Loss)/profit for the year	**–**	**–**	**–**	**–**	**–**	**(6,716)**	**13,337**	**4,601**	**11,222**
	Total comprehensive income/ (expense) for the year	**–**	**–**	**–**	**–**	**–**	**(6,716)**	**13,337**	**4,601**	**11,222**
	Transactions with owners of the Company recognised directly in equity									
17	Shares bought back for treasury	**–**	**–**	**–**	**(1,293)**	**–**	**–**	**–**	**–**	**(1,293)**
9	Dividends paid on Ordinary shares	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(4,642)**	**(4,642)**
9	Capital returns paid on B shares	**–**	**–**	**–**	**–**	**(1,692)**	**–**	**–**	**–**	**(1,692)**
	Balance as at 31 March 2024	**134**	**153**	**5**	**79,022**	**8,320**	**1,249**	**15,195**	**3,688**	**107,766**

Notes		Share capital £'000	Share premium £'000	Capital redemption reserve £'000	Buy-back reserve £'000	Special capital reserve £'000	Capital reserve – investments sold £'000	Capital reserve – investments held £'000	Revenue reserve £'000	Total £'000
	Balance as at 31 March 2022	134	153	5	80,394	11,704	8,001	6,597	4,227	111,215
	Movement during the year ended 31 March 2023									
	(Loss)/profit for the year	–	–	–	–	–	(36)	(4,739)	4,192	(583)
	Total comprehensive income/ (expense) for the year	–	–	–	–	–	(36)	(4,739)	4,192	(583)
	Transactions with owners of the Company recognised directly in equity									
17	Shares bought back for treasury	–	–	–	(79)	–	–	–	–	(79)
9	Dividends paid on Ordinary shares	–	–	–	–	–	–	–	(4,690)	(4,690)
9	Capital returns paid on B shares	–	–	–	–	(1,692)	–	–	–	(1,692)
	Balance as at 31 March 2023	134	153	5	80,315	10,012	7,965	1,858	3,729	104,171

The accompanying notes on pages 62 to 76 are an integral part of these financial statements.

Notes to the Financial Statements

1. Accounting policies

A summary of the principal accounting policies is set out below.

Basis of Preparation

The financial statements of the Company have been prepared on a going concern basis and in accordance with the Companies Act 2006 and UK-adopted International Accounting Standards.

The Company's subsidiary undertaking Investors Securities Company Limited has not been consolidated in the financial statements as it is exempt in accordance with section 405(2) of the Companies Act 2006 on grounds of materiality. Investors Securities Company Limited has been classified at fair value through profit or loss in the Statement of Financial Position.

Where presentational guidance set out in the Statement of Recommended Practice ("SORP") for investment trusts issued by the Association of Investment Companies ("AIC") is consistent with the requirements of UK-adopted International Accounting Standards, the Directors have sought to prepare the financial statements on a basis compliant with the recommendations of the SORP.

The notes and financial statements are presented in pounds sterling (functional and presentational currency) because that is the currency of the primary economic environment in which the Company operates. They are rounded to the nearest thousand except where otherwise indicated.

The Board confirms that no significant accounting judgements or estimates have been applied to the financial statements and therefore there is not a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

In assessing the going concern basis of accounting the Directors have had regard to the guidance issued by the Financial Reporting Council. After making enquiries, and bearing in mind the nature of the Company's business and assets, the Directors consider that the Company has adequate resources to continue in operational existence for a period of at least twelve months from the date of approval of the financial statements. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further detail is included in the Report of the Directors on page 31.

The accounting policies adopted are consistent with those of the previous financial year, and there have been no new standards adopted during the year which have a material impact on the Company. No standards or amendments not yet effective are expected to have a material impact on the Company's accounting policies.

Presentation of Statement of Comprehensive Income

In order to reflect better the activities of an investment trust company and in accordance with guidance issued by the AIC, supplementary information which analyses the Statement of Comprehensive Income between items of a revenue and capital nature has been presented alongside the Statement of Comprehensive Income. The net revenue return is the measure the Directors believe appropriate in assessing the Company's compliance with certain requirements set out in Chapter 4, Part 24 of the Corporation Tax Act 2010.

Investments

Investments are recognised and derecognised on the trade date where a purchase or sale is under a contract whose terms require delivery within the timeframe established by the market concerned, and are initially measured at fair value.

Investments are classified as fair value through profit or loss. As the entity's business is investing in financial assets with a view to profiting from their total return in the form of interest, dividends or increases in fair value, listed equities are designated as fair value through profit or loss on initial recognition.

1. Accounting policies (Continued)

Financial assets designated as at fair value through profit or loss are measured at subsequent reporting dates at fair value, which is either the bid price or the last traded price, depending on the convention of the exchange on which the investment is quoted. Unlisted investments, including the subsidiary, are valued at fair value by the Directors on the basis of all information available to them at the time of valuation.

Where securities are designated upon initial recognition as fair value through profit or loss, gains and losses arising from changes in fair value are included in net profit or loss for the period as a capital item. On derecognition any gain or loss arising is transferred from the Capital reserve – Investments Held to Capital reserve – Investments Sold.

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 – quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2 – other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3 – techniques that use inputs that have a significant effect on the recorded fair value that are not based on observable market data. The Company's investment in its subsidiary is included in Level 3 and is valued at its equity value.

Receivables
Receivables do not carry any interest and are short term in nature and are accordingly stated at their nominal value as reduced by appropriate allowances for estimated irrecoverable amounts.

Cash and cash equivalents
Cash in banks and short term deposits that are held to maturity are carried at cost. Cash and cash equivalents consist of cash in hand and short term deposits in banks with an original maturity of three months or less.

Financial liabilities and equity
Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Financial liabilities and equity instruments are initially recorded at the proceeds received, net of issue costs.

Bank loans
Interest-bearing bank loans and overdrafts are recorded at the proceeds received, net of direct issue costs. Finance charges, including premiums payable on settlement or redemption and direct issue costs, are accounted for on an accruals basis in the Statement of Comprehensive Income 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 in which they arise.

Payables
Payables are not interest bearing and are stated at their nominal value.

1. Accounting policies (Continued)

Reserves

(a) Share premium – the surplus of net proceeds received from the issue of new shares over the par value of such shares is credited to this account. The majority of the balance of this account which arose as a result of the issue of new shares at launch was subsequently cancelled by the Court of Session to create the Buy-back reserve and Special capital reserve. These reserves are explained below. To the extent that the consideration received exceeds the value at which the shares were initially bought into treasury, the gain arising on the resale of shares from treasury will be credited to the share premium account. The share premium account is non-distributable.

(b) Capital redemption reserve – the nominal value of any of the shares bought back for cancellation is added to this reserve. This reserve is non-distributable.

(c) Buy-back reserve – created from the Court cancellation of the share premium account which had arisen from premiums paid on the A Shares. Available as distributable profits to be used for the buy-back of shares. The cost of any shares bought back is deducted from this reserve. The cost of any shares resold from treasury is added back to this reserve. (The A shares were subsequently renamed Ordinary shares).

(d) Special capital reserve – created from the Court cancellation of the share premium account which had arisen from premiums paid on the B shares. Available for paying capital returns on the B shares.

(e) Capital reserves

Capital reserve – investments sold – gains and losses on realisation of investments are dealt with in this reserve together with the proportion of management fees, interest and taxation allocated to capital. This reserve also includes dividends of a capital nature.

Capital reserve – investments held – increases and decreases in the valuation of investments held are accounted for in this reserve, together with unrealised exchange differences on forward foreign currency contracts.

The Company's Articles of Association allow distributions to be made from realised capital reserves where the balance on this reserve is positive.

(f) Revenue reserve – the net profit/(loss) arising in the revenue column of the Statement of Comprehensive Income is added to or deducted from this reserve. Available for paying dividends on the Ordinary shares.

Income

Dividends are recognised as income on the date that the related investments are marked ex-dividend.

Dividends receivable on equity shares where no ex-dividend date is quoted are brought into account when the Company's right to receive payment is established.

Special dividends of a non-capital nature are recognised through the revenue column of the Statement of Comprehensive Income. Where the Company has elected to receive its dividends in the form of additional shares rather than cash, an amount equal to the cash dividend is recognised as income.

Interest income from fixed interest securities is accrued on a time apportioned basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount. Other investment income and deposit interest are included on an accruals basis.

Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the Statement of Comprehensive Income because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

1. Accounting policies (Continued)

Deferred taxation

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Investment trusts which have approval under Chapter 4, Part 24 of the Corporation Tax Act 2010 are not liable for taxation on capital gains.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the Statement of Comprehensive Income, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Expenses and interest

All expenses are accounted for on an accruals basis. Expenses are charged through the revenue column of the Statement of Comprehensive Income except where incurred in connection with the maintenance or enhancement of the value of the Company's investment portfolio taking account of the expected long term split of returns as follows:

– Interest payable on bank loans is recognised on an effective yield basis and allocated 30 per cent to revenue and 70 per cent to capital.

– Management fees have been allocated 30 per cent to revenue and 70 per cent to capital.

Foreign currency

Transactions denominated in foreign currencies are expressed in pounds sterling at actual exchange rates as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the year end are reported at the rates of exchange prevailing at the year end. Non-monetary non current assets held at fair value through profit and loss and denominated in foreign currencies are reported at the rates of exchange prevailing when the fair value was assessed. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included as an exchange gain or loss in either the capital or revenue column of the Statement of Comprehensive Income depending on whether the gain or loss is of a capital or revenue nature respectively.

Rates of exchange at 31 March	2024	2023
Euro	**1.1697**	1.1381
Swiss Franc	**1.1378**	1.1296

2. Income

	2024 £'000	2023 £'000
Income from investments		
UK dividend income	**4,653**	3,884
UK dividend income – special dividends	**46**	99
Overseas dividend income	**632**	880
Overseas dividend income - special dividends	**25**	–
Property income distributions	**163**	74
	5,519	4,937
Other income		
Interest on cash and cash equivalents	**84**	70
Total income	**5,603**	5,007
Total income comprises:		
Dividends	**5,519**	4,937
Interest on cash and cash equivalents	**84**	70
Total income	**5,603**	5,007
Income from investments:		
Listed	**5,519**	4,937

3. Operating segments

The Board has considered the requirements of IFRS 8 'Operating Segments'. The Board is of the view that the Company is engaged in a single segment of business, of investing in equity and that therefore the Company has only a single operating segment. The Board of Directors, as a whole, has been identified as constituting the chief operating decision maker of the Company. The key measure of performance used by the Board to assess the Company's performance is the total return on the Company's net asset value as calculated under UK-adopted International Accounting Standards and therefore no reconciliation is required between the measure of profit or loss used by the Board and that contained in the financial statements.

4. Investment management fee

	Revenue £'000	Capital £'000	2024 Total £'000	Revenue £'000	Capital £'000	2023 Total £'000
Investment management fee	**186**	**435**	**621**	183	427	610

The Company's investment manager is Columbia Threadneedle Investment Business Limited. The contract between the Company and Columbia Threadneedle Investment Business Limited may be terminated at any date by either party giving six months' notice of termination. In the event of the Company terminating the contract by giving less than six months' notice, Columbia Threadneedle Investment Business Limited is entitled to compensation calculated as a proportion of the fees payable by the Company in respect of the previous financial year.

The Manager receives an investment management fee of 0.60% per annum of the net asset value of the Company payable quarterly in arrears.

The investment management fee for the quarter ended 31 March 2024 of £161,000 (2023: £154,000) is due to the Company's investment manager at the year end.

5. Other expenses

	2024 £'000	2023 £'000
Auditor's remuneration:		
– for audit services[1]	**44**	40
Broker and professional fees	**89**	76
Custody and depository	**19**	20
Directors' fees for services to the Company (Note 6)	**131**	115
Marketing	**58**	56
Printing and postage	**54**	51
Registrar's fees and expenses	**41**	42
Revolving credit facility committment fee	**7**	44
Subscription and listing fees	**38**	41
Sundry expenses	**37**	36
Total other expenses	**518**	521

All expenses are stated gross of irrevocable VAT, where applicable.

(1) Auditor's remuneration for audit services, exclusive of VAT, amounts to £36,500 (2023: £33,500).

6. Directors' fees

The emoluments of the Chairman, the highest paid Director, were at the rate of £41,250 per annum (2023: £39,000).

Other Directors' emoluments amounted to £27,500 (2023: £26,000) each per annum, with the chairman of the Audit Committee receiving an additional £7,000 (2023: £6,500) per annum. Full details are provided in the Directors' Remuneration Report on pages 46 to 48.

7. Finance costs

	2024 Revenue £'000	2024 Capital £'000	2024 Total £'000	2023 Revenue £'000	2023 Capital £'000	2023 Total £'000
Finance costs attributable to term loan	**–**	**–**	**–**	30	69	99
Finance costs attributable to revolving credit facility	**269**	**627**	**896**	37	86	123
Total finance costs	**269**	**627**	**896**	67	155	222

Finance costs have been allocated 30 per cent to revenue and 70 per cent to capital in accordance with the Company's accounting policies.

8a. Tax on ordinary activities

	2024 Revenue £'000	2024 Capital £'000	2024 Total £'000	2023 Revenue £'000	2023 Capital £'000	2023 Total £'000
Overseas taxation	**30**	**–**	**30**	47	–	47
Total taxation charge (see note 8(b))	**30**	**–**	**30**	47	–	47

8b. Factors affecting tax charge for current year

A reconciliation of the current tax charge for the current year is set out below:

	2024 Revenue £'000	2024 Capital £'000	2024 Total £'000	2023 Revenue £'000	2023 Capital £'000	2023 Total £'000
Profit/(loss) before tax	**4,631**	**6,621**	**11,252**	4,239	(4,775)	(536)
Profit/(loss) multiplied by the effective rate of corporation tax of 25.0% (2023: 19.0%)	**1,158**	**1,655**	**2,813**	805	(907)	(102)
Effects of:						
Non taxable dividend income	**(1,339)**	**–**	**(1,339)**	(924)	–	(924)
Expenses not utilised in the year	**181**	**266**	**447**	119	111	230
Overseas taxation suffered	**30**	**–**	**30**	47	–	47
Non taxable capital losses	**–**	**(1,921)**	**(1,921)**	–	796	796
Total taxation (see note 8(a))	**30**	**–**	**30**	47	–	47

The deferred tax asset of £4,151,000 (2023: £3,701,000) in respect of unutilised expenses at 31 March 2024 has not been recognised as it is uncertain that there will be taxable profits from which the future reversal of the deferred tax asset could be deducted. The deferred tax asset has been calculated at the UK corporation tax rate of 25% (2023: 25%).

9. Dividends and capital repayments

Dividends	Payment date	2024 £'000	2023 £'000
In respect of the previous period:			
Fourth interim dividend at 1.55p (2022: 1.55p) per Ordinary share	05-May-23	**1,319**	1,320
In respect of the period under review:			
First interim dividend at 1.32p (2023: 1.32p) per Ordinary share	04-Aug-23	**1,123**	1,124
Second interim dividend at 1.32p (2023: 1.32p) per Ordinary share	03-Nov-23	**1,100**	1,123
Third interim dividend at 1.32p (2023: 1.32p) per Ordinary share	02-Feb-24	**1,100**	1,123
		4,642	4,690
Amounts relating to the year but not paid at the year end:			
Fourth interim dividend at 1.66p (2023: 1.55p) per Ordinary share	03-May-24	**1,383**	1,319

As shown in the preceding table, the Directors declared a fourth interim dividend in respect of the year ended 31 March 2024 of 1.66p per Ordinary share, which was paid on 3 May 2024 to Ordinary shareholders on the register on 5 April 2024.

Capital repayments	Payment date	2024 £'000	2023 £'000
In respect of the previous period:			
Fourth capital repayment at 1.55p (2022: 1.55p) per B share	05-May-23	**476**	476
In respect of the period under review:			
First capital repayment at 1.32p (2023: 1.32p) per B share	04-Aug-23	**405**	405
Second capital repayment at 1.32p (2023: 1.32p) per B share	03-Nov-23	**406**	406
Third capital repayment at 1.32p (2023: 1.32p) per B share	02-Feb-24	**405**	405
		1,692	1,692
Amounts relating to the year but not paid at the year end:			
Fourth capital repayment at 1.66p (2023: 1.55p) per B share	03-May-24	**510**	476

As shown in the preceding table, the Directors declared a fourth capital repayment in respect of the year ended 31 March 2024 of 1.66p per B share, which was paid on 3 May 2024 to B shareholders on the register on 5 April 2024.

Although these payments relate to the year ended 31 March 2024, under UK-adopted International Accounting Standards they will be accounted for in the period during which they are paid.

9. Dividends and capital repayments (continued)

The dividends paid and payable in respect of the financial year ended 31 March 2024, which form the basis of the retention test under Chapter 4, Part 24 of the Corporation Taxes Act 2010 are as follows:

	2024 £'000
Revenue available for distribution by way of dividends for the year	**4,601**
First interim dividend for the year ended 31 March 2024 of 1.32p per share	**(1,123)**
Second interim dividend for the year ended 31 March 2024 of 1.32p per share	**(1,100)**
Third interim dividend for the year ended 31 March 2024 of 1.32p per share	**(1,100)**
Fourth interim dividend for the year ended 31 March 2024 of 1.66p per share*	**(1,383)**
Transferred from revenue reserve	**(105)**

*based on 83,322,653 Ordinary shares in issue at the record date of 5 April 2024.

10. Earnings per share

	2024 Revenue £'000	2024 Capital £'000	2024 Total £'000	2023 Revenue £'000	2023 Capital £'000	2023 Total £'000
Profit/(loss) and total comprehensive income/(expense)	**4,601**	**6,621**	**11,222**	4,192	(4,775)	(583)
Earnings per share – pence	**4.01p**	**5.77p**	**9.78p**	3.62p	(4.12)p	(0.50)p

The Company's revenue, capital and total earnings per share are based on 84,025,522 Ordinary shares (2023: 85,118,954) and 30,708,750 B shares (2023: 30,708,750), being the weighted average number of shares in issue of each share class during the year.

11. Investments held at fair value through profit or loss

	2024 £'000	2023 £'000
Listed securities	**121,017**	112,768
Subsidiary undertaking	**250**	250
	121,267	113,018

	Listed/ Quoted (Level 1) £'000	Subsidiary/ Unlisted (Level 3)* £'000	Total £'000
Cost brought forward	110,910	250	111,160
Gains brought forward	1,858	–	1,858
Fair value of investments at 31 March 2023	112,768	250	113,018
Purchases at cost	62,274	–	62,274
Sales proceeds	(61,699)	–	(61,699)
Losses on investments sold in year	(5,663)	–	(5,663)
Gains on investments held at year end	13,337	–	13,337
Fair value of investments at 31 March 2024	121,017	250	121,267
Cost at 31 March 2024	105,822	250	106,072
Gains at 31 March 2024	15,195	–	15,195
Fair value of investments at 31 March 2024	121,017	250	121,267

* Level 3 is the investment in the subsidiary undertaking, Investors Securities Company Limited, which is valued at its net asset value and for which observable market data is not applicable.

11. Investments held at fair value through profit or loss (continued)

	2024 £'000	2023 £'000
Equity investments	**121,267**	113,018
(Losses)/gains on investments sold in year	**(5,663)**	562
Gains/(losses) on investments held at year end	**13,337**	(4,739)
Total gains/(losses) in year	**7,674**	(4,177)

The Company incurred transaction costs of £320,000 (2023: £171,500) on the purchase of assets and £29,000 (2023: £18,000) on the sale of assets in the year.

Gains on investments sold in the year represents the difference between the net proceeds of sale and the book cost of the investments sold. Investments sold during the year have been revalued over time since their original purchase, and until they were sold any unrealised gains/losses were included in the fair value of the investments.

Gains on investments held at year end represents the increase in the difference between the book cost of investments held and their market value at 31 March 2024 compared with the difference between the book cost of investments held and their market value at 31 March 2023.

12. Significant interests

As at 31 March 2024, the Company's subsidiary undertaking which deals in investments is:

	Country of incorporation or Registration	Class of Capital	Share Capital and Reserves £'000	Profit for the year £'000	% of Class held	% of Equity held	Valuation at 31.03.24 and 31.03.23 £'000
Investors Securities Company Limited	Scotland	Ordinary	250	–	100	100	250

The registered office of Investors Securities Company Limited is 6th Floor, Quartermile 4, 7a Nightingale Way, Edinburgh EH3 9EG.

At 31 March 2024, no investments were held by the dealing subsidiary and it did not trade during the year. The accounts of this subsidiary have not been consolidated with those of the Company as, in the opinion of the Directors, it is not material.

13. Receivables

	2024 £'000	2023 £'000
Income receivable from shares and securities	**967**	1,175
Withholding tax recoverable	**179**	140
Sundry debtors and prepayments	**57**	79
	1,203	1,394

14. Cash and cash equivalents

All cash balances in the current and prior year were held in cash, current accounts or in banks on short term deposits with an original maturity of three months or less at the year end.

15. Payables

	2024 £'000	2023 £'000
Loan from subsidiary undertaking repayable on demand	**250**	250
Investment management fee payable to the manager	**161**	154
Amounts due to brokers in settlement of purchase of investments	**209**	–
Loan Interest	**10**	3
Accrued expenses	**160**	122
	790	529

16. Bank loans

The Company has an unsecured revolving credit facility ('**RCF**') with The Royal Bank of Scotland International Limited for £15 million which is available until 28 September 2025. At 31 March 2024, £15 million was drawn down (31 March 2023: £12 million).

The loan agreement contains certain financial covenants with which the Company must comply. These include a financial covenant with respect to the ratio of the Adjusted Portfolio Value (as defined in the loan agreement) to the level of debt and also that the Adjusted Portfolio Value does not fall below £50 million. The Company complied with the required financial covenants throughout the period since drawdown.

17. Share capital

Allotted, issued and fully paid

	Number	Listed £	Number	Held in Treasury £	Number	In Issue £
Ordinary shares of 0.1p each						
Balance at 1 April 2023	102,067,144	102,067	(16,994,491)	(16,994)	85,072,653	85,073
Repurchased to be held in treasury	–	–	(1,750,000)	(1,750)	(1,750,000)	(1,750)
Balance at 31 March 2024	102,067,144	102,067	(18,744,491)	(18,744)	83,322,653	83,323
B shares of 0.1 pence each						
Balance at 1 April 2023	32,076,703	32,077	(1,367,953)	(1,368)	30,708,750	30,709
Balance at 31 March 2024	32,076,703	32,077	(1,367,953)	(1,368)	30,708,750	30,709
Total at 31 March 2024	**134,143,847**	**134,144**	**(20,112,444)**	**(20,112)**	**114,031,403**	**114,032**

During the year the Company bought back 1,750,000 Ordinary shares (2023: 100,000 Ordinary shares) to hold in treasury at a cost of £1,293,000 (2023: £79,000). During the year the Company bought back nil B shares (2023: nil B Shares).

At 31 March 2024 the Company held 18,744,491 Ordinary shares (2023: 16,994,491 Ordinary shares) and 1,367,953 B shares (2023: 1,367,953 B shares) in treasury.

Shareholder entitlements

The Company has two classes of shares: Ordinary shares and B shares. The rights of each class of shares are identical, save in respect of the right to participate in dividends and capital repayments. Ordinary shares are entitled to all dividends paid by the Company and no dividends may be paid to B shareholders. B shareholders are entitled to capital repayments from the Company at an amount per share equal to, but not exceeding, any dividend paid per share to Ordinary shareholders. The capital repayments are paid out of the special capital reserve and accordingly will only be able to be paid for so long as the amount of the special capital reserve remains sufficient. If and when this reserve is exhausted, the Articles of Association provide that all the Ordinary shares and all the B shares automatically convert into Ordinary shares with identical rights.

The net asset value attributable to each class of share is the same. Apart from voting rights entitlements at separate class meetings, every Ordinary share and every B share carries equal voting rights. Upon a winding up or reconstruction of the Company, each Ordinary share and each B share shall have an equal right to share in the residual assets of the Company.

18. Share premium account and reserves

In 2007, the Court of Session confirmed the cancellation of the entire amount originally standing to the credit of the share premium account and the creation of two distinct reserves, the first reserve relating to that part of the cancelled share premium account arising from premiums paid on the A shares (the "buy-back reserve") and the second reserve relating to that part of the cancelled share premium account arising from premiums paid on the B shares (the "special capital reserve").

The Company will apply these two reserves as follows:

- the buy-back reserve will be available as distributable profits to be used for the buy-back of both Ordinary shares and B shares; and
- the special capital reserve will be used for the purpose of paying capital repayments on the B shares.

Capital management

The Company's capital is represented by the issued share capital, share premium account, capital redemption reserve, buy-back reserve, special capital reserve, capital reserve – investments sold, capital reserve – investments held and revenue reserve. Details of the movement through each reserve are shown in the Statement of Changes in Equity. The Company is not subject to any externally imposed capital requirements.

The capital of the Company is managed in accordance with its investment policy, in pursuit of its investment objective, both of which are detailed in the Purpose, Strategy and Business Model and Principal Policies and the Report of the Directors. In order to maintain an optimal capital structure through varying market conditions the Company has the ability to:

– issue and buy-back share capital within limits set by the shareholders in general meeting;

– borrow money in the short and long term;

– pay dividends to Ordinary shareholders out of current year revenue earnings as well as out of the brought forward revenue reserve; and

– pay capital repayments to B shareholders out of the special capital reserve.

The Company's Articles of Association allow distributions to be made from realised capital reserves where the balance on this reserve is positive.

The Company has the power under its Articles to borrow an amount up to 100 per cent of the Company's Adjusted Capital and Reserves. The Directors currently intend that the aggregate borrowings of the Company will be limited to approximately 20 per cent of the Company's gross assets immediately following drawdown of any new borrowings. The Directors will, however, retain flexibility to increase or decrease the level of gearing to take account of changing market circumstances and in pursuit of the Company's investment objectives.

19. Net asset value per share

	2024	**2023**
Net assets attributable at the year end	**£107,766,000**	£104,171,000
Equity shares in issue at the year end[1]	**114,031,403**	115,781,403
Net asset value per Ordinary/B share	**94.51p**	89.97p

[1] Consisting of 83,322,653 Ordinary Shares and 30,708,750 B Shares (2023: 85,072,653 Ordinary Shares and 30,708,750 B Shares), being the number of shares in issue at the year end.

The Company's treasury net asset value per share, incorporating the 18,744,491 Ordinary shares and 1,367,953 B shares held in treasury at the year end (2023: 16,994,491 Ordinary shares and 1,367,953 B shares), was 94.51p (2023: 89.97p). The Company's current policy is to only re-sell shares held in treasury at a price not less than the net asset value per share.

20. Changes in liabilities arising from financing activities

	2024 £'000	2023 £'000
Opening liabilities from financing activities	**12,000**	7,500
Cash-flows:		
Drawdown of revolving credit facility	**3,000**	12,000
Repayment of bank loan	**–**	(7,500)
Closing liabilities from financing activities	**15,000**	12,000

21. Financial instruments

The Company's financial instruments comprise equity investments, cash balances, receivables and payables that arise directly from its operations and borrowings. As an investment trust the Company holds a portfolio of financial assets in pursuit of its investment objective. The Company makes use of borrowings to achieve enhanced returns. The downside risk of borrowings can be mitigated by raising the level of cash balances held.

The Company may use derivatives for efficient portfolio management from time to time. No derivative financial instruments were used during the current year or prior year. The Company may also write call options over some investments held in the investment portfolio. There were no call options written during the current year or prior year.

The fair value of the financial assets and liabilities of the Company at 31 March 2024 is not materially different from their carrying value in the financial statements.

The Company is exposed to various types of risk that are associated with financial instruments. The most important types are credit risk, market price risk, liquidity risk, interest rate risk and foreign currency risk.

The Board reviews and agrees policies for managing its risk exposure. These policies are summarised as follows and have remained unchanged for the year under review.

Credit risk

Credit risk is the risk that an issuer or counterparty will be unable or unwilling to meet a commitment that it has entered into with the Company.

The Company's principal financial assets are bank balances and cash and other receivables, whose carrying amounts in the Statement of Financial Position represent the Company's maximum exposure to credit risk in relation to financial assets. The Company did not have any exposure to any financial assets which were past due or impaired at the current or prior year end.

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. A list of pre-approved counterparties used in such transactions is maintained and regularly reviewed by the Manager, and transactions must be settled on a basis of delivery against payment. Broker counterparties are selected based on a combination of criteria, including credit rating, balance sheet strength and membership of a relevant regulatory body. Risk relating to unsettled transactions is considered to be small due to the short settlement period involved and the acceptable quality of the brokers used. The rate of default in the past has been insignificant.

All of the investments of the Company, are held by JPMorgan Chase Bank, the Company's custodian. Bankruptcy or insolvency of the custodian may cause the Company's rights with respect to the securities held by the custodian to be delayed or limited. The Board monitors the Company's risk by reviewing the custodian's internal control reports as described in the Report of the Audit Committee.

The credit risk on liquid funds and derivative financial instruments is limited because the counterparties are banks with high credit ratings, normally rated A or higher, assigned by international credit rating agencies. Bankruptcy or insolvency of such financial institutions may cause the Company's ability to access cash placed on deposit to be delayed, limited or lost.

The Company has no significant concentration of credit risk with exposure spread over a number of counterparties and financial institutions.

21. Financial instruments (Continued)

Market price risk

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. Other external events such as protectionism, inflation or deflation, economic recessions, geopolitical backdrop and terrorism could also affect share prices in particular markets. The Company's strategy for the management of market price risk is driven by the Company's investment policy as outlined within the Purpose, Strategy and Business Model on pages 7 and 8 and Principal Policies on pages 27 and 28. The Board sets policies for managing this risk and meets regularly to review full, timely and relevant information on investment performance and financial results. The management of market price risk is part of the fund management process and is typical of equity investment. The portfolio is managed with an awareness of the effects of adverse price movements through detailed and continuing analysis with an objective of maximising overall returns to shareholders. Investment performance is discussed in more detail in the Manager's Review and further information on the investment portfolio is set out in the sections of this report entitled 'Classification of Investments' and 'Investment Portfolio'.

Any changes in market conditions will directly affect the profit or loss reported through the Statement of Comprehensive Income. A 20 per cent increase in the value of the investment portfolio as at 31 March 2024 would have increased net assets and income for the year by £24,253,000 (2023: an increase of 20 per cent in the Investment Portfolio would have increased net assets and income by £22,604,000). A decrease of 20 per cent (2023: 20 per cent) would have had an equal but opposite effect.

The calculations above are based on investment valuations at the respective statement of financial position dates and are not representative of the year as a whole, nor are they reflective of future market conditions.

Disclosure of the hierarchy of fair value measurements for financial instruments, as required by IFRS 13, is provided in note 11 and in the accounting policies.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in realising assets or otherwise raising funds to meet financial commitments. The risk of the Company not having sufficient liquidity at any time is not considered by the Board to be significant, given the liquid nature of the portfolio of investments and the level of cash and cash equivalents ordinarily held. Cash balances are held with a spread of reputable banks with a credit rating of normally A or higher, usually on overnight deposit. The Manager reviews liquidity at the time of making each investment decision. The Board reviews liquidity exposure at each meeting.

In certain circumstances, the terms of the Company's bank facility entitle the lender to demand early repayment and, in such circumstances, the Company's ability to maintain dividend levels and the net asset value attributable to equity shareholders could be adversely affected. Such early repayment may be required on the occurrence of certain events of default which are customary for facilities of this type. These include events of non payment, breach of other obligations, misrepresentations, insolvency and insolvency proceedings, illegality and a material adverse change in the financial condition of the Company.

The remaining contractual maturities of the financial liabilities at 31 March 2024, based on the earliest date on which payment can be required, were as follows:

	Three months or less £'000	More than three months but less than one year £'000	More than one year but less than two years £'000	More than two years but less than five years £'000	Total £'000
31 March 2024					
Current liabilities					
Payables	540	–	–	–	540
Loan from subsidiary undertaking	250	–	–	–	250
Revolving credit facility	15,000	–	–	–	15,000
31 March 2023					
Current liabilities					
Payables	279	–	–	–	279
Loan from subsidiary undertaking	250	–	–	–	250
Revolving credit facility	12,000	–	–	–	12,000

The figures in the above table are on a contractual maturity basis and therefore include interest payments where applicable.

Interest rate risk
Some of the Company's financial instruments are interest bearing. They can be a mix of both fixed and variable rate instruments with differing maturities. As a consequence, the Company is exposed to interest rate risk due to fluctuations in the prevailing market rate. The Company's exposure to floating interest rates gives cashflow interest rate risk and its exposure to fixed interest rates gives fair value interest rate risk.

Floating rate
When the Company retains cash balances the majority of the cash is held in deposit accounts. The benchmark rate which determines the interest payments received on cash balances is the bank base rate, which was 5.25 per cent at 31 March 2024 (2023: 4.25 per cent).

Considering the effect on cash balances, an increase of 100 basis points in interest rates would have increased net assets and income for the year by £11,000 (year to 31 March 2023: £23,000). A decrease of 100 basis points would have had an equal but opposite effect. The calculations are based on the net cash balances at the respective statement of financial position date and are not representative of the year as a whole, nor are they reflective of future market conditions.

When the Company draws down amounts under its revolving credit facility, interest is payable based on SONIA (which can vary on a daily basis) plus a margin.

Fixed rate
At 31 March 2024 and 31 March 2023 the Company's investment portfolio did not contain any fixed interest or floating rate interest assets. Details of the Company's investment portfolio are given in note 11 and in the section of this report entitled 'Classification of Investments' and 'Investment Portfolio'. At 31 March 2024 the Company had no fixed interest liabilities.

Foreign currency risk
It is not the Company's policy to hedge any overseas currency exposure on equity investments. Foreign currency exposure (which includes Euro, US Dollar and Swiss Franc denominated assets) at 31 March 2024 and 31 March 2023 was as follows:

	Investments £'000	2024 Net Current Assets £'000	Total £'000	Investments £'000	2023 Net Current Assets £'000	Total £'000
Swiss Franc	**1,802**	**59**	**1,861**	5,548	91	5,639
Euro	**5,478**	**110**	**5,588**	13,370	99	13,469
US Dollar	**–**	**6**	**6**	–	–	–
Total	**7,280**	**175**	**7,455**	18,918	190	19,108

Total gains in the year from foreign exchange transactions and balances held in cash were £10,000 (2023 losses: £13,000).

At 31 March 2024, if the value of sterling had weakened against the Euro, US Dollar and Swiss Franc by 10 per cent the impact on the profit or loss and the net asset value would have been an increase of £884,000 (2023: £2,217,000). If the value of sterling had strengthened against the Euro, US Dollar and Swiss Franc by 10 per cent the effect the impact on the profit or loss and the net asset value would have been a decrease of £724,000 (2023: £1,814,000).

22. Related party and transactions with the Manager

The Directors of the Company are considered a related party. Under the FCA Listing Rules, the Manager is also defined as a related party. However, the existence of an independent Board of Directors demonstrated that the Company is free to pursue its own financial and operating policies and therefore under the AIC SORP, the Manager is not considered a related party for accounting purposes.

There are no transactions with the Board other than aggregated remuneration for services as Directors as disclosed in the Directors' Remuneration Report on pages 46 to 48 and as set out in note 6 to the financial statements. There are no outstanding balances with the Board at year end.

The beneficial interests of the Directors in the Ordinary shares and B shares of the Company are disclosed on page 48.

Transactions between the Company and Columbia Threadneedle Investment Business Limited are detailed in note 4 on investment management fees and in note 15 in relation to fees owed to Columbia Threadneedle Investment Business Limited at the statement of financial position date.

23. Post-balance sheet events

Since 31 March 2024, there are no post balance sheet events which would require adjustment of or disclosure in the financial statements.

AIFMD Disclosures

Alternative Investment Fund Managers ('AIFM') Directive

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 31 March 2024 are shown below:

Leverage exposure	Gross method	Commitment method
Maximum limit	260%	260%
Actual	113%	114%

For the purposes of the AIFM Directive, leverage is any method which increases the Company's exposure, including the borrowing of cash and the use of derivatives. It is expressed as a percentage of the Company's exposure to its net asset value and is calculated on both a gross and commitment method.

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.

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.

Detailed regulatory disclosures to investors in accordance with the AIFM Directive are contained on the Company's website under Key Documents.

Notice of Annual General Meeting

Notice is hereby given that the seventeenth Annual General Meeting of CT UK High Income Trust PLC will be held at Columbia Threadneedle Investments, Cannon Place, 78 Cannon Street, London EC4N 6AG, on 26 July 2024 at 11 am for the following purposes: to consider and, if thought fit, pass the following Resolutions, of which Resolutions 1 to 10 will be proposed as Ordinary Resolutions and Resolutions 11 to 13 as Special Resolutions:

Ordinary Resolutions

1. That the Annual Report and Financial Statements for the year to 31 March 2024 be received and adopted.

2. That the Annual Report on Directors' Remuneration for the year ended 31 March 2024 be approved.

3. That Helen M Galbraith, who retires annually, be re-elected as a Director.

4. That Stephen J Mitchell, who retires annually, be re-elected as a Director.

5. That Angus W Pottinger, who retires annually, be re-elected as a Director.

6. That Andrew K Watkins, who retires annually, be re-elected as a Director.

7. That Deloitte LLP be re-appointed as Auditor to the Company.

8. That the Directors be authorised to determine the remuneration of the Auditor.

9. That the Company's dividend/capital repayment policy with regard to quarterly payments as set out in the Annual Report and Financial Statements be approved.

10. 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 be and they 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 to convert any security into shares in the Company ("Rights") provided that such authority shall be limited to the allotment of shares and the grant of Rights in respect of shares with an aggregate nominal value of up to £4,166 in respect of Ordinary shares of 0.1 pence each in the capital of the Company ("Ordinary Shares") and £1,535 in respect of B shares of 0.1 pence each in the capital of the Company ("B Shares"), (being approximately 5.0 per cent of the total nominal value of the issued share capital of the Company (excluding treasury shares), as at 30 May 2024), such authority to expire at the conclusion of the Company's next Annual General Meeting or on 30 September 2025, whichever is the earlier, unless previously revoked, varied or extended by the Company in a general meeting, save that the Company may at any time prior to the expiry of this authority make an offer or enter into an agreement which would or might require shares in the Company to be allotted or Rights to be granted after the expiry of such authority and the Directors shall be entitled to allot shares in the Company or grant Rights in pursuance of such an offer or agreement as if such authority had not expired.

Special Resolutions

11. That, subject to the passing of Resolution number 10 above, 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 be and they are hereby generally and unconditionally empowered, pursuant to Section 570 of the Companies Act 2006 (the "Act"), to allot equity securities (as defined in Section 560 of the Act, provided that for the purposes of this resolution an allotment of equity securities shall be deemed not to include the sale of shares in the Company that immediately before the sale are held by the Company as treasury shares) for cash pursuant to the authority given by Resolution number 10 above as if Section 561(1) of the Act did not apply to any such allotment of equity securities, provided that this power:

    (a) expires at the conclusion of the Company's next Annual General Meeting or on 30 September 2025, whichever is the earlier, save that the Company may, before such expiry, make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of any such offer or agreement as if the power conferred hereby had not expired; and

    (b) shall be limited to the allotment of equity securities up to an aggregate nominal value of £4,166 in respect of Ordinary Shares and £1,535 in respect of B Shares (being approximately 4.2 per cent of the total nominal value of the issued share capital of the Company (including treasury shares), as at 30 May 2024) at a price of not less than the net asset value per share of the existing Ordinary Shares (in the case of an allotment of Ordinary Shares) or B Shares (in the case of an allotment of B Shares).

12. 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 0.1 pence each in the capital of the Company ("Ordinary shares") and fully paid B shares of 0.1 pence each in the capital of the Company ("B shares") (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 and B Shares hereby authorised to be purchased is 14.99 per cent of the issued Ordinary Shares and 14.99 per cent of the issued B Shares (excluding Ordinary Shares and B Shares held in treasury) immediately prior to the passing of this resolution (see note 15);

    (b) the minimum price (excluding expenses) which may be paid for an Ordinary Share or B Share is 0.1 pence;

    (c) the maximum price (excluding expenses) which may be paid for an Ordinary Share or B Share shall not be more than the higher of:

        i. 5 per cent. above the average of the middle market values (as derived from the Daily Official List of the London Stock Exchange) of an Ordinary Share or B Share over the five business days immediately preceding the date of purchase; and

        ii. the higher of the last independent trade of an Ordinary Share or B Share and the highest current independent bid for such an Ordinary Share or B Share on the London Stock Exchange at the time the purchase is carried out; and

    (d) unless previously varied, revoked or renewed by the Company in a general meeting, the authority hereby conferred shall expire at the conclusion of the Company's next Annual General Meeting or on 30 September 2025 whichever is the earlier, save that the Company may, prior to such expiry, enter into a contract to purchase Ordinary Shares and/or B Shares under such authority which will or might be completed or executed wholly or partly after the expiration of such authority and may make a purchase of Ordinary Shares and/or B Shares pursuant to any such contract.

13. That, the Directors of the Company be and they are hereby empowered pursuant to section 573 of the Companies Act 2006 (as amended) (the "Act") to sell equity securities (within the meanings of sections 560(1) and 560(2) of the Act) wholly for cash as if section 561 of the Act did not apply to any such sale, provided that this power shall be limited to the sale of equity securities for cash out of treasury up to an aggregate nominal amount of £8,332 in respect of Ordinary Shares and £3,070 in respect of B Shares, representing approximately 8.2 per cent of the Company's Ordinary share capital in issue (including treasury shares) as at the date of the passing of this resolution and approximately 9.6 per cent of the Company's B share capital in issue (including treasury shares) as at the date of the passing of this resolution and shall expire on the earlier of 30 September 2025 or at the conclusion of the Company's next Annual General Meeting, unless renewed at a general meeting prior to such time, save that the Company may before such expiry make offers, agreements or arrangements which would or might require equity securities to be allotted after such expiry and so that the Directors of the Company may allot equity securities in pursuance of such offers, agreements or arrangements as if the power conferred hereby had not expired.

By order of the Board
For Columbia Threadneedle Investment Business Limited
Company Secretary
Quartermile 4,
7a Nightingale Way
Edinburgh EH3 9EG
30 May 2024

Notes

1. A member entitled to attend and vote at this meeting may appoint one or more persons as his/her proxy to attend, speak and vote on his/her behalf at the meeting. A proxy need not be a member of the Company. If multiple proxies are appointed they must not be appointed in respect of the same shares. To be effective, the duly executed enclosed form of proxy, together with any power of attorney or other authority under which it is signed or a certified copy thereof, should be lodged at the address shown on the proxy form not later than 48 hours before the time of the meeting or, in the case of an adjourned meeting, no later than 48 hours before the holding of that adjourned meeting (or in the case of a poll taken subsequent to the date of the meeting or adjourned meeting, no later than 24 hours before the time appointed for the taking of the poll). In the calculation of these time periods, no account is taken of any part of a day that is not a working day. The appointment of a proxy will not prevent a member from attending the meeting and voting in person if he/she so wishes. A member present in person or by proxy shall have one vote on a show of hands and on a poll every member present in person or by proxy shall have one vote for every share of which he/she is the holder. Any power of attorney or any other authority under which this proxy is signed (or a duly certified copy of such power or authority) must be included with the proxy form. On a poll each Ordinary shareholder is entitled to one vote per Ordinary share held and each B shareholder is entitled to one vote per B share held.

2. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for this meeting by following the procedures described in the CREST Manual and by logging on to www.euroclear.com. 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.

3. In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & International Limited's ("Euroclear") specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, in order to be valid, must be transmitted so as to be received by the Company's agent (ID RA19) by the latest time for receipt of proxy appointments specified in Note 1 above. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the Company'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.

4. 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.

5. 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 11 am on 24 July 2024 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.

6. Shareholders can vote online by going to Equiniti's Shareview website, www.shareview.co.uk, and logging in to your Shareview Portfolio. Once you have logged in, simply click 'View' on the 'My Investments' page and then click on the link to vote and follow the on-screen instructions. Votes should be submitted not later than 48 hours excluding non-working days before the time of the meeting or adjourned meeting. If you have not yet registered for a Shareview Portfolio, go to www.shareview.co.uk and enter the requested information. It is important that you register for a Shareview Portfolio with enough time to complete the registration and authentication processes.

7. A person to whom this notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a "Nominated Person") may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the Annual General Meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights.

   The statements of the rights of members in relation to the appointment of proxies in Notes 1 and 2 above do not apply to a Nominated Person. The rights described in those Notes can only be exercised by registered members of the Company.

8. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that only those holders of shares entered on the Register of Members of the Company as at 6.30 p.m. on 24 July 2024 or, in the event that the meeting is adjourned, on the Register of Members as at 6.30 pm on the day two days (excluding non-working days) prior to any adjourned meeting, shall be entitled to attend or vote at the meeting in respect of the number of Shares registered in their names at that time. Changes to the entries on the Register of Members after 6.30 p.m. on 24 July 2024 or, in the event that the meeting is adjourned, in the Register of Members as at 6.30 pm on the day two days prior to any adjourned meeting (excluding non-working days), shall be disregarded in determining the rights of any person to attend or vote at the meeting, notwithstanding any provisions in any enactment, the Articles of Association of the Company or other instrument to the contrary.

9. As at 30 May 2024 (being the last business day prior to the publication of this notice) the Company's issued share capital consists of 83,322,653 Ordinary Shares carrying one vote each and 30,708,750 B Shares carrying one vote each. The Company holds 18,744,491 Ordinary Shares and 1,367,953 B shares in treasury which do not carry voting rights. Therefore the total voting rights in the Company as at 30 May 2024 were 114,031,403 votes. Any person holding 3 per cent of the total voting rights in the Company who appoints a person other than the Chairman as his/her proxy will need to ensure that both he/she and such third party complies with their respective disclosure obligations under the Disclosure Guidance and Transparency Rules.

10. No Director has a contract of service with the Company. The Directors' letters of appointment will be available for inspection at the Company's registered office during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) and for 15 minutes prior to, and during, the Annual General Meeting.

11. Information regarding the Annual General Meeting, including information required by section 311A of the Companies Act 2006, is available from ctukhighincome.co.uk.

12. Under section 319A of the Companies Act 2006, the Company must answer any question relating to the business being dealt with at the meeting put by a member attending the meeting unless:

    (a) answering the question would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information;

    (b) the answer has already been given on a website in the form of an answer to a question; or

    (c) it is undesirable in the interests of the Company or the good order of the meeting that the question be answered.

13. The members of the Company may require the Company to publish, on its website (without payment), a statement (which is also passed to the Company's auditor) setting out any matter relating to the audit of the Company's accounts including the auditor's report and the conduct of the audit. The Company will be required to do so once it has received such requests from either members representing at least 5 per cent of the total voting rights of the Company or at least 100 members who have a relevant right to vote and hold shares in the Company on which there has been paid up an average sum per member of at least £100. Such requests must be made in writing and must state your full name and address and be sent to Quartermile 4, 7a Nightingale Way, Edinburgh, EH3 9EG.

14. You may not use any electronic address provided either in this Notice of Annual General Meeting or any related documents (including the Form of Proxy) to communicate with the Company for any purpose other than those expressly stated.

15. Following Resolution 12 becoming effective, the maximum aggregate number of shares hereby authorised to be purchased shall be 12,490,000 Ordinary shares and 4,603,200 B shares (or, if less, 14.99 per cent. of the number of Ordinary shares and 14.99 per cent. of the number of B shares in issue (excluding treasury shares) immediately prior to the passing of the resolution).

16. Under Section 338 of the Companies Act 2006, a member or members meeting the qualification criteria set out at Note 18 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.

17. Under Section 338A of the Companies Act 2006, a member or members meeting the qualification criteria set out at Note 18 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.

18. 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 16); or (ii) a matter of business to be dealt with at the Meeting (see Note 17), 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 have a right to vote at the Meeting and holding, on average, at least £100 of paid up share capital.

Capital Structure At 31 March 2024

The Company has a capital structure comprising Ordinary shares and B shares. In addition, the Company has a bank borrowing facility.

The Company's capital structure offers shareholders the opportunity to receive quarterly returns in the form of either dividends, capital repayments, or both, to suit their own particular circumstances.

The Company has two classes of shares: Ordinary shares and B shares. The rights of each class of shares are identical, save in respect of the right to participate in dividends and capital repayments. Irrespective of these rights, the net asset value attributable to each class of shares is the same.

Only Ordinary shares carry a right to participate in dividends paid by the Company. B shares are not entitled to dividends but each B share instead carries the right to receive a capital repayment at the same time as, and in an amount equal to, each dividend paid in respect of Ordinary shares. The capital repayments are paid out of the special capital reserve and accordingly will only be able to be paid for so long as the amount of the special capital reserve remains sufficient. If and when this reserve is exhausted, the Articles of Association provide that all the Ordinary shares and all the B Shares automatically convert into Ordinary shares with identical rights.

The tax treatment on distributions received from Ordinary shares will be different from that on distributions received from B shares. Dividends paid on the Ordinary shares will be taxed on receipt in the normal way for dividends. Capital repayments received on B shares will fall to be taxed in accordance with the rules relating to the taxation of chargeable gains (see further information below) for non corporate holders (including individuals).

It is the Company's current policy to maintain the ratio of Ordinary shares to B shares (excluding shares held in Treasury) within the range 72.5% : 27.5% and 77.5% : 22.5%. The Board may if it considers it to be in the best interests of the Company, amend the ratio from time to time. However, the Board will always be mindful in setting the ratio of any impact on the level of revenue available for the Ordinary shares.

Bank Facility

The Company has a £15 million revolving credit facility available until 28 September 2025. The returns of both the Ordinary shares and B shares may be geared by this bank facility.

Further information on the B Shares

What is different about the B shares

The B shares are just like any other ordinary share except that, instead of dividends, B shareholders receive capital repayments, so B shareholders will receive the same amount of cash on a quarterly basis as Ordinary shareholders, but when it comes to the tax on these capital repayments the tax treatment will be different.

This is because the capital repayment is taxed under UK Capital Gains Tax ('CGT') rules rather than Income Tax rules for non corporate holders (including individuals). When the B shares are disposed of the capital repayments received need to be taken into account as part of the CGT disposal calculation.

A summary of the tax treatment.

The capital repayments paid on the B shares will be taxed for individuals under CGT rules rather than Income Tax rules.

UK tax is not, in normal circumstances, due on receipt of the quarterly capital repayments and you do not need to include them on your tax return. Instead, when you dispose of B shares, an amount equivalent to the capital repayments you have received is deducted from the tax base cost as part of the CGT calculation. This treatment applies because the quarterly sums are treated as 'small capital receipts' under CGT rules; being either less than 5 per cent of the market value of the B shareholding at the date of receipt or less than £3,000.

An individual B shareholder's annual exempt amount for CGT purposes is not reduced or prejudiced by this treatment of capital repayments. Non UK resident shareholders will not be subject to UK tax on capital repayments, although local tax could arise.

This 'small capital receipt' treatment will only apply where, and to the extent that, the holding of B shares from which the capital return is derived has a positive tax base cost against which to offset the capital receipt. Where this is not the case, the receipt of a capital distribution may fall to be treated as a chargeable gain.

The above is based on an understanding of legislation and HM Revenue and Customs' practice at the time of publication. Tax rates and reliefs depend on the circumstances of the individual investor, are subject to Government legislation and may change in the future. You should consult your tax adviser on your own individual tax circumstances.

Shareholder Information

Dividends and Capital Repayments

Dividends on Ordinary shares and capital repayments on B shares are paid quarterly in August, November, February and May each year. Shareholders who wish to have distributions paid directly into a bank account rather than by cheque to their registered address can complete a mandate form for the purpose. Mandates may be obtained from Equiniti Limited (see back cover page for contact details) on request. Where distributions are paid directly into shareholders' bank accounts, dividend and capital repayment tax vouchers are sent directly to shareholders' registered addresses.

Share Prices and Daily Net Asset Value

The Company's securities are listed on the London Stock Exchange. Prices are given daily in the Financial Times. The net asset value of the Company's shares are released to the market daily, on the working day following the calculation date. They are available, with other regulatory information through the National Storage Mechanism at data.fca.org.uk.

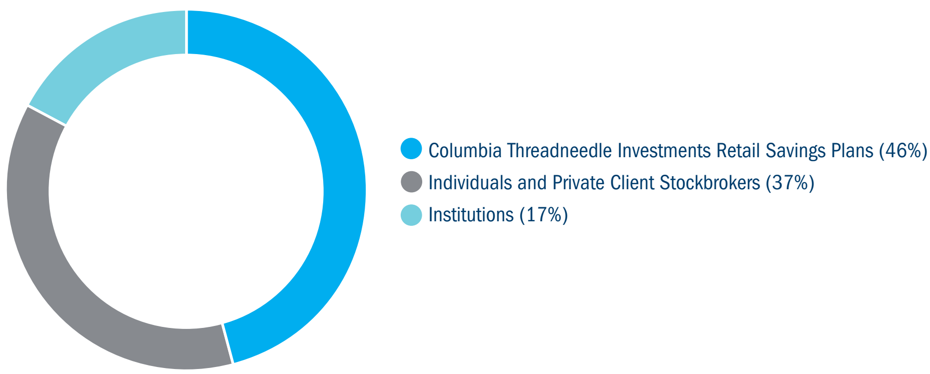
Change of Address

Communications with shareholders are mailed to the address held on the share register. In the event of a change of address or other amendment this should be notified to Equiniti Limited, under the signature of the registered holder.

Data protection

The Company is committed to protecting and respecting the confidentiality, integrity and security of the personal data it holds. For information on the processing of personal data, please see the privacy policy on the Company's website at ctukhighincome.co.uk.

Profile of the Company's Ownership
% of Shares held at 31 March 2024



Warning to shareholders – Boiler Room Scams

Fraudsters use persuasive and high-pressure tactics to lure investors into scams. They may offer to sell shares that turn out to be worthless or non-existent, or to buy shares at an inflated price in return for an upfront payment.

If you receive unsolicited investment advice or requests:

- Check the Financial Services Register from www.fca.org.uk to see if the person or firm contacting you is authorised by the Financial Conduct Authority ("**FCA**")
- Call the 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 www.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 www.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.

Financial promotion

How to Invest

One of the most convenient ways to invest in CT UK High Income 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.

*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.

Charges
Annual management charges and other charges apply according to the type of Savings Plan, these can be found on the relevant product Pre- sales 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: **0800 136 420**** (9.00am – 5.00pm, weekdays)
Email: **invest@columbiathreadneedle.com**

Existing 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**

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.

COLUMBIA THREADNEEDLE INVESTMENTS

Ten Year Record

Assets
at 31 March

£'000s	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total assets less current liabilities (ex bank loans)	144,552	144,886	134,528	149,649	129,825	127,605	97,021	126,007	118,715	116,171	**122,766**
Bank loans at fair value*	17,692	18,103	18,156	18,078	7,500	7,500	7,500	11,000	7,500	12,000	**15,000**
Net assets, debt at fair value	126,860	126,783	116,372	131,571	122,325	120,105	89,521	115,007	111,215	104,171	**107,766**

* includes interest rate swap, where applicable

Net Asset Value (NAV)*
at 31 March

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
NAV per A/Ordinary share and per B share	102.8p	103.6p	96.3p	111.1p	103.7p	102.4p	76.7p	99.3p	96.0p	90.0p	**94.5p**
NAV High	105.8p	107.5p	107.3p	112.3p	116.3p	115.3p	111.8p	103.9p	107.8p	97.3p	**94.6p**
NAV Low	93.0p	95.0p	87.3p	92.6p	101.1p	91.1p	66.3p	71.2p	84.4p	79.5p	**80.0p**
NAV total return on 100p – 5 years											**122.6p**
NAV total return on 100p – 10 years											**153.0p**

* includes debt at fair value

Share Price – A/Ordinary Shares
at 31 March

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Middle market price per share	95.0p	100.8p	89.8p	104.0p	96.5p	95.0p	69.5p	91.5p	87.0p	82.0p	**84.5p**
Discount to NAV %	(7.6)%	(2.7)%	(6.7)%	(6.4)%	(7.0)%	(7.2)%	(9.3)%	(7.8)%	(9.3)%	(8.9)%	**(10.6)%**
Share price High	97.5p	101.0p	100.0p	104.5p	108.0p	106.0p	102.0p	92.0p	100.0p	90.0p	**89.0p**
Share price Low	90.0p	87.5p	84.0p	87.5p	96.0p	86.3p	59.5p	64.0p	79.5p	73.5p	**71.0p**
Share price total return on 100p – 5 years											**121.3p**
Share price total return on 100p – 10 years											**156.7p**

Share Price – B Shares
at 31 March

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Middle market price per share	102.3p	100.8p	91.5p	104.3p	95.8p	95.0p	67.5p	91.5p	88.0p	84.5p	**83.5p**
Discount to NAV %	(0.5)%	(2.7)%	(5.0)%	(6.1)%	(7.7)%	(7.2)%	(11.9)%	(7.8)%	(8.3)%	(6.1)%	**(11.6)%**
Share price High	103.5p	102.3p	102.0p	104.3p	107.0p	107.0p	102.5p	92.0p	106.5p	92.0p	**92.0p**
Share price Low	90.5p	88.5p	84.5p	86.5p	95.8p	86.0p	58.0p	64.0p	82.0p	79.0p	**77.0p**
Share price total return on 100p – 5 years											**119.2p**
Share price total return on 100p – 10 years											**141.0p**

Revenue

For the year ended 31 March

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Available for A/Ordinary shares – £'000s	4,598	4,848	4,571	4,585	4,764	4,451	4,053	3,020	4,178	4,192	**4,601**
Revenue earnings per share	3.73p	3.95p	3.74p	3.82p	4.03p	3.77p	3.46p	2.59p	3.61p	3.62p	**4.01p**
Dividends per A/Ordinary share	4.37p	4.48p	4.60p	4.72p	4.88p	5.04p	5.21p	5.30p	5.45p	5.51p	**5.62p**
Capital repayments per B share	4.37p	4.48p	4.60p	4.72p	4.88p	5.04p	5.21p	5.30p	5.45p	5.51p	**5.62p**

Performance

(rebased at 100 at 31 March 2014)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
NAV per A/Ordinary share and B share	100.0	100.8	93.7	108.1	100.9	99.6	74.6	96.6	93.4	87.5	**91.9**
Middle market price per A/Ordinary share	100.0	106.1	94.5	109.5	101.6	100.0	73.2	96.3	91.6	86.3	**88.9**
Middle market price per B share	100.0	98.5	89.4	102.0	93.6	92.9	66.0	89.4	86.0	82.6	**81.6**
Dividends per A/Ordinary share	100.0	102.5	105.3	108.0	111.7	115.3	119.2	121.3	124.7	126.1	**128.6**
Capital repayments per B share	100.0	102.5	105.3	108.0	111.7	115.3	119.2	121.3	124.7	126.1	**128.6**

Ongoing Charges

For the year ended 31 March

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Expressed as a percentage of average net assets											
– excluding performance fees	1.06%	1.05%	1.06%	1.11%	0.91%	0.98%	0.96%	1.04%	0.98%	1.02%	**1.08%**
– including performance fees	1.51%	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	**n/a**

Gearing

at 31 March

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Net gearing	10.0%	7.9%	9.7%	3.5%	4.4%	4.3%	3.4%	7.2%	0.1%	8.5%	**12.5%**

Alternative Performance Measures ('APMs')

The Company uses the following APMs:

Discount/premium – the share price of an Investment Trust 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 underlying assets less liabilities of the Company. If the share price is lower than the NAV per share, the shares are trading at a discount. This usually indicates that there are more sellers of shares than buyers. Shares trading at a price above NAV per share are deemed to be at a premium.

		At 31 March 2024		At 31 March 2023	
		Ordinary shares	B shares	Ordinary shares	B shares
Net asset value per share	(a)	**94.51p**	**94.51p**	89.97p	89.97p
Share price	(b)	**84.50p**	**83.50p**	82.00p	84.50p
Discount (c=(b-a)/(a))	(c)	**-10.6%**	**-11.6%**	-8.9%	-6.1%

Ongoing charges –all operating costs expected to be incurred in future and that are payable by the Company, expressed as a proportion of the average net assets of the Company over the reporting year. 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 calculation

	Page	31 March 2024 £'000	31 March 2023 £'000
Total expenditure	58	**1,139**	1,131
Less revolving credit facility commitment fee	67	**(7)**	(44)
Less non-recurring expenses		**(39)**	(21)
Total	(a)	**1,093**	1,066
Average daily net assets	(b)	**100,939**	104,494
Ongoing charges (c = a/b)	(c)	**1.08%**	1.02%

Gearing – represents the excess amount above shareholders' funds of total investments, expressed as a percentage of the shareholders funds. If the amount calculated is negative, this is a 'net cash' position and no gearing.

		Page	31 March 2024 £'000	31 March 2023 £'000
Investments held at fair value through profit or loss	(a)	59	**121,267**	113,018
Net assets	(b)	59	**107,766**	104,171
Gearing (c = (a/b) – 1)%	(c)		**12.5%**	8.5%

Total return – the theoretical return to shareholders calculated on a per share basis by adding dividends/capital repayments paid in the period to the increase or decrease in the Share Price or NAV in the period. The dividends/capital repayments 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.

The effect of reinvesting these dividends/capital repayments on the respective ex dividend dates and the share price total returns and NAV total returns are shown below.

	31 March 2024	31 March 2023
	Ordinary shares/ B shares	Ordinary shares/ B shares
NAV per share at start of financial year	**89.97p**	95.97p
NAV per share at end of financial year	**94.51p**	89.97p
Change in the year	**+5.0%**	-6.3%
Impact of dividend/capital repayment reinvestments†	**+6.8%**	+5.9%
NAV total return for the year	**+11.8%**	-0.4%

† During the year to 31 March 2024 dividends/capital repayments totalling 5.51p (Ordinary shares/B shares) went ex-dividend. During the year to 31 March 2023 the equivalent figures were 5.51p (Ordinary shares/B shares).

	31 March 2024		31 March 2023	
	Ordinary shares	B shares	Ordinary shares	B shares
Share price per share at start of financial year	**82.0p**	**84.5p**	87.0p	88.0p
Share price per share at end of financial year	**84.5p**	**83.5p**	82.0p	84.5p
Change in the year	**+3.0%**	**-1.2%**	-5.7%	-4.0%
Impact of dividend/capital repayment reinvestment†	**+7.2%**	**+6.7%**	+6.3%	+6.3%
Share price total return for the year	**+10.2%**	**+5.5%**	+0.6%	+2.3%

† During the year to 31 March 2024 dividends/capital repayments totalling 5.51p (Ordinary shares/B shares) went ex-dividend. During the year to 31 March 2023 the equivalent figures were 5.51p (Ordinary shares/B shares).

Yield – The total annual dividend/capital repayment expressed as a percentage of the year end share price.

		31 March 2024		31 March 2023	
		Ordinary shares	B shares	Ordinary shares	B shares
Annual dividend/capital repayment	(a)	**5.62p**	**5.62p**	5.51p	5.51p
Share price	(b)	**84.50p**	**83.50p**	82.00p	84.50p
Yield = (c=a/b)	(c)	**6.7%**	**6.7%**	6.7%	6.5%

Glossary of Terms

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

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

AIFMD – the UK version of the Alternative Investment Fund Managers Directive (including all implementing and delegated legislation and as it forms part of UK law following Brexit). Issued by the European Parliament in 2012 and 2013, the Directive required that all investment vehicles in the European Union, including investment trusts, appoint a Depositary and an Alternative Investment Fund Manager before 22 July 2014. The Board of Directors of an investment trust, nevertheless, remain fully responsible for all aspects of the company's strategy, operations and compliance with regulations.

Ordinary Shares – a security issued by the Company. The net asset value attributable to each Ordinary share is equal to the Net Asset Value of the Company divided by the total number of Ordinary shares and B shares in issue. Therefore the net asset value attributable to each of the Ordinary shares and B shares is the same. The Ordinary shares are entitled to dividends paid by the Company.

Benchmark – from 5 July 2018 the FTSE All-Share Index is the benchmark against which the increase or decrease in the Company's net asset value is measured. Prior to 5 July 2018 the benchmark index was the FTSE All-Share Capped 5% Index. As the investments within these indices are not identical to those of the Company, the indices do not take account of operating costs and the Company's strategy does not include replicating (tracking) these indices, there is likely to be some level of divergence between the performance of the Company and the Index.

B Shares – a security issued by the Company. The net asset value attributable to each B share is equal to the Net Asset Value of the Company divided by the total number of Ordinary shares and B shares in issue. Therefore the net asset value attributable to each of the Ordinary shares and B shares is the same. The B shares are entitled to capital repayments paid by the Company. These capital repayments will be paid at the same time as, and in an amount equal to, each dividend paid on the Ordinary shares.

Closed-end company – a company, including an investment trust, with a fixed issued ordinary share capital which is traded on an exchange at a price not necessarily related to the net asset value of the company and in which shares can only be issued or bought back by the company in certain circumstances. This contrasts with an open ended company or fund, which has units not traded on an exchange but issued or bought back from investors at a price directly related to net asset value.

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 – 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. The Company's Custodian is JPMorgan Chase Bank.

Depositary – under AIFMD rules which have applied from July 2014, 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. Under AIFMD regulations, the depositary has strict liability for the loss of the Company's 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. The Company's Depositary is JPMorgan Europe Limited.

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.

Dividend Dates – reference is made in announcements of dividends to three dates. The "ex dividend" date is the date up to which the shareholder needs to hold the shares in order to be entitled to receive the next dividend. As it takes time for a stock purchase to be recorded on the register, dividends are actually paid to the holders of shares on the share register on the "record" date. If a share transfer prior to the ex-dividend date is not recorded on the register before the record date, the selling party will need to pass on the benefit or dividend to the buying party. The "ex-dividend" date is currently the business day prior to the record date. The "payment" date is the date that dividends are credited to shareholders' bank accounts. This may be several weeks or even months after the record date.

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 shareholders in their entitlement to capital and/or income. They include: 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.

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 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 (set out in note 9 to the financial statements). The Report of the Directors contains confirmation of the Company's compliance with this law and its consequent exemption from taxation on capital gains.

Manager – Columbia Threadneedle Investment Business Limited (formerly called BMO Investment Business Limited), which is ultimately owned by Columbia Threadneedle Investments, the global investment management business of Ameriprise Financial, Inc., a company incorporated in the United States. The responsibilities and remuneration of the Manager are set out in the Purpose, Strategy and Business Model, Report of the Directors and note 4 to the financial statements.

Market capitalisation – the stock market quoted price of the Company's shares, multiplied by the number of shares in issue. If the Company's shares trade at a discount to NAV, the market capitalisation will be lower than the Net asset value.

Net asset value (NAV) – the assets less the liabilities of the Company, as set out on the Statement of Financial Position, all valued in accordance with the Company's Accounting Policies (see note 1 to the financial statements) and UK-adopted International Accounting Standards. The net assets correspond to equity shareholders' funds, which comprise the share capital account, share premium, capital redemption reserve, buy-back reserve, special capital reserve and capital and revenue reserves.

Net asset value (NAV), Debt at par – the Company's bank loans are valued in the financial statements at par (the actual amount borrowed) and this NAV including this number is referred to as "NAV, Debt at par".

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 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.

Ongoing Charges – all operating costs expected to be incurred in future and that are payable by the Company, expressed as a proportion of the average net assets of the Company over the reporting year. 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.

SORP – Statement of Recommended Practice "Financial Statements of Investment Trust Companies and Venture Capital Trusts" issued by the AIC.

Corporate Information

Directors
A K Watkins (Chairman)
H M Galbraith (nee Driver)
S J Mitchell
A W Pottinger

Alternative Investment Fund Manager ('AIFM'), Investment Manager and Company Secretary
Columbia Threadneedle Investment Business Limited
6th Floor, Quartermile 4
7a Nightingale Way
Edinburgh EH3 9EG

Broker
Panmure Gordon (UK) Limited
40 Gracechurch Street
London EC3V 0BT

Auditor
Deloitte LLP, Statutory Auditor
110 Queen Street
Glasgow G1 3BX

Registrars
Equiniti
Aspect House
Spencer Road
Lancing
West Sussex BN99 6DA

Depositary
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25 Bank Street
Canary Wharf
London E14 5JP

Principal Bankers and Custodian
JPMorgan Chase Bank
25 Bank Street
Canary Wharf
London E14 5JP

Bankers
The Royal Bank of Scotland International Limited
440 Strand
London WC2R 0QS

Solicitors
Dickson Minto LLP
16 Charlotte Square
Edinburgh EH2 4DF

Company Number
SC314671

Website
ctukhighincome.co.uk

CT UK High Income Trust PLC

Annual Report and Financial Statements

31 March 2024

Contact us

Registered office:

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Tel: 0131 573 8300

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Registrars:

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Registrars' Shareholder Helpline: +44(0) 371 384 2470*

shareview.co.uk

* Lines open 8.30 am to 5.30 pm, Monday to Friday, excluding public holidays in England and Wales.

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