Ruffer Investment Company Limited

Annual report
for the year ended
30 June 2024

Contents

Key performance indicators

	30 June 24 %	30 June 23 %
Share price total return over 12 months[1]	(0.6)	(7.2)
NAV total return per share over 12 months[1]	1.0	(1.7)
(Discount)/premium[2] of share price to IFRS NAV	(5.0)	(3.1)
Dividends per share over 12 months[3]	3.65p	2.60p
Annualised dividend yield[4]	1.4	0.9
Annualised total return per share since launch[1]	6.9	7.2
Ongoing charges ratio[5]	1.06	1.07

Financial highlights

	30 June 24	30 June 23
Share price	270.50p	276.00p
NAV at year end as calculated on an IFRS basis[6]	£1,019,738,821	£1,092,040,335
NAV at year end as reported to the LSE	£1,019,427,621	£1,096,014,803
Market capitalisation[2]	£968,221,652	£1,058,509,029
Number of shares in issue	357,937,764	383,517,764
NAV per share[2] at year end as calculated on an IFRS basis[6]	284.89p	284.74p
NAV per share[2] at year end as reported to the LSE	284.81p	285.78p

1 Assumes reinvestment of dividends. See appendix for Alternative Performance Measures (APMs)

2 See Appendix for Alternative Performance Measures (APMs)

3 Dividends declared during the year

4 Annual dividend yield is calculated using share price at the year end and dividends declared during the year

5 See note 9

6 This is the NAV/NAV per share as per the Financial Statements. Refer to note 14 on page 123 for a reconciliation between this figure and the NAV/NAV per share as reported to the LSE. See appendix for Alternative Performance Measures (APMs)

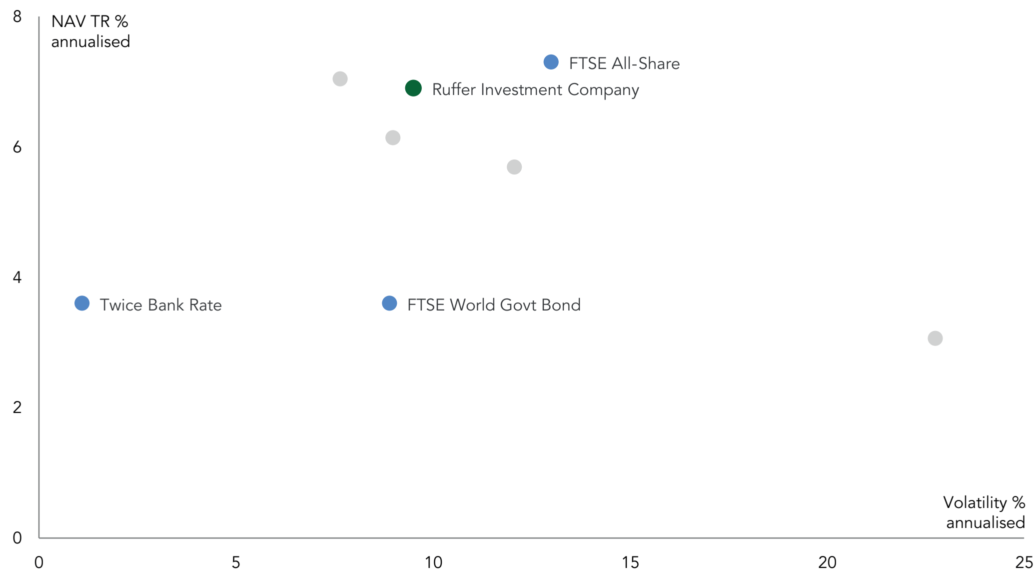
Chairman's statement

The net asset value (NAV) total return of Ruffer Investment Company Ltd (RICL or 'the Company') over the financial year to 30 June 2024 (FY 2024) was +1.0% and the share price total return was -0.6%. The difference in return reflects the movement in the discount of share price to NAV from -3.1% at 30 June 2023 to -5.0% on 30 June 2024. A mid-single digit discount is the level at which the Board has, for the first time in the Company's history, bought in to treasury shares offered in the market (rather than making a tender offer to all shareholders). During FY 2024, buybacks have added 1.1p per share of NAV value for remaining shareholders and enhanced liquidity for those who wished to sell.

Throughout FY 2024, the RICL portfolio continued to be defensive. The Investment Manager's report shows clearly on page 30 the 12-month contribution to NAV total return of the different portfolio exposures including the cost of protection. The positive performance from exposure to equities, gold, commodities, cash and short-dated bonds was largely offset by the costs of protection strategies and yen exposure, both of which are now extremely cheap, with a small negative contribution from long-dated inflation-linked bonds.

2024 has marked the 20th anniversary of the Company. Over the period from inception to 30 June 2024, the annualised total NAV return of RICL shares was 6.9%. This has provided an equity-like return with bond-like volatility and a positive return when equity markets have suffered a significant down-draft. The chart below compares favourably the Company's risk/return characteristics against its long-term objective of twice UK bank rate.

NAV TOTAL RETURNS VERSUS VOLATILITY, JULY 2004 TO JUNE 2024



Source: RAIFM Ltd, FTSE International (FTSE). Data to 30 June 2024. All figures include reinvested income. RICL performance is shown after deduction of all fees and management charges. Performance data is included in the appendix.

A statistic which we also measure, named after its inventor and known as the Sharpe Ratio, shows the excess portfolio return over the return from cash (a proxy for risk-free return), divided by the volatility of the portfolio's return. Volatility therefore represents risk which is also used in the pricing of derivatives which provide protection. The Sortino Ratio goes a stage further in the analysis of risk/return by considering risk to be only that part of the average return which is negative.

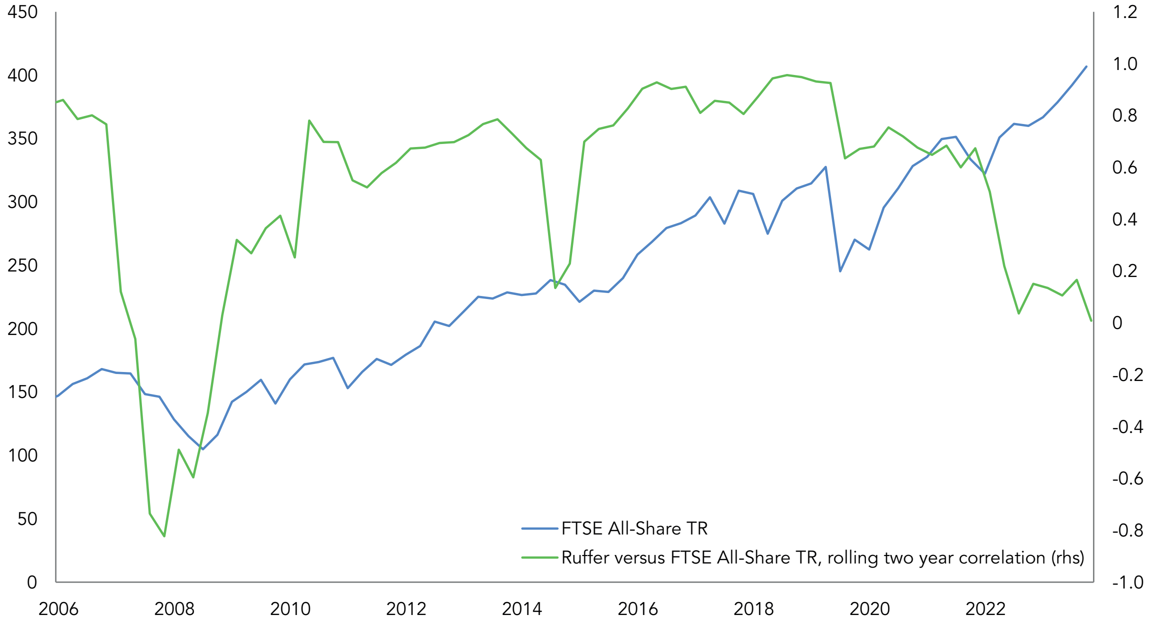
July 2004 to 30 June 2024	Sharpe ratio	Sortino ratio
Ruffer Investment Company Limited	0.80	1.49
FTSE All-Share total return	0.41	0.67

Source: RAIFM

Dynamic correlation

An important aspect of holding RICL shares, apart from expecting a positive absolute annual return, is the part which the shares play when embedded in a portfolio of other funds or securities. The chart below shows the behaviour of RICL shares against the FTSE All-Share index. It is notable that the correlation of RICL returns with those of the FTSE All-Share index has tended to rise towards one (a perfect positive correlation) in rising markets and dramatically reduced, even to negative, when markets fall. This was shown most recently by the rise in RICL NAV during the brief but sharp fall in markets in early August and the reversal when markets recovered. This is the evidence of the contribution RICL shares can make to the risk/return profile of a portfolio of long-only assets which includes shares in RICL.

DYNAMIC CORRELATION TO MARKETS



Source: RAIFM, FTSE, Ruffer calculations based on quarterly performance data from July 2004 to June 2024

Earnings and dividends

During the year, the Company generated 5.48p per share of revenue and (2.79)p of capital losses. The Company continues to invest for total return, which gives the Investment Manager the flexibility to choose an optimal portfolio for generating and protecting return.

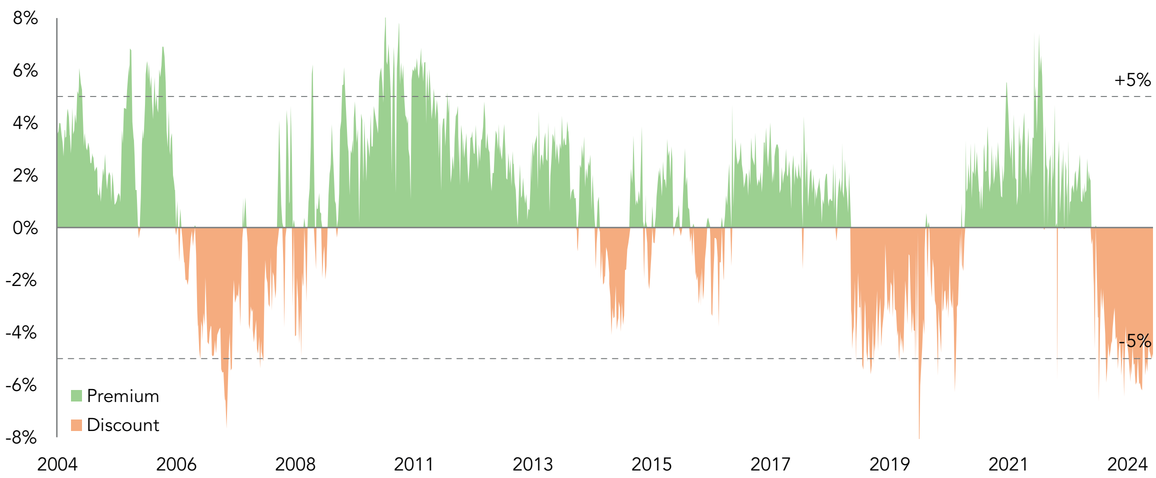
The Board remains committed to distributing at least 85% of revenue earned in any given year to allow the Company to remain able to be marketed to a UK retail client base. Having paid out an interim dividend in March 2024, amounting to 2.0p per share, the Company has declared a second interim dividend for this financial year of 3.1p per share. The remaining balance of revenue earned has been retained to add to the revenue reserve which may be used to help protect dividends against future fluctuations in revenue.

Discount management

At the AGM every year your Board seeks shareholder permission to repurchase up to 14.99% of the issued preference shares during the 12 months to the next AGM. Shareholders last year voted 98.7% in favour of this resolution.

For the first time in the Company's history, in August 2023, the Company bought back shares into treasury through the market rather than by making a tender offer. The initial amount was only 150,000 shares. The discount of share price to NAV per share had reached a level which triggered a discussion with our Broker on the market positioning of the shares. As the chart below shows, historically there has been market buying when the discount has reached mid-single digits. Subsequent closing of the discount has compounded positive underlying NAV returns. Until FY 2024, apart from the tender-offer in 2007, there had therefore been no need for the Board to intervene in the market.

DISCOUNT/PREMIUM RUFFER INVESTMENT COMPANY LIMITED



Source: RAIFM, July 2004 to June 2024

Before Christmas 2023 I requested meetings with shareholders, both large and small, and the message was clear that shareholders expected more action on the share price discount to NAV per share. The Board revised its guidelines for discount management, which I reported in the Interim Report in February 2024. Subsequently, over FY 2024, the Company's buybacks amounted to 25.6 million shares at a cost of £68.6 million, which represented 6.8% of the average number of shares in issue and added £3.9 million to total Company NAV (1.1p NAV per share) for continuing shareholders. RICL has proved to be one of the largest buyers of its own shares, proportionate to its market capitalisation, of all investment companies, and the buyback programme has continued since the financial year end, with the buyback of a further 7.2 million shares adding 0.3p to NAV per share.

In the Interim Report published in February 2024, I commented that 'NAV total return is the only matter, apart from costs, which concerns investors in an open-ended fund… while in the case of a closed-ended vehicle, shareholder return is always top of the list'. Your Board has listened to shareholders and remains very mindful of the role which it must play in bringing together NAV and share price return.

The Board will seek permission again at the 2024 AGM to repurchase up to 14.99% of the Company's issued preference shares. The Board will continue to monitor the discount to determine whether it is a temporary aberration or a longer-term signal that action additional to buybacks may be required.

During the financial year, the debate over ongoing costs in listed companies divided the investment company industry, but there is now a consensus that the current requirements, derived from EU law, are harmful to consumers and undermine the attractiveness of some domestic investment options such as investment companies.

The Association of Investment Companies has written to Tulip Siddiq MP as Economic Secretary to the Treasury and City Minister suggesting that HM Treasury (HMT) should promptly abolish the Packaged Retail and Insurance-based Investment Products (PRIIPs) Regulation and empower the Financial Conduct Authority (FCA) to introduce a replacement regime. HMT should also allow the FCA to reform the relevant parts of the Markets in Financial Instruments Directive (MiFID II). The previous government consulted on this agenda and published a draft statutory instrument, but failed to make a final decision and lay finalised regulation before the UK Election was called, which guillotined parliamentary business.

Responsible investing

Ruffer LLP (Ruffer) has endorsed the UK Stewardship Code 2020 definition of stewardship: 'the responsible allocation, management and oversight of capital to create long-term value for clients and beneficiaries leading to sustainable benefits for the company, the environment and society'.

Ruffer sees the opportunities and risks embedded in Environmental, Social and Governance (ESG) factors as an integral part of fundamental analysis both in security selection and portfolio construction. The Board of RICL and Ruffer are aligned in thinking that investing responsibly will lead to better long-term outcomes.

Ruffer applies its ESG philosophy, guided by its dedicated Responsible Investment Team, through engagement with investee companies. Engagement is defined as 'active dialogue with specific and targeted objectives'. Ruffer seeks to drive change rather than simply exclude companies which may rank poorly on ESG metrics. Divestment can be counter-productive and is entertained only as a last resort. RICL's report on ESG (pages 50 to 58 of this annual report) elaborates on the Company's ESG policy and shows some examples of engagement in practice.

There is debate about the impact of ESG on performance but, since its launch in 2007, the MSCI World ESG Leaders index has continued to marginally outperform the straight MSCI World Index. Furthermore, it can be argued that the type of risks identified by ESG analysis could lead to a substantial and sustained draw-down in value if ignored.

In accordance with the FCA's Consumer Duty rules and guidance, the Investment Manager has performed an assessment of value and this scored an overall rating of green.

Board matters

In last year's Annual Report, I indicated my intention to step down from the Board no later than the AGM in December 2024. This will be less than a month away from the 50th anniversary of my joining Philips & Drew Fund Management in January 1975 to begin a career in global institutional asset management.

January 1975 saw the end of the worst calendar year for UK equities (-48.8% in 1974) since reliable records of the London Stock Market began, and the beginning of the best (+145.6% in 1975). So perhaps, in the words of Ecclesiastes 7: 'in my vain life I have seen everything'. However, if I have learnt anything from 50 years in the business, the experience serves to endorse Jonathan Ruffer's commitment in his July 2024 Investment Review which is (a) not to lose one's investment nerve but (b) if/when the facts change, to change one's mind.

My decision to retire first led to an external Board evaluation by Lintstock. This began with one-on-one interviews with each member of the Board and key individuals at Ruffer. The evaluation was followed by an external review of Directors' fees by Trust Associates to ensure that remuneration should not again be a barrier to selecting the best candidates.

The evaluation first focused on whether an existing Board member or an external candidate should take the Chair role when I step down at the AGM this December. The choice of Nick Pink for the Chair was a unanimous decision. Equally was the choice of Solomon Soquar in the role of Senior Independent Director with Susie Farnon and Shelagh Mason respectively continuing to chair our Audit and Risk and Management Engagement Committees, which are critical to the operation and success of the Company.

A number of other matters emanated from the Lintstock report and have been acted upon. These included more Director-only meetings; an over-haul of the Board packs and sharpening of the

Board meeting agendas; more clarity on actionable ESG matters; improved communication to investors of discount policy and enhancement of Direct to Consumer (D2C) marketing.

The evaluation and remuneration reviews were followed by an external recruitment process using Offshore Specialist Appointments. We were looking to find a successor Director with hands-on fund manager experience. At the same time we needed to maintain both a majority of offshore Directors and the diversity of a Board which is, in the words of Sir John Parker, 'convinced of the value of bringing into our boardroom the best talent and that includes talent reflecting gender and ethnic diversity'.

Several excellent offshore-UK candidates, based in different jurisdictions, were interviewed but, happily, Colleen McHugh agreed to join the Board. Colleen's experience has included provision of investment advice and solutions for HSBC Private Bank and Global Asset Management clients and then for Barclays Wealth and Investment Management. She subsequently led the wealth management division of Butterfield Bank Guernsey Ltd, then became Managing Director of 1818 Venture Capital.

Colleen has since developed a plural career. This includes non-executive directorship of the FTSE 250 Real Estate Credit Investments Ltd and experience as an independent investment committee member, and consultant CIO of the UK digital investment platform of a large UK wealth manager. This role, as a consultant, involves helping to manage the asset allocation of five multi-asset class portfolios and a suite of ethical portfolios.

With her asset management experience, a degree in economics, an MBA from the University of London, a CFA certification in ESG investing, an enquiring and younger but well-informed mind and a constructive contribution to board chemistry, Colleen brings insights not only to the Board of RICL but also more broadly in her role as a regular guest on television including BBC World News and the Today Programme.

I am now supremely confident that, as a result of a rigorous and extended evaluation and recruitment process, RICL shareholders will continue to be represented by an exceptional Board which has true diversity of experience and mind-set.

Outlook

The American Economist, Hyman Minsky, famously observed that stability tends to breed instability. Minsky highlighted debt accumulation as an ingredient of the instability, amplified by financial institutions and only mitigated, in due course and usually too late, by Central Banks acting as lenders of last resort. Instability is likely to be exacerbated by a prospective lack of government fiscal discipline and the probability of a higher average level and volatility of inflation than in recent history.

Your Investment Manager has been warning for a while that stability in financial markets creates complacency. That complacency has been reflected not only in a high level of market valuations but also in the multi-decade low pricing of volatility, a fundamental element in the pricing of derivative protection strategies which are a key component of Ruffer's 'all-weather' portfolio management.

The Company's portfolio suffered earlier in the financial year from higher costs of protection and some exposures which had yet to have significant positive impact on the portfolio. However, financial markets are barometers not thermometers and while the consensus may have observed the falling barometric pressure, implying strong winds later, most fund managers have remained under full sail. Ruffer's history on the other hand has shown that it pays to shorten sail early and certainly well before the storm arrives by which time it is too late.

The current combination of lower cost protection and cheap exposure to unloved and under-owned areas in the currency, commodity, inflation-linked bond and equity markets provides anti-fragility to the portfolio strategy. Anti-fragility means more than just a resilient or robust response to stress. It implies a positive reaction and that anti-fragility is not simply provided by a 'buy and hold' approach to portfolio construction but by continuing dynamic management, as evidenced during the year. The year has seen active management of exposures to precious metals, inflation index-linked securities and equities. Net exposure to equities, after adjusting for hedges, has moved between 0% and 34% of NAV during the year.

Finally, your Board remains mindful that the return from a holding in RICL is a function not only of NAV performance but also of the movement in the discount or premium of share price to NAV per share. The Board appreciates that movements in the share price relative to NAV are multiplicative not just additive and it remains committed to narrowing the discount to compound positively a future NAV per share return for shareholders.

Christopher Russell

17 September 2024

Strategic report

The Company carries on business as a closed-ended investment company. Its shares are traded on the Main Market of the London Stock Exchange (LSE) and it was admitted to the premium segment of the Official List of the UK Listing Authority on 20 December 2005. The Company is externally managed by Ruffer AIFM Limited, a UK investment manager authorised and regulated in the conduct of investment business in the United Kingdom by the Financial Conduct Authority (FCA). Ruffer AIFM Limited is also the Alternative Investment Fund Manager (AIFM) of the Company.

Board

The Board of Directors is responsible for the overall stewardship of the Company, including general management, structure, finance, corporate governance, marketing, risk management, compliance, gearing, contracts and performance. Biographical details of the Directors, all of whom are non-executive, are listed on pages 60 and 61 and in the Management and Administration summary on page 149. The Company has no executive directors or employees.

The Board has contractually delegated to external parties various functions as disclosed in the Corporate Governance Statement on pages 68 to 81.

Investment objective

The principal objective of the Company is to achieve a positive annual NAV total return, after all expenses, of at least twice the Bank of England Bank Rate.

The weighted average Bank of England rate throughout the year ended 30 June 2024 was 5.23% (2023: 3.16%).

The Company predominantly invests in internationally listed or quoted equities or equity related securities (including convertibles) or bonds which are issued by corporate issuers, supra-nationals or government organisations.

Investment strategy

The Company's strategy is to create a balanced portfolio of offsetting assets which in aggregate are intended to enable the Company to meet its investment objective. The aspiration remains to produce consistent positive returns, regardless of the performance of financial markets. Over shorter periods this is likely to result in the Company lagging sharply rising equity markets, but outperforming falling equity markets. This strategy will be implemented predominantly through investments in listed securities, collective investment schemes and currencies but the Investment Manager has the flexibility to use other asset classes should it be necessary to do so.

The investment strategy has been tested in the last 18 months as conditions in markets have changed quickly. In order to achieve its investment objective, the Company needs to be able to perform in both rising and falling asset markets. To this end the Company maintains a balance of investments with a small but potent book of cyclical equities to perform should economic and financial conditions improve, index-linked bonds and gold to benefit from sustained higher inflation and financial repression, and credit protection and options to protect the Company should there be a shock to financial markets.

Investment policy

In selecting investments, the Company adopts a stock picking approach and does not adopt any investment weightings by reference to any benchmark. Both the Board and the Investment Manager believe that the adoption of any index related investment style would inhibit the ability of the Company to deliver its objective.

The Company invests across a broad range of assets, geographies and sectors to achieve its objective. This allocation will change over time to reflect the risks and opportunities identified by the Investment Manager across global financial markets, with an underlying focus on capital preservation. The allocation of the portfolio between different asset classes will vary from time to time so as to enable the Company to achieve its objective. There are no restrictions on the geographical or sectoral exposure of the portfolio (except those restrictions noted below).

The universe of equity, equity related securities or bonds in which the Company may invest is wide and may include companies domiciled in, and bonds issued by entities based in, non-European countries, including countries that are classed as emerging or developing. This may result in a significant exposure to currencies other than pound sterling. Where appropriate, the Investment Manager will also use in-house funds to gain exposure to certain asset classes.

The Company may use derivatives, including (but not limited to) futures, options, swap agreements, structured products, warrants and forward currency contracts, for efficient portfolio management purposes only.

Investment restrictions and guidelines

It is not intended for the Company to have any structural borrowing. The Company has the ability to borrow up to 30% of the NAV at any time for short term or temporary purposes, as may be necessary for settlement of transactions, to facilitate share redemption or to meet ongoing expenses.

The proportion of the portfolio invested into companies based in emerging or developing countries will be limited, at the time of any investment, to below 15% of the Company's gross assets.

The Directors have determined that the Company will not engage in currency hedging except where the Investment Manager considers such hedging to be in the interests of efficient portfolio management.

The Directors have determined that no more than 15% in aggregate of the Company's gross assets at the time of acquisition will be invested in listed investment companies (including investment trusts), with a maximum of 10% of gross assets invested in investment companies not having stated investment policies allowing them to invest no more than 15% of their own gross assets in other UK listed investment companies (including investment trusts).

General

In accordance with the requirements of the FCA, any material changes in the Investment Policies and Objectives of the Company may only be made with the approval of shareholders.

Investment of assets

At each quarterly Board meeting, the Board receives a detailed presentation from the Company's Investment Manager which includes a review of investment performance, recent portfolio activity and a market outlook. It also considers compliance with the investment policy and other investment restrictions during the reporting year. The Company's Top Ten holdings and Portfolio Statement are on page 59 and pages 142 to 146 respectively.

Environmental policy

Whilst the Company has a limited carbon footprint in respect of its day-to-day activities, the Board notes that the Investment Manager recognises that environmental responsibility is core to its longer-term business success, and actively integrates environmental, social and corporate governance (ESG) issues into its investment process. The Investment Manager's Stewardship and Responsible Investment Policy is available upon request. For more detail, please see the Responsible investment report on pages 50 to 58.

A number of environmental initiatives have been introduced by the Board and the Administrator, as follows –

– minimising printing of Board materials
– deemed consent from shareholders to accept electronic copies of documents

- use of recycled paper for Annual and Interim Reports for shareholders requiring hard copies and
- use of recycled Woodland Trust printer paper by the Administrator, which funds new UK woodland.

In addition, during the year the Board has continued to offset Directors' and Investment Manager's flights through the acquisition of verified carbon offsets.

Shareholder value

The Board reviews on an ongoing basis the performance of the Investment Manager and considers whether the investment strategy utilised is likely to achieve the Company's investment objective of realising a positive total annual return, after all expenses, of at least twice the return of the Bank of England Bank Rate. Having considered the portfolio performance and investment strategy, the Board has unanimously agreed that the interests of the shareholders as a whole are best served by the continuing appointment of the Investment Manager on the terms agreed.

Dividend policy

The Board's policy is to pay dividends semi-annually, which are typically declared in October and March, with an objective of retaining no more than 15% of the Company's income each year.

Dividends will only be paid from the Company's revenue account and not from capital. Dividend payments by the Company will depend on the net income stream generated by the underlying investments in the Company's investment portfolio and therefore no assurance can be given that dividends will continue to be paid.

The payment of any dividend by the Company is subject to the satisfaction of a solvency test as required by the Companies (Guernsey) Law, 2008, whereby the Board must be satisfied on reasonable grounds that the Company will, immediately after payment of any dividend, be able to pay its debts as they become due and that the value of the Company's assets would be greater than the value of its liabilities.

The Board has the discretion to increase or reduce the dividend, or not to declare a dividend, as appropriate in consideration of the financial position of the Company.

Details of the dividends paid during the year are set out in note 5 to the Financial Statements on page 116.

Risk governance framework

The risk governance framework is designed to identify, evaluate, and mitigate the risks identified by the Board as significant to the Company and reflecting its risk appetite and risk profile. Its fundamental purpose is to assist the Board in understanding and, where possible, mitigating rather than eliminating these risks. Therefore, it can only provide reasonable and not absolute assurance against any potential losses.

Within the risk governance framework, the Board and Audit and Risk Committee regularly review the register of principal risks ('The Risk Register') maintained by the Company Secretary on behalf of the Board. The Risk Register contains a detailed assessment and tracking of the Company's exposure in five principal risk categories: Strategic and Performance risks, Financial and Portfolio risks, Operational risks, Reputational risks, and Regulatory risks.

Governance and ownership

The Board is ultimately responsible for identifying and assessing the principal risks and implementing and monitoring procedures to control and review them regularly. The Board places reliance on its service providers, who have been delegated certain day-to-day management of the Company. This includes the design and implementation of the control framework to mitigate the Company's risks.

The Board undertakes an annual review and approval of its risk appetite, considering recommendations from the Audit and Risk Committee and key service providers responsible for implementing the controls to mitigate the identified risks. These risks and any emerging risks are considered at each quarterly Board and Audit and Risk Committee.

Risk assessment

The Board has undertaken a robust assessment of the principal risks facing the Company and the effectiveness of the risk management and internal control systems in place to mitigate these risks (which are summarised below). The Board, together with the Investment Manager, regularly monitors relevant risks in relation to the ones mentioned below.

The Board considers systemic and non-systemic risks, and the overall control framework has been established to reduce the likelihood and impact of individual inherent risks. The Board cannot consider every risk but seeks to identify, assess, and mitigate remote and emerging risks that may significantly impact the Company. The Board, via the Management Engagement Committee and the Audit and Risk Committee, obtains regular reporting and assurances from its main service providers on the adequacy of their control environment and based upon this, assesses the suitability, adequacy, and relevance of these controls.

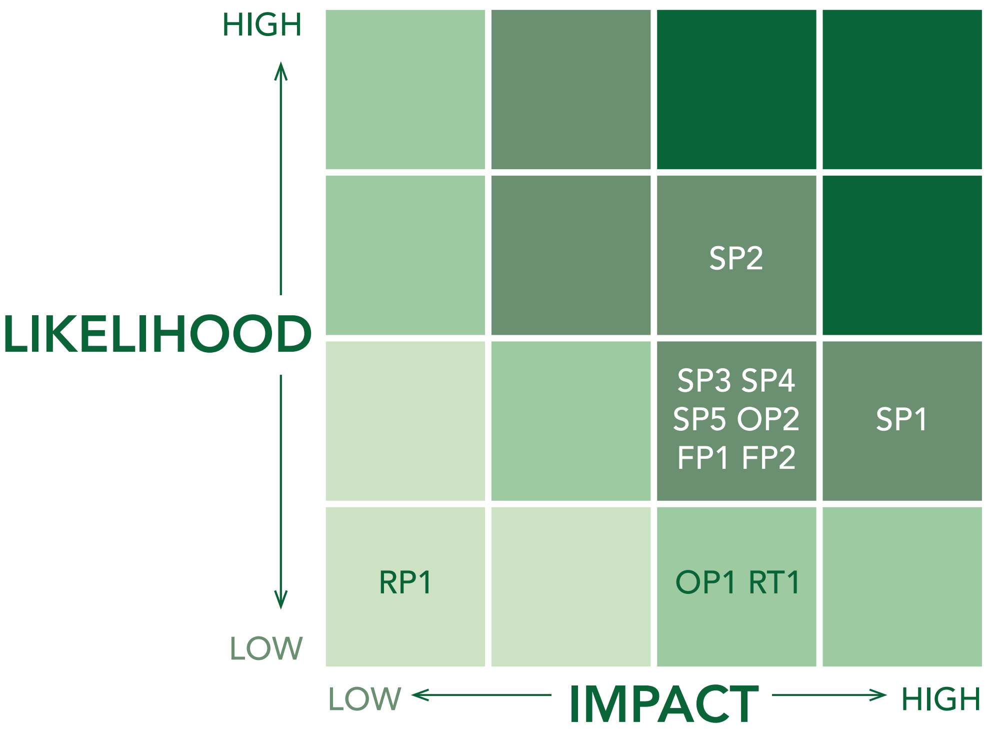
As detailed above, emerging risks are considered quarterly and may have a material impact on the Company if they occur. Mitigating factors are considered, but due to the unknown nature of future events, the impact of these risks may not materialise. No emerging risks were identified in the past year.

In addition to identifying climate change risk as a principal risk, the Board assesses the impact of ESG factors on the Company's other risks, including investment and reputational risks, and reviews the mitigants in place. The Board has considered the impact of climate change on the Company and believes that it has not given rise to a material impact on the financial statements of the Company.

Principal risks

The principal risks are split between five risk categories and assessed based on the residual likelihood and impact (after control mitigants), and are summarised on the heat map below.

HEAT MAP



Strategic and performance	Financial and portfolio	Operational
SP1: Investment performance	FP1: Interest rate risk	OP1: Service provider risk
SP2: Investment strategy	FP2: Market risk	OP2: Fraud/cybersecurity
SP3: Geopolitical/economic		
SP4: Discount to NAV	Reputational	Regulatory
SP5: Climate change	RT1: Reputational risk	RP1: Legal/regulatory

Item	Risk	Current year overview	Mitigating controls	Risk status
SP1	Investment performance The Company is exposed to the risk that its portfolio fails to perform in line with the Company's objective, which could negatively impact NAV and tarnish the Company's reputation in the short term.	The Company had a total NAV return of 1.0% and a total share price return of -0.6% during the year. Refer to the Investment Manager's report on pages 26 to 49 for more detail.	Performance and positioning are monitored constantly by the Investment Manager. Investment performance is reviewed, challenged and monitored by the Board at each quarterly meeting and at other times when expedient, paying particular attention to the diversification of the portfolio and to the performance and volatility of underlying investments.	

Item	Risk	Current year overview	Mitigating controls	Risk status
SP2	Investment strategy The Company is exposed to the risk that the investment strategy it follows ceases to be attractive to investors, with resultant selling causing the share price to fall, or that the investment manager fails to consistently implement the investment strategy.	Refer to the Investment Manager's report on pages 26 to 49 for more detail.	The investment strategy is set out in the prospectus and the Investment Manager has processes in place to ensure that it is consistent in managing the portfolio in accordance with the strategy. The Investment Manager's implementation of the strategy is reviewed by the Board at quarterly meetings, with additional updates when required. Any amendments to the strategy are put to the Board for approval. The Investment Manager, the Company's Brokers and the Board regularly seek shareholder views.	↑
SP3	Geopolitical/ economic Escalation of risks might lead to severe disruption of global supply chains of critical raw materials and technology and affect the company's portfolio accordingly.	The Board is mindful of current and emerging geopolitical risks such as the war in Ukraine and the Middle East; US/China tensions; energy politics in the Middle East; US Executive Orders; and government elections in the West.	The Investment Manager continually monitors developments and reports frequently to the Board and would act in relation to the balance of the portfolio accordingly.	↔

Item	Risk	Current year overview	Mitigating controls	Risk status
SP4	Discount to NAV The level of discount leads to shareholder dissatisfaction.	The Company's shares traded at a discount to NAV during the year with the average discount over the last 12 months being -4.8%. Refer to the Investment Manager's report on pages 26 to 49 for more detail.	The Company has a buyback and redemption facility to help control the discount. During the year the Company bought back 25.6 million shares, representing 6.8% of the average share capital in issue during the year. Refer to page 123 for detail. The Board, Investment Manager and Corporate Broker continually monitor the market situation.	↔
SP5	Climate change The potential for physical and transition risks which could have material impacts on valuations within the portfolio.	For details of the Company's activities during the year, refer to the Responsible Investment report on pages 50 to 58.	The Investment Manager has climate specialists within their ESG team who actively engage with potential and existing investee companies to establish climate risks and improve resilience. The Investment Manager reports ESG engagements to the Board regularly and the Board meets the ESG team from time to time to understand how they operate.	↔

Item	Risk	Current year overview	Mitigating controls	Risk status
FP1	Interest rate risk The risk that real interest rates rise unexpectedly, causing a significant drop in the value of the longer-dated, index-linked bonds held in the portfolio.	Refer to the Investment Manager's report on pages 26 to 49 for more detail.	The Investment Manager constantly monitors the macro environment and situation regarding real interest rates and reports frequently to the Board and acts in relation to the balance of the portfolio accordingly.	
FP2	Market risk This includes foreign exchange, price, credit and liquidity risk that may cause unexpected volatility in the Company's investments.	Refer to the Investment Manager's report on pages 26 to 49 for more detail.	These risks and the controls in place to mitigate them are reviewed at each quarterly Board meeting.	
OP1	Service provider risk Internal control failures at key service providers may result in decreased service quality, information security breaches, errors, theft or fraud. The risk that staff turnover or merger and acquisition activity at the Administrator, Investment Manager or Broker affects service delivery.	All control failures at the service providers relevant to the Company are bought to the board's attention. No material issues were brought to the Board's attention or identified.	The Management Engagement Committee conducts a formal review of all key service providers annually. The Board receives reports annually from the Investment Manager and Administrator on their internal controls and reviews pricing reports covering the valuations of underlying investments at each quarterly Board meeting.	

Item	Risk	Current year overview	Mitigating controls	Risk status
OP2	Fraud/cybersecurity Fraud or large-scale network disruption such as hacking, malware, phishing, disrupted denial of service attacks could be disruptive to the Company and pose a reputational risk if they are not dealt with effectively.	The Investment Manager and Administrator confirmed to the Board that there were no fraud/cybersecurity issues that had a consequence on the Company.	The Board is provided with regular updates on any cyber security issues from its service providers and how they are managing the risk. All access to the offices of service providers is strictly controlled and data protection policies are in place.	↔
RT1	Reputation risk If Strategic and Performance risks are not managed adequately, this may have an impact on the reputation of the Company and/or the Investment Manager.	See SP1 and SP2 above. There are mitigants in place and regular messaging to shareholders to promote understanding of the Company's strategy. Investment Manager continues to be highly regarded in the marketplace.	The Board continually reviews any issues that may affect the reputation of the fund and the Investment Manager has Investor Relations to ensure all matters are transparent and well communicated.	↔

Item	Risk	Current year overview	Mitigating controls	Risk status
RP1	Regulatory Legal and regulatory breaches causing financial and reputational risk.	No material breaches during the year.	The Board reviews Investment Manager and Administrator compliance reports quarterly and are informed of any material breaches immediately if they occurred. The Board is also supported by access to and reporting from the Investment Manager's dedicated climate change specialists within their ESG team. These contribute to the Board's ability to maintain its awareness and knowledge of climate/ESG related reporting requirements and its review of best practice for investment companies.	↔

The Board remains ultimately responsible for the identification and assessment of risk as well as implementing and monitoring procedures to control such risks where possible. The Board seeks to mitigate and manage these risks through continual review, policy-setting, enforcement of contractual obligations and monitoring of the Company's investment portfolio.

Going concern

The Directors believe that it is appropriate to continue to adopt the going concern basis in preparing the Financial Statements since the assets of the Company consist mainly of cash and cash equivalents and securities which are readily realisable. The Directors also note that overall, due to the nature of the Company's portfolio, which – as discussed in more detail in the Performance section of the Chairman's Review and in the Investment Manager's report – comprises both equities and other more defensive assets, it has not been affected significantly in terms of value or cashflows by the effects of the conflicts in Ukraine or the Middle East, or the continued high level of interest rates. Accordingly, in the Directors' opinion, the Company has adequate financial resources to continue in operational existence for the foreseeable future. Matters relating to the going concern basis are also discussed in the long-term viability statement below and note 2(c) on page 109.

Long term viability statement

The Directors have assessed the prospects of the Company over a longer period than the 12 months minimum required by the 'going concern' provision. For the purposes of this statement, having regard to the economic planning cycle and the Company's strategy review period, the Board has adopted a three-year viability period, in common with the majority of investment companies and trusts listed on the London Stock Exchange.

In its assessment of the Company's viability over the three-year period the Board has considered each of the Company's principal risks as detailed above and any emerging risks, and in particular the impact of a significant fall in the value of the Company's investment portfolio.

The Directors consider that a 30% fall in the value of the Company's portfolio would be significant but would have little impact on the Company's ability to continue in operation over the next three years. In reaching this conclusion, the Directors considered the Company's expenditure projections, the fact that the Company currently has no borrowing, but has the ability to borrow up to 30% of its NAV, and that the Company's investments comprise predominantly readily realisable securities which can be expected to be sold to meet funding requirements if necessary, assuming market liquidity continues.

Also, the Board has assumed that the regulatory and fiscal regimes under which the Company operates will continue in broadly the same form during the viability period. The Board speaks with its Broker and legal advisers on a regular basis to understand issues impacting on the Company's regulatory and fiscal structure. The Administrator also monitors changes to regulations and advises the Board as necessary. The Board also has access to the Administrator's compliance resources as well as the compliance department of the AIFM.

Based on the Company's processes for monitoring operating costs, share discount, internal controls, the Investment Manager's performance in relation to the investment objective, the portfolio risk profile, liquidity risk and the robust assessment of the principal risks and uncertainties facing the Company, the Board has concluded that there is 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.

Key performance indicators

The Board uses a number of performance measures to assess the Company's success in meeting its objectives. The key performance indicators are disclosed in detail on page 3.

Investment Manager's report (as at 30 June 2024)

Performance review

The net asset value (NAV) total return for the financial year to 30 June 2024 was +1.0% and the share price total return was -0.6%.

The NAV total return for the six months to 30 June 2024 was +0.4% and the share price total return was -0.9%.

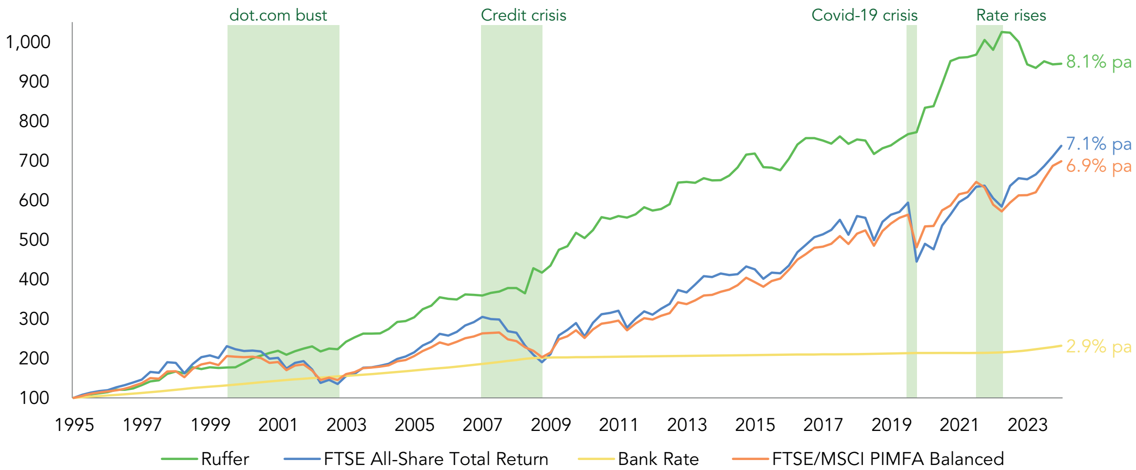
The period end approaches the twentieth anniversary of the launch of Ruffer Investment Company. The annualised NAV total return since inception of the Company in 2004 is 6.9%. The total return since inception of the Company is 278.1%. Over the same time period, the FTSE All-Share has achieved an annualised return of 7.4%.

The gap between the share price and the NAV total return numbers are driven by the Company moving from a discount of -3.1% at 30 June 2023 to a discount of -5.0% at 30 June 2024.

Ruffer LLP is also celebrating a birthday this year, turning 30. Not many single-strategy investment firms reach a fourth decade, and it is worth a brief detour to survey the highlights and lowlights.

One of the most attractive characteristics that Ruffer has brought to investor portfolios is not just equity-like returns with bond-like volatility, but the Ruffer portfolio has also delivered positive returns in each of the four major crises since the firm began (shaded in green). By delivering true diversification and protection at moments of market stress we have consistently proven ourselves as a useful asset for investor portfolios.

RUFFER LONG-TERM PERFORMANCE NET OF FEES



Source: Ruffer, FTSE International, Bloomberg, MSCI, WM. Cumulative performance 30 June 1995 to 30 June 2024, in pounds sterling. Performance data is included in the appendix. All figures include reinvested income. All mentions of Ruffer performance refer to Ruffer's representative portfolio, which is an unconstrained segregated portfolio following Ruffer's investment approach. Ruffer performance is shown after deduction of all fees and management charges. Calendar quarter data has been used up to the latest quarter end and monthly data thereafter. FTSE/MSCI Balanced data prior to 28 Feb 2017 refers to the FTSE WMA Balanced Index and after 1 Mar 2017 refers to the MSCI PIMFA Balanced index. Performance prior to 1 July 2022 has been calculated using monthly data points, and thereafter using daily data points. More information: ruffer.co.uk/methodology

Across our 30-year history, we have been good at diagnosing the fault lines and fragilities in markets, but as Jonathan Ruffer said in his latest quarterly investment review – "in each and every one, we were too early – in 2000, it was 14 months, in 2008, it was a full two years, in 2020, it was at least two years, and this time it is 18 months at a minimum. In each case, we had correctly identified the nature of the crisis".

The first six months of 2024 felt like a continuation of 2023. Markets rallied to all-time highs on a tide of AI-fuelled optimism, a US led fiscal boom, and a belief that the Fed is willing to be supportive of markets is back. Global markets were once again led higher by US exceptionalism and by the 'Magnificent Seven' in particular. Importantly though, the Ruffer portfolio exhibited a better balance in the first six months of 2024 than in 2023. Our growth assets in equities and commodities kept us in the game whilst our protection assets continued to hold the portfolio back.

Looking forward, we are excited about the opportunity we see in front of us. We believe investors are complacent and we have arguably never seen an equity market as crowded, narrow, and myopic as the one we see today. We think the prospective rewards, relative and absolute, for having a portfolio unlike both peers and benchmarks have never been higher. However, it comes with a large 'but' – the price you must pay is feeling uncomfortable, and lagging the herd, whilst waiting for the market to turn.

The portfolio reminds us of Hans Christian Andersen's Ugly Duckling story. It is a portfolio filled with unloved assets – shunned, even derided by other investors. But assets whose worth will become starkly apparent in time – as they turn to swans – and combine to provide strong and highly differentiated returns when the market environment changes.

Premium/discount

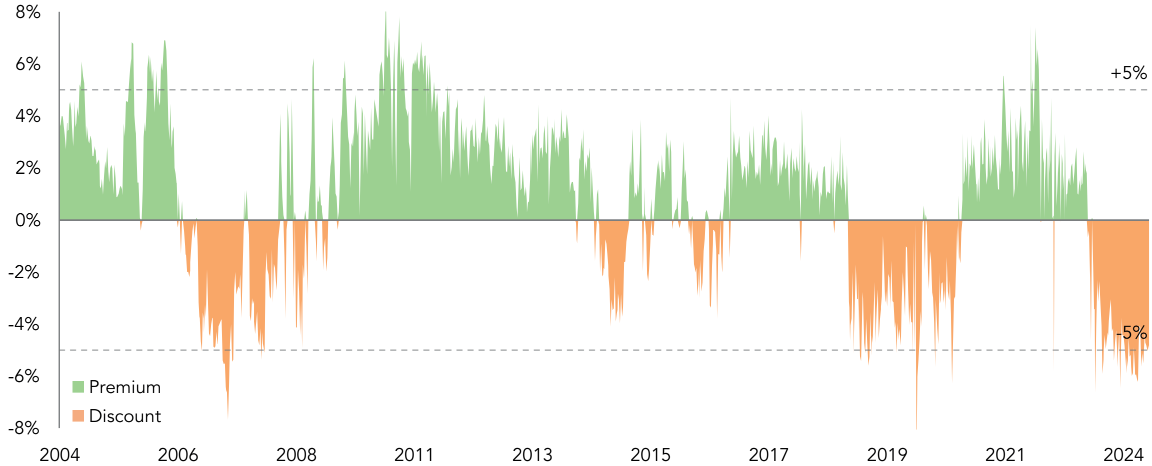
The Board has been deliberate in its use of buybacks to manage the discount.

In the six months to 30 June 2024, the Company has purchased 25.4 million shares for a total of around £68.2m, which equates to 6.6% of the shares outstanding. These purchases have added 0.4% to the Company's NAV per share. If this pace is maintained through the balance of the year, RICL will have one of the most significant capital returns policies in the industry. The Company purchasing its own shares at a discount to NAV enhances NAV per share for ongoing shareholders and offers liquidity to departing shareholders.

RUFFER INVESTMENT COMPANY PERFORMANCE IN NAV AND PRICE TERMS

Source: RAIFM Ltd, FTSE International, data to 30 June 2024. All figures include reinvested income. Ruffer performance is shown after deduction of all fees and management charges. Performance data is included in the appendix.

SHARES HAVE HISTORICALLY TRADED AT A PREMIUM



Source: RAIFM Ltd

Attribution

Performance contributions for 12 months

The pleasing element of the last 12 months is that we have maintained the level of protection in portfolios but, in contrast to the second quarter of 2023, the growth assets have contributed to ensure that performance has held steady.

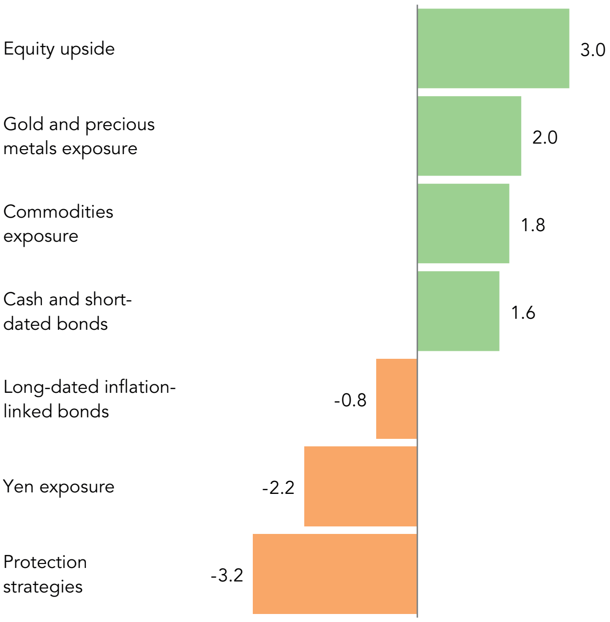
The largest cost to the portfolio remains the equity downside and credit protections, costing over -3% as markets have continued to move higher, albeit in increasingly narrow fashion. This meant that assets held to benefit from a fall in equity indices and an increase in volatility, were not required. Similarly, despite cracks appearing in the US economy (the US's Senior Loan Officer Opinion Survey revealed the net percentage of banks seeing stronger loan demand is at a 30-year low and credit card and auto loan delinquencies are at levels last seen in the Global Financial Crisis (GFC)), credit markets remained benign meaning our exposure to credit default swap strategies also fell in value.

Though we were able to deliver positive performance from successfully trading long-dated inflation linked (and nominal) bonds over the fourth quarter, in aggregate, bonds suffered (costing the portfolio -0.8%) as inflation-adjusted interest rates continued to rise. The other main detractor was the yen which continued to weaken, falling -11% versus sterling over the period, costing the portfolio -2.2%. We continue to hold the currency in size in anticipation of a more meaningful policy shift from the Bank of Japan (which appears a matter of when rather than if given the domestic backlash from their newfound inflation) as well as for its protective characteristics in market crises.

In terms of positive contributions, our equity exposure delivered +3.0% in aggregate, driven by some exposure to the AI theme via Amazon (+48%) and TSMC (+71%) alongside strong bottom-up stock picks such as Rolls Royce (+202%) and a basket of US banks. This was supported by our tactical increases in equity during November as well as the start of 2024 via S&P call options, which contributed +0.9% over the period.

Most importantly our commodity exposure, a key offset in the portfolio and held to drive returns in an environment of robust fundamentals and rising bond yields, delivered across oil, copper and uranium exposure, with our holding in a brent oil ETC being the largest individual asset contributor (+1.1%). Finally, as rates remain elevated, the portfolio's US floating rate notes (FRNs) and short-dated UK government bonds made a meaningful contribution (+1.6%) to returns.

PERFORMANCE ATTRIBUTION 30 JUN 2023 TO 30 JUN 2024 (TWELVE MONTHS)



Source: RAIFM Ltd, data June 2023 to June 2024. Returns in local currency and gross of fees so will not total actual performance

Performance contributions for six months

The fund also delivered a positive performance over the six-month period, which was pleasing against a rising equity market given our defensive posture.

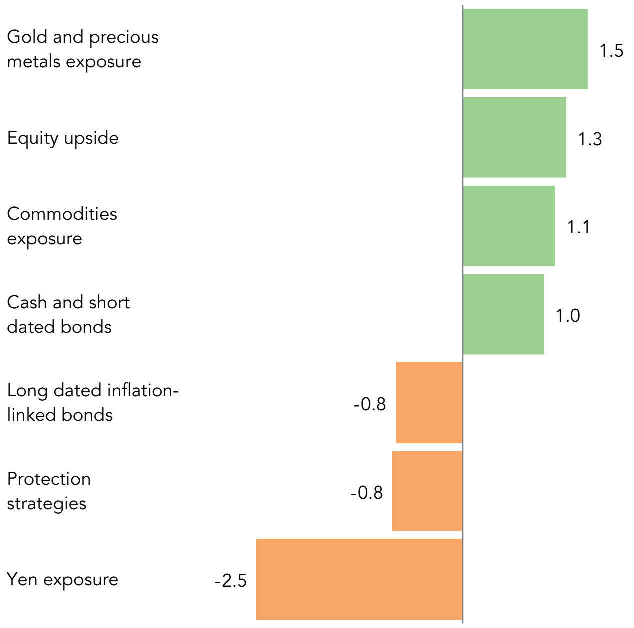
The performance drivers over the second half of the period look similar to the first; but with a bright spot for the derivative protections that came in April as markets wobbled on concerns of sticker inflation and higher-for-longer rates. This meant that whilst, overall, these assets dragged performance as a robust economy combined with the expectation of interest rate cuts allowed equity markets to continue their upward march and credit spreads to narrow, the cost to the portfolio (-0.8%) was significantly less than the prior six months.

The Yen was particularly painful in the first six months of 2024 (costing -2.5%), despite intervention by Japan's Ministry of Finance, as investors shifted expectations of US interest rate cuts from six to two, widening the interest rate differential across the Pacific. This dynamic, driven by continued economic strength and persistent inflation, also hurt our index-linked bonds, given their long-dated nature and therefore interest rate sensitivity.

On the other side of the ledger, our equity exposure profited from the rally (adding +1.3% to performance) and was boosted by additions to equity call options in January. Top performers over the second half of the year included TSMC (+68%), General Electric (+56%) and our basket of investment trust holdings including Hipgnosis Songs Fund, Trident Royalties, Taylor Maritime and Tufton Oceanic Assets that added +0.4% to performance.

Again, our commodity exposure had a key role to play, as gold reached new highs, on the surface in reaction to inflation and geopolitical concerns but perhaps also sniffing out the coming era of fiscal dominance. We captured the rally, having built our precious metals exposure to more than 8% by the end of March via a mixture of gold mining equities, silver bullion and latterly platinum exposure (all catch plays on the move in the yellow metal), contributing +1.5% in aggregate.

PERFORMANCE ATTRIBUTION 31 DEC 2023 TO 30 JUN 2024 (SIX MONTHS)



Source: RAIFM Ltd, data December 2023 to June 2024. Returns in local currency and gross of fees so will not total actual performance

Portfolio changes

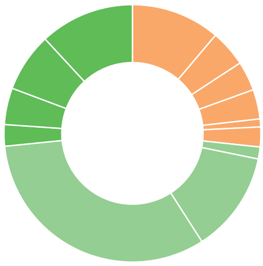
The portfolio remained defensive over the whole period, given our continued conviction that the path for a soft landing is narrow, and the risks of a correction in equity and credit markets high given the level of real interest rates alongside the uncertainty driven by elections, central bank policy decisions, liquidity risks, and a softening US economy. Crucially, we were able to protect and deliver a small positive NAV total return despite our caution thanks to the improved portfolio balance over the period, driven by proactive action in capturing opportunities presenting themselves on both sides (protection and growth) of the ledger.

Adding duration in the fourth quarter, as long-end yields breached 5% in the UK and the US, gave us a positive calendar year-end. We took profits in the bonds as they rallied in November, decreasing the portfolio's interest rate sensitivity back to where it was at the end of the summer, wary of interest rate volatility and the unrealistic expectation of six interest rate cuts, as was priced by the end of 2023.

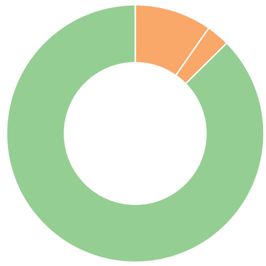
Proactive management of the portfolio's commodity and precious metals exposure also drove returns, particularly our activity over the last four months of the period where, having hit a new all-time high, we played the gold price remaining at elevated levels or moving higher through the addition of gold mining equities, silver and platinum exposure. Historically, these assets lag gold, then outperform – plus there is a strong fundamental story. The portfolio's copper exposure also saw robust gains in April and May, reaching a new all-time high, and we have since taken profits and reduced exposure as positioning became stretched.

The gross equity weight ranged from 12% to 24% over the period whilst the net (adjusting for hedges) ranged from 0% to 34%. The lows were in October and then again at the start of April – when we became more concerned with the direction of liquidity, given ongoing quantitative tightening and the end of the Bank Term Funding Programme (announced in response to the SVB crisis) and so reduced our exposure. These moves were rewarded by subsequent falls in the S&P during which the portfolio pleasingly held steady thanks to its derivative protections. Reflecting the fact that some of the risks causing the April wobble in markets subsequently passed (the Fed announced a QT taper and all but took rate hikes off the table), we re-grossed the portfolio by adding to both the equity weighting (taking it to c24%), alongside protection (at multi-decade low prices), to respect the potential for continued equity market momentum – but doing so with a crash helmet.

ASSET AND CURRENCY ALLOCATION AS AT 30 JUNE 2024



Inflation protection	%
Non-UK inflation-linked bonds long-dated	11.9
Gold and precious metals exposure	7.5
UK inflation-linked bonds long-dated	4.6
UK inflation-linked bonds short-dated	2.7
Sell-off protection	
Short-dated nominal bonds	32.4
Credit and derivative strategies	12.7
Cash	1.5
Economic growth	
UK equities	11.2
Asia ex-Japan equities	4.6
Europe equities	3.7
North America equities	3.7
Other equities	1.0
Commodity exposure	2.5



Currency allocation	%
Sterling	87.4
Yen	9.7
Other	2.9

Source: RAIFM Ltd as at 30 June 2024

1 In dark green, assets to protect against the long-term inflation volatility we expect, including inflation-linked bonds, gold and precious metals exposure

2 In light green, we have a large position in short-dated bonds and cash to provide dry powder and positive carry. Alongside, a potent allocation to derivative protections to address the risk of a sharp market decline if liquidity dries up and/or economic weakness takes hold as rates really bite

3 Last but not least, we are always asking ourselves 'what if we're wrong' to try and identify the right offsets to achieve portfolio balance. So, in orange we hold a range of equities and commodities to profit from a broader market rally and continued economic strength

Investment outlook

The Big Picture

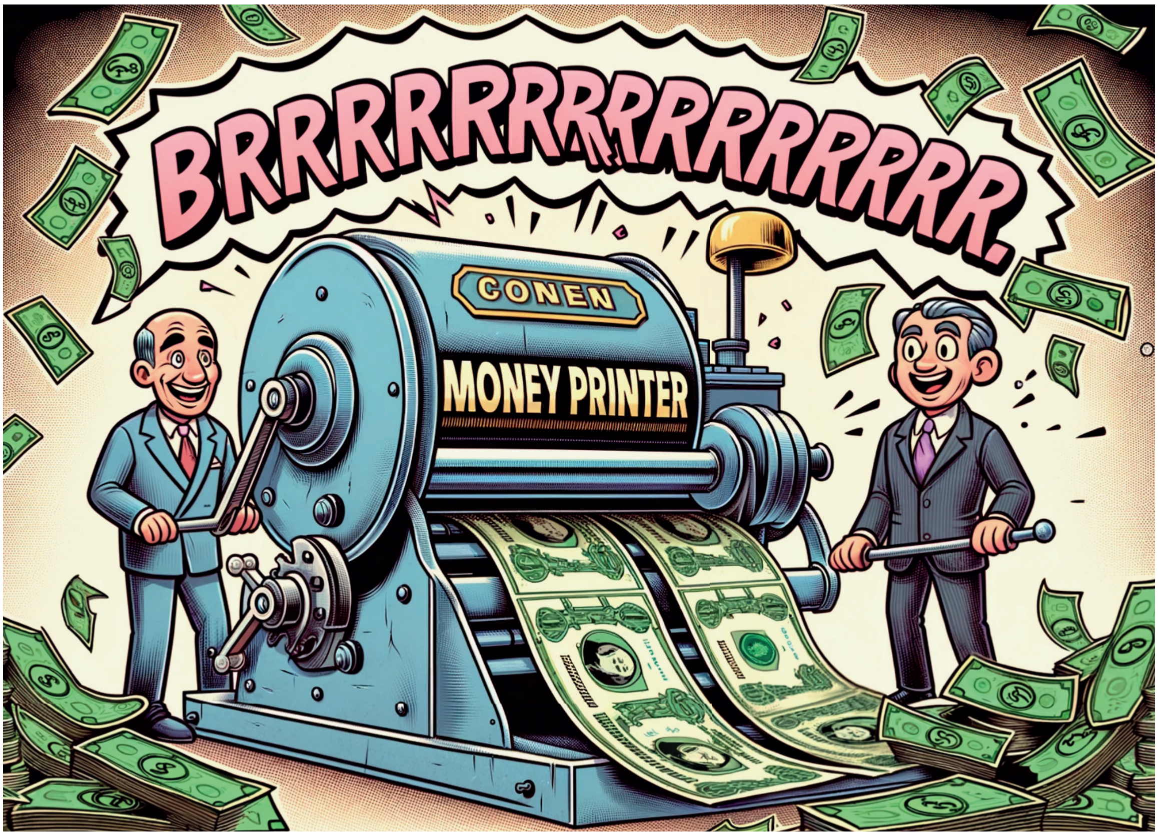
Over the past 18 months, our expectations for the global economic cycle have not yet happened. However, in our assessment, the end game is becoming ever clearer. Our structural view that the world has entered a new regime of higher and more volatile inflation remains unchanged.

It has been laid out in previous reports, and in multiple Ruffer Reviews, but the shorthand is that we have reached the end of cheap energy, cheap goods, cheap labour and cheap capital – all of which have been powerful disinflationary forces in the last couple of decades.

Government and policymakers, despite their protestations, are not serious about fiscal discipline. Normally, governments run larger deficits when the economy is weak to try and stimulate demand. Today's politicians (and the electorates which choose them) seem to believe in a magic money tree.

Unemployment is near all-time lows, workers are enjoying real wage growth, equity markets and household net-worth are at all-time highs and yet we are running fiscal deficits at levels only seen in wartime, the GFC or the pandemic. Crisis level stimulus met a boom-time market and a strong economy. Perhaps then, we should not be surprised we avoided recession last year, but we should also not be surprised when inflation remains persistent. We have now endured over 36 consecutive months of above target inflation in the US – a long time by any definition of 'transitory'. On the Fed's own forecasts headline PCE inflation will remain above target for another 18 months.

If you are running crisis level policies in the good times, what do you do when a crisis eventually appears?



This cartoon comes to mind – the bitcoiners and gold bugs are perhaps not wrong – it's not assets going up, it's money going down! Long term investors need to own what can't be printed. This leads to a preference for real assets over hyper-financialised ones.

The fly in the ointment is that inflation and inflation uncertainty are kryptonite for asset prices, particularly when the starting point for valuations is as high as it is today.

Barack Obama's advisor Rahm Emanuel repeated the line 'Never let a good crisis go to waste' in 2009 and it revealed a truth – only in a crisis does the Overton Window sufficiently expand for governments to do previously inconceivable things – think furlough schemes and direct stimulus cheques.

We think the printing press really gets going from the bottom of the next market crash or recession. That's when governments get serious about tackling the big societal issues like climate change, energy independence, reliance upon China and OPEC, inequality and crumbling infrastructure.

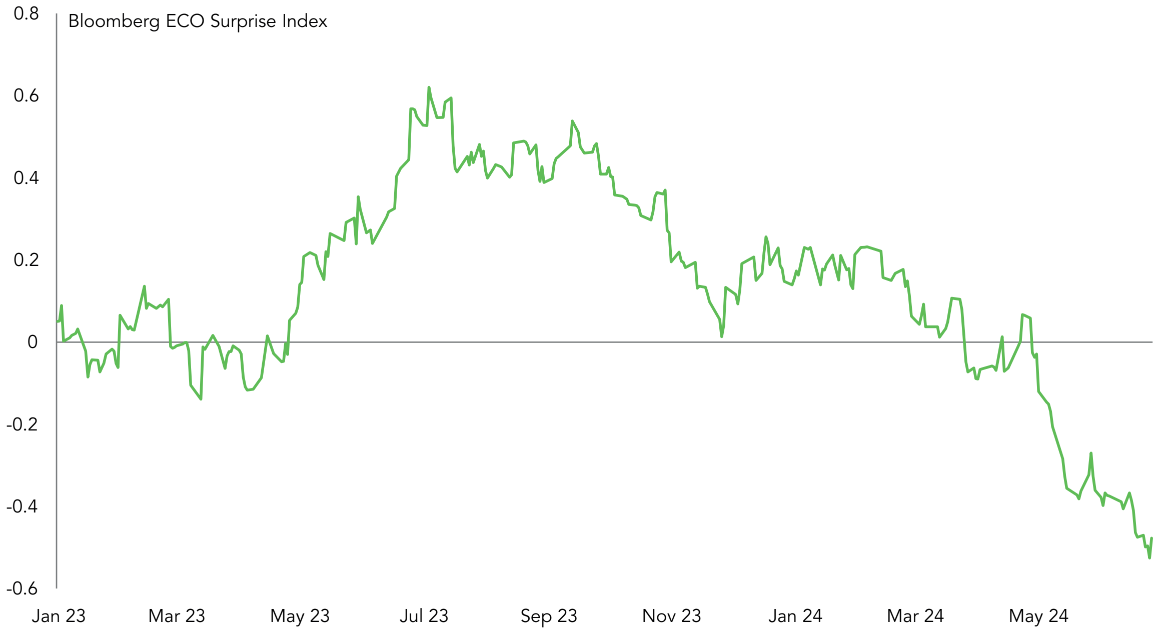
From a traditional portfolio construction perspective this is all problematic because government bonds, so long the safe haven, are now often the epicentre of the problems – as we saw with the Truss/Kwarteng budget in Q3 2022, the US debt sustainability wobbles of Q3 2023 and French government bond sell off in Q2 2024. Simply, supply is outstripping demand.

If the traditional safe haven asset is the problem rather than the solution to hedging a portfolio then investors need something else. This is where we think Ruffer can excel, providing true diversification and protection.

From a wall of worry to an echo bubble

We believe the bull market in equities is running out of positive surprises and that is a dangerous setup given starting valuations. There is no doubt that there was a wall of worry to be climbed since 2022 when recession and inflation fears loomed large. Since then, markets have enjoyed almost eighteen months of positive economic surprises. In the last couple of months, the data has started to come in a little softer, versus raised expectations, and there are signs of the economy slowing, as the fiscal impulse of 2023 wears off.

SURPRISES IN US DATA HAVE TURNED SHARPLY NEGATIVE



Source: Bloomberg. The surprise element is calculated as the percentage difference between the actual economic data release and the median of analysts' forecasts for that release, smoothed with a six-month delay. Data to June 2024

The danger lies in the market context – markets have looked through the weak data and fixated upon a soft landing. The wall of worry has been climbed and the bears have been vanquished.

Markets seem to be in an echo bubble of 2021 – the last time rampant fiscal stimulus met a strong economy, consumers felt flush with cash and there was a strong narrative capturing the market's imagination. However, what is remarkable is that this is happening with interest rates at 5%.

In 2021 it was cryptocurrencies, unicorns, and the FANG stocks; today it is the Magnificent Seven and AI but they have a similar flavour. We know that 2021 was followed by the multi-asset car crash of 2022.

It may not be the top of the market – but if it was, how would we know? Here's a few indicators of the market temperature –

1. Retail investors are piling billions of dollars into leveraged exchange-traded funds (ETFs), they are also buying record numbers of call options. Retail isn't just long, they are leveraged long. Remember, retail always buys more at the top than at the bottom.
2. It has now been 380 days without a 2% down day in the S&P 500.

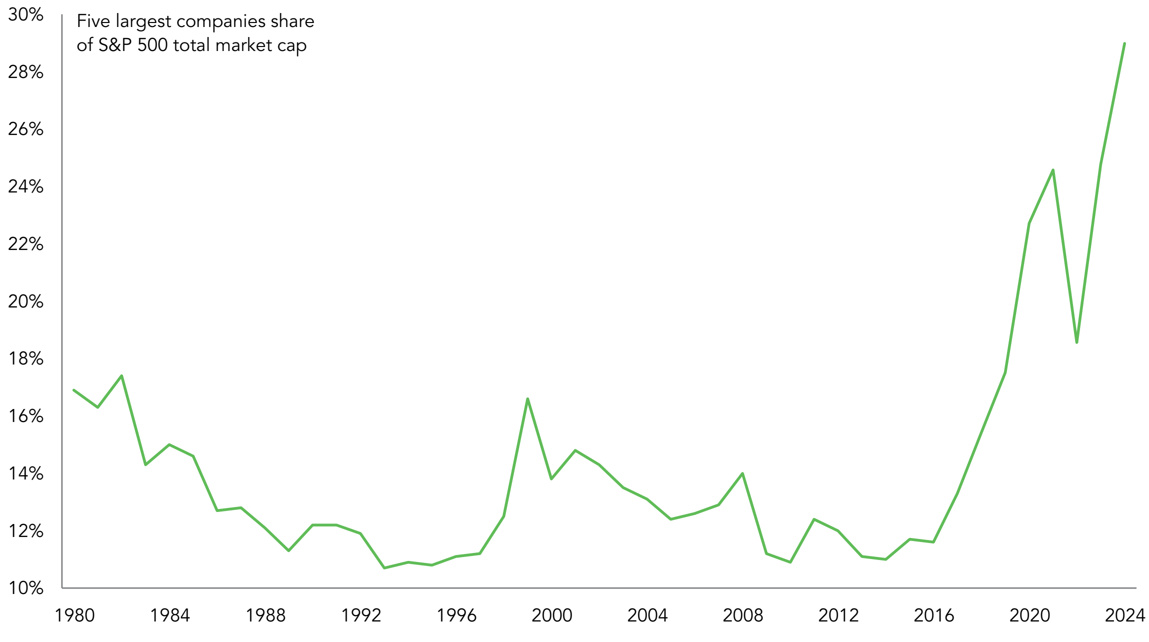
3 According to the Merrill Lynch Global Fund Manager Survey – only 5% of investors are worried about a recession in the next 12 months. One year ago that was greater than 50% of investors (including us) – that is the wall of worry, as each of those bearish investors threw in the towel and bought equities.

4 The same survey has investor willingness to take risk at its highest level since 2021, cash levels are correspondingly low despite interest rates being at c. 5%.

5 In May 2024 we saw the highest ever monthly flows into US growth and Tech-focused equity funds.

6 There is an adage that when markets are broad, they are strong, when they are narrow the opposite is true. The US is now 70% of MSCI World. The five largest companies are 28% of the S&P 500 (see following chart).

THE MARKET IS INCREDIBLY NARROW



Source: Bianco Research 2024

Nvidia – one company – is contributing one third of the entire rise in the US market year to date. In the second quarter, almost all of the US market's gains came from AI-related stocks, with the average stock actually falling over the period. To rework Churchill's famous ode to the Royal Air Force in the Battle of Britain – 'Never in the field of financial markets has so much been owed by so many to so few.'

In the second quarter of 2024, Nvidia added $1 trillion of market cap in just six weeks. Warren Buffett is widely believed to be the greatest investor of all time, posting remarkable numbers at Berkshire Hathaway for more than 60 years, he has still to achieve a $1 trillion market capitalisation.

They say history doesn't repeat but it does rhyme – this echo bubble sticks close to the original script.

2021 had crazy stories like DogeCoin rising to a $50bn valuation, GameStop squeezing up 700% and Roaring Kitty becoming a celebrity (immortalised in the movie 'Dumb Money'). Nvidia rose 150%.

From the vantage point of the market turmoil in 2022 it was easy to look back and say there were signs of excess.

In 2024 we have had the return of GameStop (briefly up 180%), Roaring Kitty is nearly a billionaire, and Nvidia has risen 185% in the first six months. The crypto coin Dogwifhat (Dog with a hat) peaked at a $67bn valuation trading $1bn a day.

If in a few years we look back say 'how would we have known?' it is fair to say that there are several clues.

Ugly ducklings

The Ugly Duckling is a Hans Christian Andersen fairy tale from 1843 about a duck who was born different. He was teased and rejected by the other ducks because he didn't look like them. He sees a different world to other ducks – and couldn't bring himself to join the flock.

Ruffer's portfolio today feels a little like the ugly duckling (thank you AI for the picture) full of deeply unloved, beaten up and lowly valued positions. Many of our assets have already been shunned, jeered, and cast out into the wilderness by investors.

Our ugly ducklings are positions that other investors either can't or won't hold. The skill is to try and blend them together in a portfolio which we can hold onto until the market turns.

We think that each of these positions has the potential to mature into a beautiful swan and a portfolio full of these ducklings offers a really attractive differentiated return stream.

Taking a look at the flock of ugly ducklings in the portfolio in turn, starting with the risk assets.

China equities

Perhaps the ugliest duckling of all? 'Un-investable' is the knee-jerk response to our c. 4% allocation to Chinese equities.

We have some sympathy with that, the 'Cold War II' narrative is one we have been vocal about since 2018. It has now become consensus, capital has been sucked out of China, which has struggled to recover from covid, and moved towards the US bull market.

AN INFLECTION POINT IN CHINESE EQUITIES?

Source: Bloomberg. Data to June 2024

Those longer-term threats have not gone away, and we consider these positions 'tactical' as opposed to 'structural'.

But the setup is compelling, even the China bears admit it's hard to stay bearish from here. Chinese equities are massively under-owned because of reputational risk.

Because of that aversion, the risk is mispriced, you get access to some of the cheapest equities in the world. We think it's an attractive way to take risk. There's a lot of bad news in the price.

Global leaders like Alibaba trade on a third of the valuation of their US equivalents. BABA has a third of its market cap in cash, >10% free cash flow yield and is buying back 5% per annum.

For the global recovery to be sustained it surely needs to broaden to include the second largest economy.

From a broader perspective, it's a good example of how we think about portfolio construction.

What's nice about this position is that if that bear case comes to pass – for example, Xi invades Taiwan – these stocks might be a zero, that is a catastrophic result for Chinese equities. We would also suggest it's a pretty catastrophic result for the MSCI World and market darlings like TSMC and Nvidia too.

But in that scenario – what is oil doing? Gold? S&P 500 downside protection? VIX? Bond yields? We think the protective side of our portfolio does extremely well in that scenario – the overall portfolio could well be up.

Therefore, we think it's a nice way of playing us being wrong and everything turning out quite well for the global economy and the downside is underwritten by our other assets.

UK equities

These make up 11% of the portfolio or almost half of the equity book.

The Labour Party's 1997 election theme song, 'Things Can Only Get Better', feels like a timely nod to the current attractions of the UK equity market, for so long the ugly duckling at the global equity party.

After a disastrous decade or so under the Conservative Party, a new government brings at least the chance of change. Expectations are low, but stability would at least remove a negative. The political uncertainty linked to so many elections across the globe this year leaves the UK looking relatively benign, and the consumer is feeling perky having weathered Covid and the cost-of-living crisis.

The UK stock market is cheap – if you focus solely on valuation rather than growth. Sitting on about a 12x price/earnings ratio, compared to 17x for global equities and 21x for US markets. But the UK has been 'cheap' for many years. So what's different now?

We might be running out of sellers, outflows have been relentless for almost the entire period since Brexit. Pension funds and wealth managers have now mostly completed their removal of 'home bias' and have record low levels of exposure.

New buyers are emerging; first, other investors are noticing the attractions of UK equities. In the first six months of 2024, 32 deals were announced with a value of more than £100 million, adding up to a value of £34 billion. The bid premium is averaging 30% and the quantum is a threefold increase since last year.

Within the portfolio we received bids for Hipgnosis Songs Fund and Trident Royalties – more would not surprise us.

Gold equities

4% of the portfolio is invested in gold mining equities – with another 3% exposure to silver and platinum.

The reasons why gold is going up are clear – geopolitical concerns, inflation worries, fiscal incontinence, perhaps a desire to avoid the tax man.

But gold stocks, until recently, were completely ignoring the gold price. Since 2010 gold has almost doubled and the gold mining stocks are down 40% (see following chart).

THE JAWS OF A GOLDEN OPPORTUNITY

Source: Bloomberg, data January 2010 to June 2024

There are many good reasons investors shun the equities – the rise of sustainable funds, spendthrift management teams, historically bad capital allocation policies including bad mergers – but arguably it has gone too far, and these issues are mostly in the rear-view mirror.

Newmont – the biggest, blue chip stock trades on an 11% free cash flow (FCF) yield at $2,300 gold. Almost all of the smaller players in the sector are cheaper. The entire industry is around $350bn in market cap, that's the same size as Home Depot, or the daily market capitalisation swing on Nvidia in several days in Q2 2024.

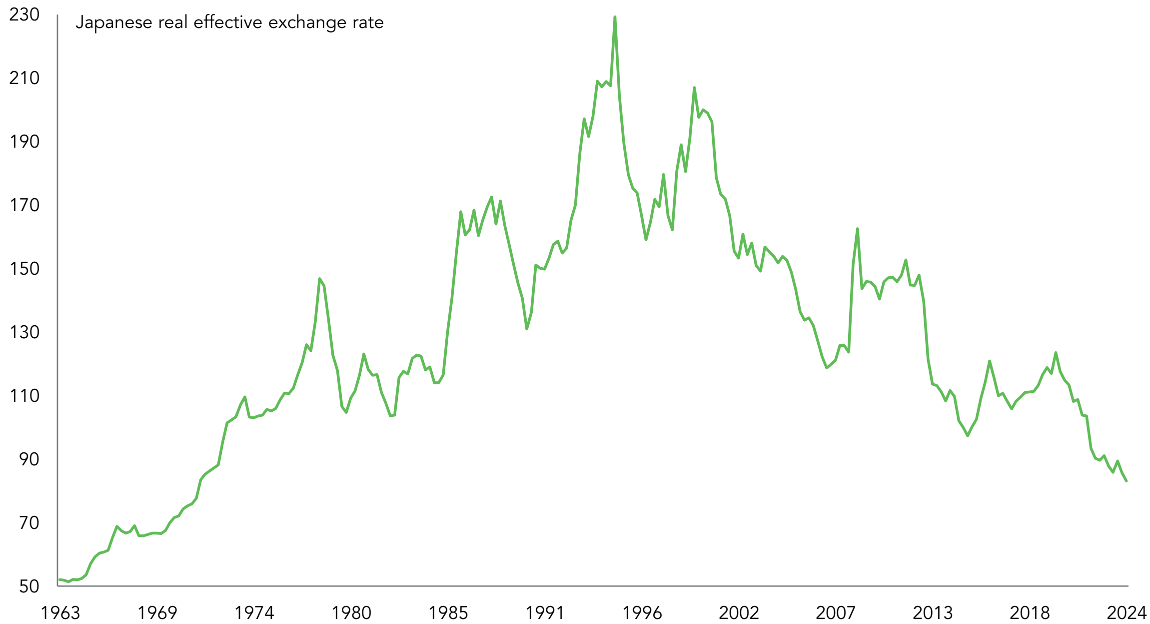
The mining companies offer compelling value and asymmetry. Earnings revisions in the sector are going to be spectacular – looking at the sell-side models nobody has $2,300 gold priced in. What if it goes to $3,000?

The yen

The yen ugly duckling is greater than a 10% position and has been a drag on performance as covered in the attribution section. That should not dim our enthusiasm looking forward.

The yen is the cheapest major currency in the world. One would have to go back to December 1986 for the last time dollar/yen traded at 161. On a real effective exchange rate or purchasing power parity basis, it is also now testing multi-decade lows – we acknowledge this provides no clue on timing, but a strong hint on value.

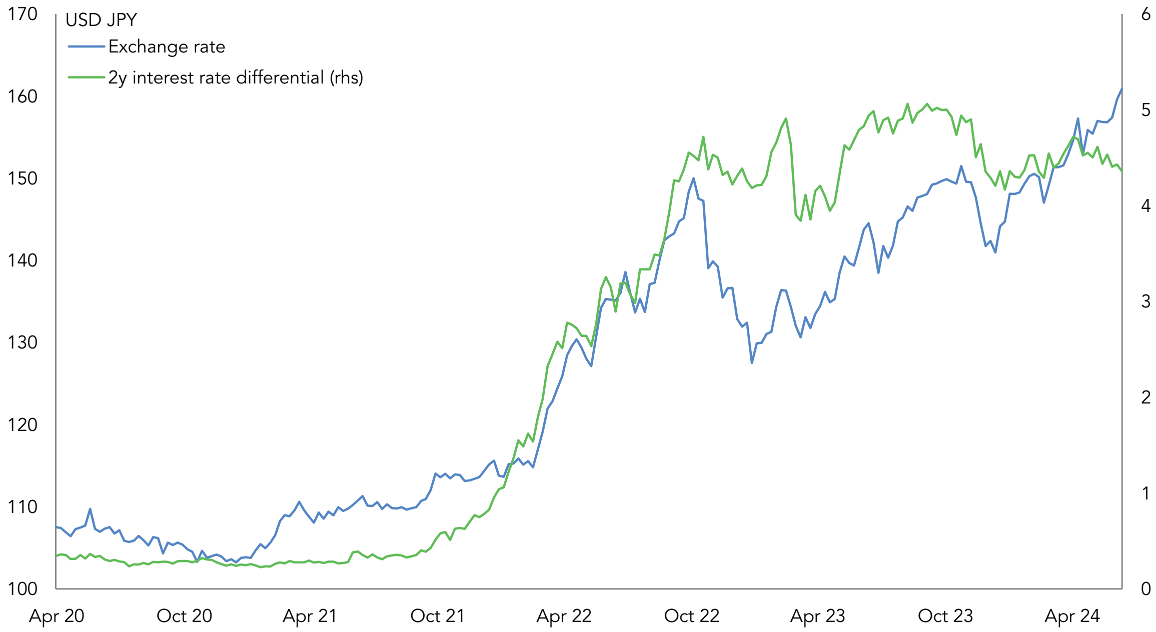
YEN REAL EFFECTIVE EXCHANGE RATE IS THE CHEAPEST SINCE EARLY 1970S



Source: Refinitiv Datastream. Data to June 2024

This chart shows why the yen has fallen so far in the last couple of years: the interest rate differential between Japan and, as shown below the US dollar has meant investors can earn 5% more in the US than in zero-rate Japan. That has caused savers, but also a huge number of speculators, to engage in the carry trade – borrowing in yen at low cost to fund positions in the US dollar or other higher yielding currencies and assets. Lately, we have seen momentum traders pushing this trend further.

THE YEN IS A HISTORIC OPPORTUNITY



Source: Ruffer, Factset. Data to June 2024

What the wise man does in the beginning, the fool does in the end. We think these investors are now playing with fire. The Bank of Japan (BOJ) has repeatedly intervened to prop up the currency, so far unsuccessfully, but their determination and need is growing.

Anything which causes that yield gap to narrow further, from either side, should drive the yen up in value. With wage growth and inflation in Japan running at 30-year highs, we think it will be a combination of BOJ interest rate hikes and Fed rate cuts that work in our favour from here.

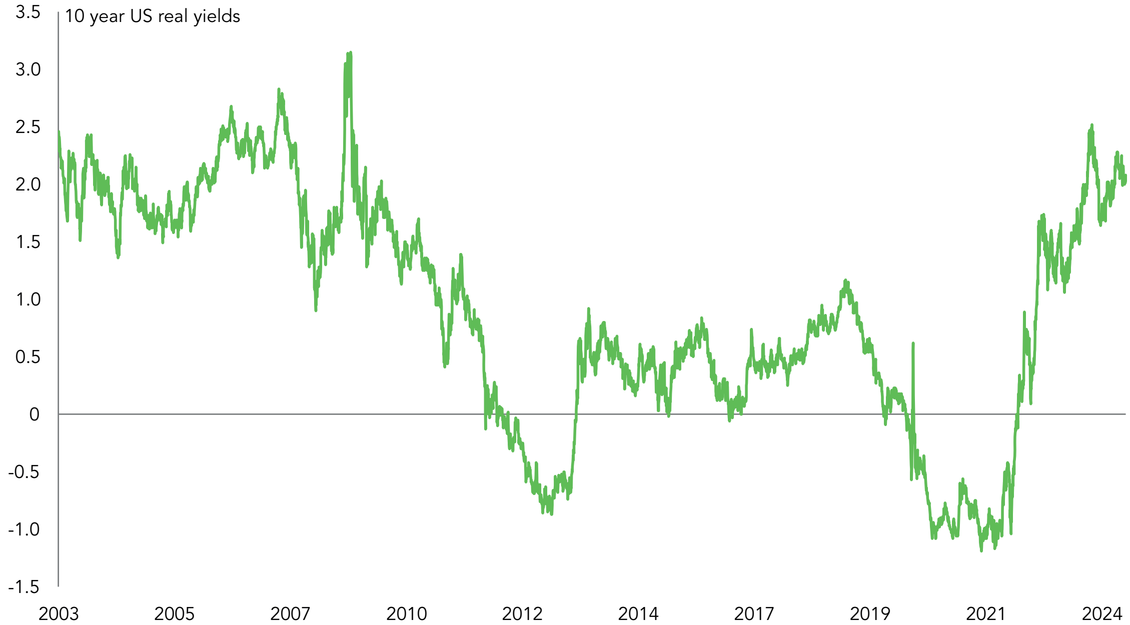
Lastly, from a portfolio perspective we like the characteristics the yen brings to the table. It has historically functioned as a safe haven asset. In the GFC, yen denominated holdings doubled for sterling investors inside 12 months. That was hugely helpful for the Ruffer portfolio, and we expect it to be so again.

Real yields

19% of the portfolio is in US treasury inflation protected securities (TIPS) and UK inflation-linked gilts. The portfolio duration sits at just under three.

At the period end, 10-year US real yields are just over 2% in the US. These are some of the highest yields on offer since the GFC sixteen years ago.

US REAL YIELDS ARE HIGH



Source: Bloomberg, January 2003 to June 2024

Investors can lock in a return of inflation plus 2%, whatever inflation might be, lending to the global hegemon for 10 years. This may not sound like the most exciting of investment propositions, but it certainly acts as a sensible core holding for a capital preservation portfolio. What it can do, is act as a hurdle rate for every other risk asset in your portfolio.

Volatility (VIX), equity put options and credit protections

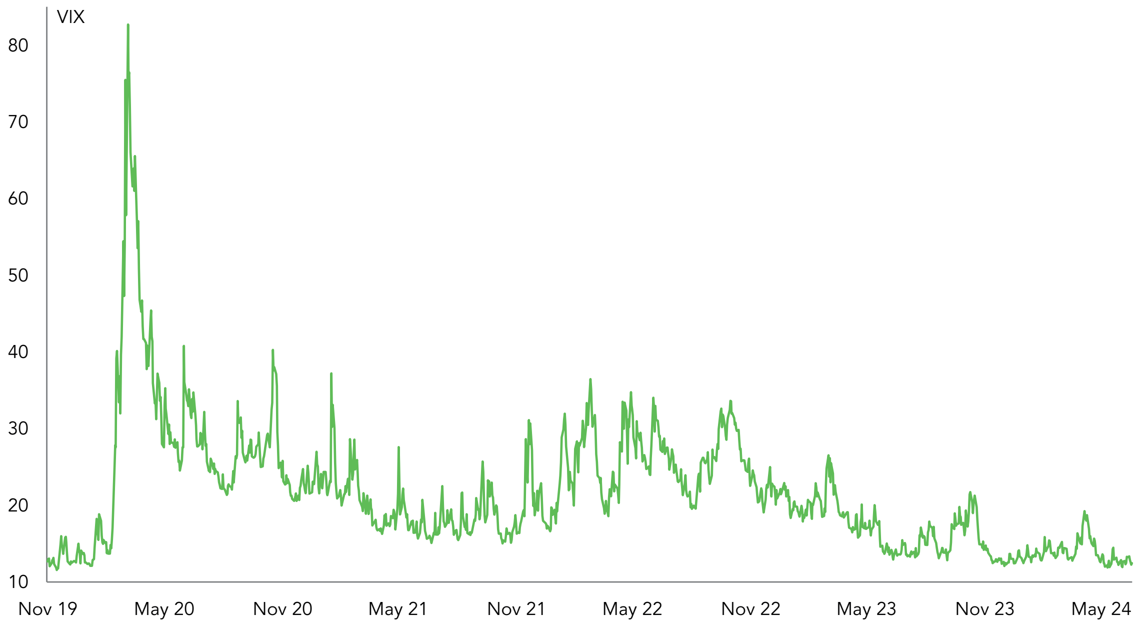
The word to describe the current market environment is complacent. There remains much to worry about – the geopolitics and domestic political situations have turned chronic, recession and inflation risk are not yet vanquished, valuations remain high.

Yet as we know, markets have rallied to all-time highs. A consequence of this implied certainty, our unconventional protective toolkit, is the cheapest and most asymmetric we have ever seen it.

Despite benefitting from booming markets recently, nobody wants to pay a cent to protect their downside – especially if they think policymakers are doing it for them for free.

VIX (a measure of equity volatility) is at pre-covid lows, when we were buying hedges that ended up rising 40x during March 2020. We were only able to benefit from this return because we were comfortable spending on protection in the years running up to 2020, which for a time looked like wasted money.

LOW VOLATILITY PRESENTS ATTRACTIVE PROTECTION



Source: Factset. Data to June 2024

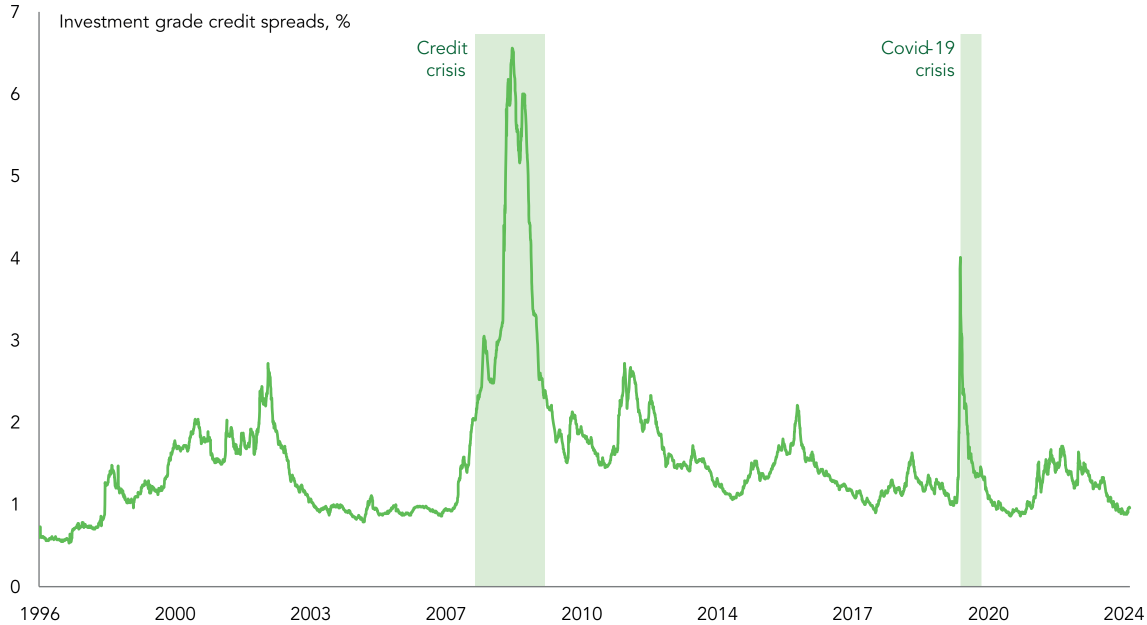
A very clear sign of market complacency is the cost of S&P put options (see following chart), which has been crushed as faith in this grinding bull market strengthens. The consequence of this is that you can buy crash protection, say a 10-20% out the money put, for the cheapest price we've seen in over a decade. These puts would also benefit from a rise in volatility and do not require the market to fall all the way to the strike to make money.

EQUITY MARKET PROTECTION IS CHEAP

Source: Ruffer, Goldman Sachs, Bloomberg. Data to June 2024

Lastly, we continue to use credit spreads as part of our hedging toolkit. These spread levels imply that markets envision no corporate stress and certainly no recession (highlighted in green in the following chart).

SOURCING PROTECTION FROM CREDIT MARKETS



Source: ICE BofA Corporate Index Option-Adjusted Spread. FRED database. Data to June 2024

Yet we know that the economy has endured 500bps of aggressive interest rate hikes, much debt will need to be refinanced onto higher rates in the coming years, and despite strong economic growth, corporates face the headwinds of inflation and wage pressures. These very tight spreads of around 50bps on the Investment Grade index now sit on top of 5% rates, meaning the cost to service the debt has risen dramatically in the last few years. We have high conviction that spreads will widen when markets face a risk event.

So if something goes wrong in markets, we are loaded with cheap hedges.

Summary

There's a lot to concern investors, markets feel frothy with elements of the bubble of 2021, and echoes of 1999. More and more active fund managers are being forced into the same trades due to underperformance. More and more capital is allocated to passive strategies. Despite this, nobody seems to be worrying.

We maintain conviction that the path for a soft landing is narrow; elections, central bank action, liquidity risks, and a softening US economy all give reason for caution. Attractive risk-reward can be found in growth assets across certain geographies and sectors, whilst the cost of protection remains at multi-decade lows. This allows us to build a portfolio containing both powerful protections, but similarly asymmetric growth assets.

Investors are complacent about recession risk, inflation risk, valuation risk and earnings risk. We have arguably never seen a market as crowded and narrow as the one we see today.

We are excited about the opportunity we see in front of us. We think the prospective rewards, relative and absolute, for having a portfolio that looks nothing like the benchmark or anyone else's have never been higher. We have a portfolio full of deeply unloved, under owned, convex and asymmetric positions which feel like ugly ducklings.

We don't know when it's going to happen, we thought it was going to be 2023, but at some point, we will have a change in the investment weather. When we do, it will be quite shocking to everyone, how quickly some of these ducklings turn into beautiful swans. Until that point, we believe the portfolio is exhibiting better balance than in 2023 and will stay in the game, meeting our absolute return aim.

Ruffer AIFM Limited

Ruffer's approach to Responsible Investment

The Board considers environmental, social and governance (ESG) considerations as sources of both opportunity and risk. As such, they are potential contributors to investment performance and are an important subset of the risks and opportunities Ruffer considers in its fundamental investment analysis to help guide security selection and portfolio construction. Ruffer believes investing responsibly is aligned with its underlying investment philosophy of capital preservation and will lead to better long-term outcomes. As a global investment manager, Ruffer seeks to engage meaningfully to drive change, rather than simply excluding companies and other securities which may rank poorly on ESG metrics.

Ruffer has a dedicated Responsible Investment (RI) team which sits within the Research function and works closely with research analysts to implement the firm's Responsible Investment Policy. Ruffer is also a signatory to or supporter of the following organisations –

- Principles for Responsible Investment
- Climate Action 100+
- Carbon Disclosure Project (CDP)
- Transition Pathway Initiative
- IFRS sustainability alliance
- Institutional Investors Group on Climate Change
- UK Stewardship Code
- Net Zero Asset Managers initiative

Ruffer's Responsible Investment Policy is based on the twin pillars of integration and stewardship and is available at ruffer.co.uk/ri-policy

Integration

Integration refers to the incorporation of potentially material ESG factors into the fundamental analysis of individual securities.

Equities

Ruffer uses direct holdings for most of its equity portfolio. It determines the level of required ESG due diligence for equities based on certain materiality thresholds. These include the size of the holding, the proportion of issued share capital held by Ruffer, ESG ratings by third parties such as MSCI, and companies operating in potentially controversial economic sectors.

For directly held equity positions, Ruffer completes an ESG summary of risks and recent controversies.

For holdings considered material, a more extensive due diligence task is conducted by the RI team and research analyst. Each assessment covers potential areas for engagement, with materiality driving decisions on where to focus their resources.

Ruffer monitors investee companies through –

- company statements and reports and third-party reports
- meeting with advisors and sell-side analysts
- engaging (collaboratively or independently) directly with company boards and senior management
- attending and voting at annual general meetings (AGMs)
- conducting ad hoc reviews based on both company-specific and sectoral analysis

Throughout the holding period, the research analyst is responsible for keeping ESG considerations under review, with input from the RI team.

Whilst most of the portfolio's equity exposure is gained directly, 3.0% of the portfolio (as of 30 June 2024) is held in an iShares MSCI China UCITS ETF. Ruffer rarely uses ETFs for equity exposure. However, as an unconstrained manager, if it wants exposure to a market without taking the idiosyncratic risk which comes with direct and possibly concentrated equity holdings, it may buy ETFs. As ETFs neither confer voting rights nor allow for engagement, Ruffer has instead focused its responsible investment efforts in other areas of the equity portfolio. Please see the Stewardship section below for further details.

Commodities, gold, and other precious metals

Over the last 12 months, the portfolio has had exposure to various commodities, including precious metals (gold, silver, and platinum). Whilst Ruffer has used direct equity holdings for some of the portfolio's exposure to this theme, most has been gained via an exchange-traded commodity (ETC), a security that derives its value from the price of the underlying commodity. This gives investors exposure to movements in the price of the commodity without having to buy, sell or store it, or to take equity risk through holding shares in oil producers or copper miners – something Ruffer may want to avoid given its broader view on the equity market or company valuations.

From a responsible investment perspective, commodities and precious metals are critical inputs to a lower carbon future. Raw materials such as copper are required for the energy transition, to build batteries, solar panels, and other emerging technologies. Copper is also used in the construction of the silicon chips used in artificial intelligence (AI). If the AI boom continues, demand for such materials is likely to increase.

Similarly, oil is in our view a prerequisite for the renewable energy transition. There will be times when new capabilities are not being deployed quickly enough to shoulder the burden placed on incumbent solutions such as oil. The world is likely to feel the impact of pre-emptive underinvestment in fossil fuel capacity. The resulting energy deficit at times may trigger an increase in the price of commodities. This dynamic will inject volatility and may create attractive investment opportunities in these assets. Ruffer believes it can capitalise on such opportunities in ways that contribute to an orderly transition of the energy system.

CASE STUDY: COMMODITIES, GOLD, AND PRECIOUS METALS

The ETCs Ruffer opted for were constructed by WisdomTree and iShares. Ruffer met with WisdomTree in Q3 2023 to discuss how its ETCs are structured and how ESG factors might be considered within this process. The meeting was focused on copper ETCs, as well as instruments derived from critical raw materials such as lithium and cobalt, as investor appetite for exposure to the energy transition grows. WisdomTree is positioned to convey the wants of its investors to commodity exchanges, like the London Metals Exchange. Ruffer plans to keep communicating with WisdomTree as the industry evolves and develops processes to integrate ESG factors into these financial instruments, and it's pleasing that WisdomTree has recently launched an ETC with an Article 8 classification under the European Sustainable Finance Disclosures Regulation.

Sovereign bonds

The strategy's fixed income holdings are at present almost entirely sovereign bonds, being bonds issued by a national government. Ruffer has a proprietary model to assess sovereign issuer ESG risks, consisting of country-level indicators to gauge each sovereign issuer's exposure. The model includes environmental inputs ranging from renewable energy usage to waste recycling and population studies assessing physical climate risk in low-lying areas. Social and governance indicators are equally broad, including health and education, female participation in the labour force, and measures of political stability and corruption. This tool gives us a country-level ranking based upon these ESG risks. In total, it assesses 14 thematic factors, using 37 internationally comparable datasets, for over 180 countries.

The output of the analysis is an ESG score assigned to each sovereign issuer. To avoid over-penalising developing countries (given their limited resources for improvement), Ruffer assesses the evolution of a country's ESG profile over time, to understand which governments have been taking actions and making improvements.

Protective strategies

In addition to conventional assets, Ruffer invests, both directly and through specialist external managers, in strategies designed to protect in periods of market stress. The portfolio holds financial instruments such as forwards, futures, and options which are deemed key to effectively and efficiently implement the Ruffer 'all-weather' investment strategy. They help to manage, or offset, market risks or to capture returns. Ruffer does not currently consider ESG factors when investing in derivatives, as there is no agreed industry approach or standard, and it cannot take an active ownership role in the management of these instruments and securities. Ruffer primarily holds interests in indices, rates, or currencies which may not directly relate to any one company, commodity, issuer, or security. Under the Financial Conduct Authority (FCA) Task Force on Climate-related Financial Disclosures (TCFD) reporting requirements, it is expected Ruffer will investigate a possible solution for identifying climate-related risks and opportunities for these asset classes.

Stewardship

At Ruffer, stewardship activities include engagement (either individual or collaborative, with escalation if required) and voting. The firm's focus on engaging directly with company management has afforded it a deeper understanding of the companies it invests in.

Engagement

Over the 12 months to 30 June 2024, Ruffer conducted 37 engagements across a range of companies and topics.

Source: RAIFM, engagements can cover multiple topics across environment, social, governance and strategy.

When an ESG issue or opportunity is identified, Ruffer will usually raise it directly with investor relations, sustainability experts, company management, or executive or non-executive directors. Learnings and company information acquired through engagement may be incorporated into the investment analysis process to inform future investment decisions.

CASE STUDY: ENGAGEMENT

ArcelorMittal (steel manufacturer) is a long-term holding for RICL. Ruffer has engaged with the company – both individually and collaboratively via the Climate Action 100+ initiative as a co-lead investor – focusing on the company's transition strategy. During 2023, an explosion and fire in an underground coal mine at the company's (then) Kostenko site caused the deaths of 46 people. The site was subsequently transferred to the Kazakhstani government.

At its Q3 2023 investor call, ArcelorMittal's CEO announced a third-party safety audit to "take a hard look inside our group, identify the gaps that exist and strengthen our safety actions, processes and culture to ensure that we prevent all serious accidents." Following this, a group of investors, including Ruffer, met with the company to discuss the incident in Kazakhstan and begin the engagement on the broader health and safety topic. Specifically, Ruffer asked whether it could isolate spending on safety at the Kostenko asset and the presence of methane detection equipment (as it was speculated the explosion occurred because of trapped methane). ArcelorMittal confirmed methane detection was installed and noted its approach to safety spend was based on zero-based budgeting – if a need was identified, budget would be created.

Disappointingly, given the transfer of the asset to the Kazakhstani government, the results of the investigation into the Kostenko mine disaster may never become public. As legal title to the asset had changed, ArcelorMittal no longer held any obligation related to the site. In relation to the third-party health and safety audit, just before 2023 year end, ArcelorMittal announced it had chosen the company to conduct the work and provided an update to shareholders during April 2024. RICL has recently sold its holding in ArcelorMittal. Should it purchase the stock again in the future, it would review the outcomes of the third-party audit and engage with ArcelorMittal accordingly.

Voting policy

Ruffer votes on all shareholdings held within RICL.

Ruffer reviews relevant issues and exercises its judgement, based on in-depth knowledge of each company. The opportunity to vote may enable Ruffer to encourage boards and management teams to consider and address areas of concern, along with areas worthy of support.

Ruffer has a voting policy and internal voting guidelines and receives proxy voting research from ISS Governance to assist analysts in their assessment of resolutions and the identification of contentious issues. Although Ruffer considers proxy advisers' voting recommendations, Ruffer does not delegate or outsource decisions on voting.

CASE STUDY: VOTING AND ENGAGEMENT

One of RICL's holdings where voting was an important tool was the engagement with Hipgnosis Songs (SONG), a song management investment trust. After problems started to emerge in 2022, Ruffer proactively engaged with the management team and the previous board and chair to advocate for changes in the operating procedures and oversight.

As the situation worsened, in Q4 2023 Ruffer escalated its concerns by voting against all but one of the directors, and against the proposed sale of assets to a related party. Ruffer expressed concerns directly to the board and management over two meetings in Q4 2023. The results of the AGM catalysed a strategic review under a new chair and new advisors. The chair refreshed the board and the shareholder register and de-escalated a complicated and fractious situation.

In April 2024, RICL sold the portfolio's remaining holding after the board's approval of the Concord bid to acquire SONG. Ruffer felt the deal would materially accelerate the return of capital compared with a managed wind-down, whilst avoiding the potential for further negative discoveries from within the portfolio and possible tax liabilities associated with a piecemeal sale.

Climate change

The Board is committed to the shift towards Net Zero emissions of greenhouse gases, and Ruffer is a signatory to the Net Zero Asset Managers initiative (NZAM). Ruffer adopted a pragmatic fossil fuel strategy which prioritises delivering its investment objectives with a desire for real world emissions reduction.

Ruffer's targets include –

1. 80% of the assets in scope (equities and credit) to be Net Zero aligned, or in the process of aligning, by 2030
2. By 2025, at least 70% of financed emissions in material sectors will be either Net Zero aligned or the subject of engagement action, with that figure rising to 90% by 2030
3. A 50% reduction in scope 1 and 2 emissions intensity, adjusting the baseline (December 2021) to reflect shifts in asset allocation. More details on this can be found here: What this means for our targets – 2023 NZAM (foleon.com).

Ruffer seeks to engage with management of companies that contribute to the Ruffer Investment Company's portfolio emissions, encouraging them to adapt their business models or disclose additional information related to aligning with the transition to a low-carbon economy.

Ruffer also publishes an annual TCFD report, which explains its climate-related activities, and a number of carbon metrics. It also includes performance against the NZAM targets. Ruffer calculates the weighted average carbon intensity of the fund on an ongoing basis. This metric, recommended by TCFD, measures a portfolio's exposure to carbon-intensive companies.

CASE STUDY: CLIMATE CHANGE

Ryanair is one example of Ruffer's engagement on climate-related issues. As an update to last year's report, Ruffer sought a meeting with Ryanair to discuss the company's efforts on the use of sustainable aviation fuel (SAF). Ruffer believes that Ryanair, thanks to its market leading position in European short haul travel, is well placed to use its size and influence – not to mention superior financial flexibility – to deliver on transition targets whilst creating value for its shareholders.

Ruffer asked whether the company would disclose more prominently the portion of SAF blended with traditional aviation fuel (both current and modelled) and carbon intensity so the market can observe its progress more clearly. Ruffer will wait until the release of the company's next Sustainability Report to see whether requests for greater disclosure have been delivered. Ruffer continues to be impressed by the company's approach to SAF and emission reductions more broadly and think it is well placed to reinforce its competitive advantage through the transition.

Regulatory change

Responsible investing is increasing in importance, and it is unsurprising the Financial Conduct Authority has published a new regulation: FCA PS23/16: Sustainability Disclosure Requirements (SDR) and investment labels regime. It introduces four voluntary investment labels for products with sustainability objectives. It also sets naming and marketing rules for investment products which choose not to label but still use sustainability-related terms in either the name of the fund or its marketing materials. The rules are designed to ensure that the use of such terms is accurate and easy for consumers to understand. The Company is out of scope of this regulation as a Guernsey-domiciled company.

SDR also introduces a new anti-greenwashing rule where RAIFM is within scope when communicating to UK clients. As a result, over the last 12 months, Ruffer has formed a project team (which includes RICL Fund Manager Jasmine Yeo) to review all in-scope internal and external communications. Ruffer has also sought to ensure clear guidelines continue to be understood by all staff for future communications related to sustainability claims, to ensure they are fair, clear, and not misleading and are consistent with the sustainability characteristics of the relevant products or services.

Conclusion

The Company's aim is to deliver consistent positive returns — whatever happens in financial markets. Responsible investment factors form one part of Ruffer's fundamental analysis. The RICL Board has a duty to act as responsible stewards of shareholders' assets, and finds comfort in Ruffer's efforts to integrate these considerations into its investment process. Ruffer is using its judgement to determine when to engage and how to vote at shareholder meetings to best protect the economic interests of shareholders, whilst remaining cognisant of the impact on other stakeholders.

Top ten holdings

Investments	Currency	Holding at 30 June 24	Fair value £	% of total net assets
Ruffer Illiquid Multi Strategies Fund 2015*	GBP	110,392,473	70,178,703	6.88
Ruffer Protection Strategies International*	GBP	9,334,953	59,997,893	5.89
US Treasury inflation indexed bond 1.75% 15/01/2034	USD	74,570,000	58,259,892	5.70
US Treasury floating rate bond 31/10/2025	USD	57,000,000	45,092,883	4.42
US Treasury floating rate bond 31/01/2025	USD	53,500,000	42,335,022	4.15
WS Ruffer Gold Fund*	GBP	11,080,000	36,259,655	3.56
Japan 0.005% 01/08/2025	JPY	7,331,950,000	35,973,940	3.53
Japan 0.005% 01/09/2025	JPY	7,295,700,000	35,787,471	3.51
US Treasury floating rate bond 31/07/2025	USD	44,000,000	34,799,842	3.41
US Treasury inflation indexed bond 1.375% 15/07/2033	USD	41,587,000	31,996,892	3.14

* Ruffer Illiquid Multi Strategies Fund 2015 Ltd and Ruffer Protection Strategies International are classed as related parties as they share the same Investment Manager (Ruffer AIFM Limited) as the Company. WS Ruffer Gold Fund is also classed as a related party as its investment manager (Ruffer LLP) is the parent of the Company's Investment Manager.

Directors

At the date of this report, the Company has six (2023: five) non-executive Directors, all of whom are independent.

Christopher Russell, a resident of Guernsey, is a non-executive director of one other listed company, JPMorgan Global Core Real Assets Ltd, which invests in private JPMorgan managed real estate and infrastructure funds globally. His only other commitments are as director of a Guernsey family office, a Guernsey charitable institution and personal family investment interests. Prior to a non-executive career, Chris was a director of Gartmore Investment Management plc, where he was Head of Gartmore's businesses in the US and Japan. Before that he was a holding board director of the Jardine Fleming Group in Asia, resident in Japan then Hong Kong. Prior to joining Flemings in London, he was with Phillips & Drew Asset Management. He is a Fellow of the UK Society of Investment Professionals and a Fellow of the Institute of Chartered Accountants in England and Wales. He was commissioned by John Wiley to publish in 2006 'Trustee Investment Strategy for Endowments and Foundations'. Mr Russell was appointed to the Board on 1 December 2016 and became Chairman of the Board on 4 December 2020.

Shelagh Mason, a resident of Guernsey, is a solicitor who specialised in English commercial property. She retired as a consultant with Collas Crill LLP in October 2020. She is also non-executive Chairman of the Channel Islands Property Fund Limited, sits on the Board of Riverside Capital PCC and Skipton International Limited, a Guernsey Licensed bank, and until 28 February 2022 was a non-executive director of The Renewables Infrastructure Group Limited, a FTSE 250 company, when she retired after 9 years on the board. Shelagh also sits on the board of Starwood European Real Estate Finance Limited, a London-listed company. Previously Shelagh was a member of the board of directors of Standard Life Investments Property Income Trust Limited, a property fund listed on the London Stock Exchange, for 10 years until December 2014. She retired from the board of MedicX Fund Limited, a main market listed investment company investing in primary healthcare facilities in 2017 after 10 years on the board. She is a past Chairman of the Guernsey Branch of the Institute of Directors, a member of the Chamber of Commerce and the Guernsey International Legal Association, and she also holds the IOD Company Direction Certificate and Diploma with distinction. Mrs Mason was appointed to the Board on 1 June 2020.

Nicholas Pink, a resident of the United Kingdom, has extensive senior management experience in financial services with previous roles at UBS Investment Bank, including Global Head of Research, Head of European Research, Head of Asia Research and Head of European Equities. Prior to this he was Head of European Utilities Research at UBS Investment Bank. He is a non-executive director of JPMorgan Emerging Europe, Middle East and Africa Securities plc and chair of Baillie

Gifford China Growth Trust plc, both UK-listed investment trusts. Mr Pink was appointed to the Board on 1 September 2020.

Susie Farnon, a resident of Guernsey, is a Fellow of the Institute of Chartered Accountants in England and Wales and a non-executive director of a number of property and investment companies (as further detailed below). Susie was a Banking and Finance Partner with KPMG Channel Islands from 1990 until 2001 and Head of Audit KPMG Channel Islands from 1999. She has served as President of the Guernsey Society of Chartered and Certified Accountants and as a member of the States of Guernsey Audit Commission and Vice-Chairman of the Guernsey Financial Services Commission. Susie was appointed as a non-executive director of the Association of Investment Companies, the UK Investment Companies' trade body, on 1 April 2018. She currently serves as non-executive director of the following companies listed on recognised stock exchanges: Apax Global Alpha Limited, Real Estate Credit Investments Limited and Bailiwick Investments Limited. Susie was appointed to the Board on 1 September 2022.

Solomon Soquar, a resident of the United Kingdom, has a portfolio of roles, including: non-executive director of Blackrock Sustainable American Income Trust plc and Africa Research Excellence Fund, and Business Fellow of Oxford University and Smith School of Economics and Enterprise. Solomon has a long and deep experience of over 30 years across Investment Banking, Capital Markets and Wealth Management. He has worked with a number of major financial institutions, including Goldman Sachs, Bankers Trust, Merrill Lynch, Citi and Barclays. His most recent executive role has been as CEO of Barclays Investments Solutions Limited. Solomon holds BA/MA in Politics, Philosophy and Economics and M.Phil in Economics from Balliol College, Oxford. Solomon was appointed to the Board on 2 December 2022.

Colleen McHugh, a resident of Guernsey, is acting Chief Investment Officer of Wealthify, a UK regulated digital Investment Manager. Prior to this she was managing director of 1818 Venture Capital, a licensed asset manager based in Guernsey. She is currently a non-executive director of Real Estate Credit Investments Limited, a London listed fund. Colleen has over 25 years' experience in the investment and financial services industry having worked predominantly as an Investment Manager and Private Banker for publicly listed banks such as HSBC, Barclays and Butterfield Bank, across several regions, but with a focus on international financial centres. She holds an economics degree from the University of Ireland (Galway) and an MBA from the University of London. Colleen is a Chartered Wealth Manager and a fellow of the Chartered Institute of Securities and Investment. She recently obtained her ESG certification from the CFA Institute. Colleen was appointed to the Board on 1 June 2024.

Report of the Directors

The Directors of the Company present the audited Financial Statements and their report for the year ended 30 June 2024 which have been prepared in accordance with the Companies (Guernsey) Law, 2008 ('company law').

Registration

The Company was incorporated with limited liability in Guernsey on 1 June 2004 as a company limited by shares and as an authorised closed-ended investment company. As an existing closed-ended fund the Company is deemed to be granted an authorised declaration in accordance with section 8 of the Protection of Investors (Bailiwick of Guernsey) Law, 2020, as amended and rule 6.02 of the Authorised Closed-ended Investment Schemes Rules and Guidance 2021.

Principal activity and investment objective

The Company is a Guernsey authorised closed-ended investment company with a premium listing on the London Stock Exchange (LSE). The principal objective of the Company is detailed in the strategic report on page 12 of the Financial Statements.

Share issuance

During the year, no new redeemable participating preference shares were allotted or issued under the block listing facility (30 June 2023: 60,515,000 redeemable participating preference shares issued). Details of the block listing facility are set out in note 13 on page 122.

Purchase of own shares by the Company

The Company may purchase, subject to various terms as set out in its Articles and in accordance with the Companies (Guernsey) Law, 2008, up to 14.99%. of the Company's shares in issue following the admission of shares trading on the LSE's market for listed securities. For additional information refer to note 13 on pages 122 to 123.

During the year, the Company bought 25,580,000 shares into treasury (30 June 2023: Nil), 6.8% of the average number of shares in issue during the year. Subsequent to the year end, a further 7,150,000 shares have been bought into treasury.

The Board also has the discretion to operate the Redemption Facility, offering shareholders the possibility of redeeming all or part of their shareholding for cash at NAV, if it appears appropriate to do so.

Results and dividends

The results for the year are set out in the Statement of Comprehensive Income on page 106. Details of dividends paid and proposed are set out in note 5 on page 116.

Subsequent events

Events occurring after the balance sheet date are disclosed in note 21 on page 141 in the Financial Statements.

Shareholder information

The Company announces its unaudited NAV on a weekly basis and at the month end. A monthly report on investment performance is published by the Company's Investment Manager, on the Company's website at ruffer.co.uk/ric

Investment management

The key terms of the Investment Management Agreement and specifically the fee charged by the Investment Manager are set out in notes 8 and 16 of the Financial Statements.

The Board reviews on an ongoing basis the performance of the Investment Manager and considers whether the investment strategy utilised is likely to achieve the Company's investment objective of realising a positive total annual return, after all expenses, of at least twice the return of the Bank of England Bank Rate.

In accordance with Listing Rule 15.6.2 (2) R and having formally appraised the performance, investment strategy and resources of the Investment Manager, the Board has unanimously agreed that the interests of the shareholders as a whole are best served by the continuing appointment of the Investment Manager on the terms agreed.

The Investment Management Agreement will continue in force until terminated by the Investment Manager or the Company giving to the other party thereto not less than 12 months' notice in writing.

Directors

The details of the Directors of the Company during the year and at the date of this report are set out on pages 60 and 61 and in the Management and Administration summary on page 149.

Directors' interests

The details of the number of redeemable participating preference shares held beneficially by the Directors who held office at 30 June 2024 and up to the date of this report are set out on in note 16 on page 124.

Substantial share interests

As at 31 August 2024*, the Company has received notifications in accordance with the FCA's Disclosure and Transparency Rule 5.1.2 R of the following interests in 3% or more of the voting rights attaching to the Company's issued shares.

Investor	Shares held	% of issued share capital
RBC Brewin Dolphin, stockbrokers	49,740,083	14.11
Rathbones	29,679,010	8.42
Hargreaves Lansdown, stockbrokers	26,386,922	7.49
Interactive Investor	24,795,756	7.03
Charles Stanley	19,248,380	5.46
AJ Bell, stockbrokers	17,639,779	5.00
Evelyn Partners	14,935,442	4.24
Transact	10,662,049	3.02

*Data is taken from the latest available Share Register Analysis produced by Richard Davies Investor Relations Limited

International tax reporting

For the purposes of the US Foreign Accounts Tax Compliance Act (FATCA), the Company registered with the US Internal Revenue Service (IRS) as a Guernsey reporting Foreign Financial Institution (FFI) in June 2014, received a Global Intermediary Identification Number (99DLPF.99999.SL.831), and can be found on the IRS FFI list.

The Common Reporting Standard (CRS) is a standard developed by the Organisation for Economic Co-operation and Development (OECD) and is a global approach to the automatic exchange of tax information, to counter tax evasion and to build upon other information-sharing legislation, such as FATCA. Guernsey has adopted the CRS, which came into effect on 1 January 2016.

The Board confirms that the Company's FATCA and CRS submissions for 2023 were submitted by the deadline of 30 June 2024.

The Company is committed to zero tolerance towards the facilitation of tax evasion.

Alternative Investment Fund Managers Directive

The Company is categorised as a non-EU Alternative Investment Fund (AIF). The AIFMD seeks to regulate managers of AIFs, such as the Company. It imposes obligations on AIFMs who manage AIFs in a member state of the European Economic Area (EEA state), or who market shares in AIFs to investors who are domiciled, or with a registered office, in an EEA state. Under the AIFMD, an

AIFM must be appointed and must comply with various organisational, operational and transparency requirements.

The Company has appointed the Investment Manager to act as AIFM on behalf of the Company. The Investment Manager is responsible for fulfilling the role of the AIFM and ensuring the Company complies with the AIFMD requirements. The AIFM has no direct employees as it delegates its duties to Ruffer LLP. Ruffer LLP's employee remuneration disclosure requirements under the AIFMD are included in its Pillar III remuneration disclosure statement.

Non-mainstream pooled investments

The Company intends to be operated in such a manner that its shares are not categorised as non-mainstream pooled investments. Among other things, this requires the Company to pay dividends such that it retains no more than 15% of the income that it receives or is deemed to receive for UK tax purposes on an annual basis so that it would qualify as an investment trust if it were UK tax-resident.

Disclosure of information to the Independent Auditor ('the Auditor')

Each of the persons who is a Director at the date of approval of the Financial Statements confirms that –

1. so far as each Director is aware, there is no relevant audit information of which the Company's Auditor is unaware and
2. each Director has taken all steps he ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Company's Auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 249 of the Companies (Guernsey) Law, 2008.

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Annual Report and Financial Statements in accordance with applicable Guernsey law and regulations.

Guernsey company law requires the Directors to prepare Financial Statements for each financial year. Under that law they have elected to prepare the Financial Statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and applicable law.

Under company law, the Directors must not approve the Financial Statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing the Financial Statements, International Accounting Standard 1 requires that directors –

– select suitable accounting policies and apply them consistently
– make judgements and estimates that are reasonable, relevant and reliable
– state whether applicable accounting standards have been followed, 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 cease operations, or have no realistic alternative but to do so.

The Directors are responsible for keeping proper 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 company law. 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 Directors are responsible for the oversight of the maintenance and integrity of the corporate and financial information included on the Company's website at ruffer.co.uk/ric. Legislation in Guernsey governing the preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions.

Responsibility statement

We confirm that to the best of our knowledge –

1. The Financial Statements have been prepared in conformity with IFRS as adopted by the European Union, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company as required by DTR 4.1.12
2. The Annual Financial Report, taken as a whole, is fair, balanced and understandable and provide the information necessary for the shareholders to assess the Company's performance, business model and strategy and
3. The Annual Financial Report including information detailed in the Chairman's review, the Report of the Directors, the Investment Manager's report, the Report of the Depositary and the

notes to the Financial Statements, includes a fair review of the development and performance of the business and the position of the Company together with a description of the principal risks and uncertainties that it faces, as required by –

a DTR 4.1.8 and DTR 4.1.9 of the Disclosure and Transparency Rules, being a fair review of the Company business and a description of the principal risks and uncertainties facing the Company and

b DTR 4.1.11 of the Disclosure and Transparency Rules, being an indication of important events that have occurred since the end of the financial year and the likely future development of the Company.

On behalf of the Board

Susie Farnon
Director
17 September 2024

Corporate governance statement

Corporate governance

On 1 January 2016, the Company became a member of the Association of Investment Companies (AIC) and complies with the 2019 AIC Code of Corporate Governance issued in February 2019 ('the AIC Code'). By complying with the AIC Code, the Company is deemed to comply with both the UK Corporate Governance Code 2018 ('the UK Code') and the Guernsey Financial Services Commission (GFSC) Finance Sector Code of Corporate Governance (as amended in June 2021) ('the GFSC Code').

To ensure ongoing compliance with these principles the Board receives a report from the Company Secretary on an annual basis identifying how the Company is in compliance and identifying any areas of non-compliance. The Company has complied with the provisions of the UK Code throughout the year, with the following exceptions –

- the Company has no chief executive, as required by principle G and provision 9 of the UK Code. See the Composition and independence of the Board section on pages 72 to 74 below
- the Company has no internal audit function, as envisaged by principle M and provision 25 of the UK Code. See the Internal control section on pages 79 to 81 below
- the Company does not have a remuneration committee, as required by principle Q and provision 32 of the UK Code. See the Remuneration Committee section on page 79 below.

The AIC Code is available on the AIC's website, theaic.co.uk. It addresses the principles and provisions set out in the UK Code, and includes an explanation of how the AIC Code adapts those principles and provisions, and sets out additional provisions, to make them relevant for investment companies.

The Board, having reviewed the AIC Code, considers that it has maintained procedures during the year ended 30 June 2024 and up to the date of this report to ensure that it complies with the AIC Code.

Purpose of the Company

The purpose of the Company is to provide its shareholders with access to a portfolio of equity, equity-related and debt investments that will produce a positive return of at least twice the Bank of England bank rate. For further details, see the strategic report section on pages 12 to 13.

Role of the Board

The Board is the Company's governing body and has overall responsibility for ensuring the Company's success by directing and supervising the affairs of the business and meeting the appropriate interests of shareholders and relevant stakeholders, while enhancing the value of the Company and also ensuring protection of investors. A summary of the Board's responsibilities is as follows –

- statutory obligations and public disclosure
- strategic matters and financial reporting
- capital management, including gearing and dividend policy
- review of investment performance and associated matters
- risk assessment and management including reporting compliance, governance, monitoring and control and
- other matters having a material effect on the Company.

The Board's responsibilities for the Annual Report are set out in the Statement of Directors' Responsibilities on pages 65 to 67.

The Board has contractually delegated responsibility for the management of its investment portfolio, the arrangement of custodial and depositary services and the provision of accounting and company secretarial services. The Board has adopted a schedule of matters specifically reserved for its decision-making and distinguishing these from matters it has delegated to the Company's key service providers. This schedule is available on the Company's website at ruffer.co.uk/ric

The Board needs to ensure that the Financial Statements, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the Company's performance, business model and strategy.

In seeking to achieve this, the Directors have set out the Company's investment objective and strategy (see pages 12 and 13) and have explained how the Board and its delegated Committees operate and how the Directors review the risk environment within which the Company operates and set appropriate risk controls. Furthermore, throughout the Financial Statements the Board has sought to provide further information to give shareholders a fair, balanced and understandable view.

Relations with shareholders

The Board welcomes shareholders' views and places great importance on communication with its shareholders. The Board receives regular reports on the views of its shareholders from the Company's Broker and Investment Manager which are taken into consideration as part of the Board's decision-making process.

The Chairman and other Directors are available to meet shareholders if required and the AGM of the Company provides a forum for shareholders to meet and discuss issues with the Directors of the Company.

The Chairman and Directors offer to meet with shareholders at regular investor presentations co-ordinated by the Investment Manager to discuss key strategic matters and any issues raised by shareholders. The next such event is scheduled to take place at the office of the Investment Manager in December 2024.

In addition, the Investment Manager maintains a website which contains comprehensive information, including financial reports, prospectus and monthly reports on investment performance which contains share price information, investment objectives, investment reports and investor contacts.

Stakeholders and Section 172

Whilst directly applicable to companies incorporated in the UK, the Board recognises the intention of the AIC Code that matters set out in section 172 of the Companies Act, 2006 are reported. The Board strives to understand the views of the Company's key stakeholders and to take these into consideration as part of its discussions and decision-making process. As an investment company the Company does not have any employees and conducts its core activities through third party service providers. Each service provider has an established track record and is required to have in place suitable policies and procedures to ensure it maintains high standards of business conduct, treats customers fairly, and employs corporate governance best practice.

The Board's commitment to maintaining high standards of corporate governance, combined with the Directors' duties incorporated in the Companies (Guernsey) Law, 2008, the Company's constitutive documents, the Disclosure Guidance and Transparency Rules and the Market Abuse Regulation, ensure that shareholders are provided with frequent and comprehensive information concerning the Company and its activities.

Whilst the primary duty of the Directors is owed to the Company as a whole, all Board discussions involve careful consideration of the longer-term consequences of any decision and their implications for stakeholders. Particular consideration is given to the continued alignment between the activities of the Company and those that contribute to delivering the Board's strategy, which include the Company's Investment Manager, the AIFM, the Administrator, the Broker and the Custodian.

Through the Board's ongoing programme of shareholder engagement (see 'Relations with shareholders' above) and the reports produced by each key service provider at quarterly Board meetings, the Directors are satisfied that sufficient information is provided so as to ensure the matters set out in section 172 of the Companies Act are taken into consideration as part of the Board's decision-making process.

The Board respects and welcomes the views of all stakeholders. Any queries or areas of concern regarding the Company's operations can be raised with the Company Secretary.

Section 172 statement

Although the Company is not domiciled in the UK, through adopting and reporting against the best practice principles set out in the AIC Code, the Company is voluntarily meeting any obligations under the UK Corporate Governance Code, including section 172 of the Companies Act 2006.

The Board of Directors recognise their individual and collective duty to act in good faith and in a way that is most likely to promote the success of the Company for the benefit of its members as a whole, whilst also having regard, amongst other matters, to the Company's key stakeholders and the likely consequences of any decisions taken during the year, as set out below.

The interests of the Company's employees

The Company has no direct employees and maintains close working relationships with the employees of the Investment Manager and the Administrator, who undertake the Company's main functions. Refer to the report of the Management Engagement Committee on pages 90 and 91.

The impact of the Company's operations on the community and the environment

Whilst the Company has a limited impact on the community and environment in respect of its day-to-day activities, the Board notes that the Investment Manager recognises that environmental responsibility is core to its longer-term business success, and actively integrates environmental, social and corporate governance (ESG) issues into its investment process. The Investment Manager's Stewardship and Responsible Investment Policy is available upon request. For more detail, please see the Responsible investment report on pages 50 to 58.

The need to foster the Company's business relationships with suppliers and others

The Board maintains close working relationships with all key suppliers and those responsible for delivering the Company's strategy. The contractual relationship with each supplier and their performance is formally reviewed each year. Refer to the report of the Management Engagement Committee on pages 90 and 91.

The desirability of the Company maintaining a reputation for high standards of business conduct

The Chair is responsible for setting expectations concerning the Company's culture and the Board ensures that its core values of integrity and accountability are demonstrated in all areas of the Company's operation. The Chair and the Board assess and monitor the activities to demonstrate the values by means of conducting ongoing reviews through the year, the results of which are reported at Audit and Risk Committee and Management Engagement Committee meetings.

The need to act fairly between Shareholders of the Company

The Board, in conjunction with the Investment Manager and Broker, engages actively with Shareholders to understand their views and to ensure their interests are taken into consideration when determining the Company's strategic direction. Refer to the section on 'Relations with shareholders' above.

During the year, following consultations with a number of shareholders, the Company has undertaken a significant share buyback programme to seek to narrow or contain the share price discount to NAV. This programme has provided liquidity in the market and has been accretive to NAV for remaining shareholders. The Investment Manager has provided regular feedback to the Board relating to interactions with major shareholders to determine their sentiment about the impact of the share buyback programme on the share price.

Composition and independence of the Board

The Board currently comprises six non-executive Directors (2023: five), all of whom are considered to be independent. Following the impending retirement of Chris Russell, the Board will revert to five members, which it considers to be its optimal size for the time being. The Board considers that it has a good balance of skills and experience to ensure it operates effectively. The Directors of the Company are listed on pages 60 and 61 and in the Management and Administration summary on page 149.

Susie Farnon and Colleen McHugh both serve on the board of Real Estate Credit Investments Limited, a company listed on the London Stock Exchange, but the Board believes that this does not impact their ability to be considered independent.

The Company has no employees and therefore there is no requirement for a chief executive. None of the Directors has a contract of service with the Company.

The current Chairman of the Board is Mr Christopher Russell. Mr Russell was appointed as Chairman of the Board on 4 December 2020.

The Chairman of the Board must be independent for the purposes of Chapter 15 of the Listing Rules. Mr Russell is considered independent because he –

- has no current or historical employment with the Investment Manager
- has not provided any professional advisory services to the Investment Manager and
- has no current directorships in any other investment funds managed by the Investment Manager.

As Chairman, Mr Russell is responsible for leading the Board of Directors and for ensuring its effectiveness in all aspects of its role. The key responsibilities of the Chairman are as follows –

- meeting with major shareholders to obtain a balanced understanding of any issues, concerns, and providing feedback to the Board
- demonstrating ethical leadership and promoting the highest standards of integrity, probity and corporate governance throughout the Company
- setting the Board's agenda and ensuring the Board has in place effective decision-making processes which are supported by accurate and high-quality information and
- leading the annual performance evaluation of the Board and taking all appropriate actions based on the results of the evaluation.

In accordance with the AIC Code and in recognition of the Board's desire to maintain high standards of corporate governance, Mr Nicholas Pink serves as the Company's Senior Independent Director (SID).

The key roles and responsibilities of the SID are as follows –

- providing support to the Chairman in relation to matters of Board effectiveness and governance
- being available to shareholders and the other Directors as an additional point of contact or to communicate any concerns to the Board
- leading the annual performance evaluation of the Chairman of the Board and succession planning for the Chairman's role and
- attending meetings with major shareholders alongside the Chairman, as required.

The Board has engaged external companies to undertake the investment management, administrative and custodial activities of the Company. Documented contractual arrangements are in place with these companies which define the areas where the Board has delegated responsibility to them. For additional information refer to pages 147 and 148.

The Company holds a minimum of four Board meetings per year to discuss strategy, general management, structure, finance, dividend payments, capital management, corporate governance, ESG matters, marketing, risk management, compliance and gearing, contracts and performance. In addition, an annual strategy meeting is held by the Board with the Investment Manager. The quarterly Board meetings are the principal source of regular information for the Board, enabling it to determine policy and to monitor performance, compliance and controls but these meetings are supplemented by communication and discussions throughout the year.

Representatives of the Investment Manager and the Administrator attend each Board meeting either in person or by videoconference, thus enabling the Board to fully discuss and review the Company's operations and performance. In addition, representatives from the Company's Broker attend at least two Board meetings a year. Each Director has direct access to the Investment Manager and Administrator and may at the expense of the Company seek independent professional advice on any matter.

Attendance at the Board and other meetings during the year was as follows –

	Board		Audit & Risk Committee		Management Engagement Committee	
Meetings	Scheduled	Attended	Scheduled	Attended	Scheduled	Attended
Christopher Russell	4	4	4	4	2	2
Nicholas Pink	4	4	4	4	2	2
Susie Farnon	4	4	4	4	2	2
Shelagh Mason	4	4	4	4	2	2
Solomon Soquar	4	4	4	4	2	2
Colleen McHugh (appointed 1 June 2024)	1	1	1	1	1	1

In addition to the above meetings, a number of ad-hoc meetings of an administrative nature were held during the year.

Conflicts of interest

Directors are required to disclose all actual and potential conflicts of interest as they arise for approval by the Board, who may impose restrictions or refuse to authorise conflicts. The process of consideration and, if appropriate, approval will be conducted only by those Directors with no material interest in the matter being considered. The Board maintains a Conflicts of Interest policy which is reviewed periodically and a Business Interests and Potential Conflicts of Interest Register which is reviewed by the Board at each quarterly Board meeting.

Directors' indemnity

Directors' and Officers' liability insurance cover is maintained by the Company on behalf of the Directors.

Re-election

The Company's Articles prescribe that, at each AGM, one-third of the Directors shall retire from office and may offer themselves for re-election. However, in line with best practice, the Board has determined that all of the Directors should stand for re-election at each AGM.

Accordingly, on 30 November 2023 at the 18th AGM of the Company, Nicholas Pink, Shelagh Mason, Susie Farnon, Christopher Russell and Solomon Soquar retired as Directors of the Company and, being eligible, offered themselves for re-election, and were re-elected as Directors of the Company by the Shareholders.

Further details regarding the experience of each of the Directors are set out on pages 60 and 61.

The Directors may at any time appoint any person to be a Director either to fill a vacancy or as an addition to the existing Directors. Any Director so appointed shall hold office only until, and shall be eligible for election at, the next general meeting following their appointment but shall not be taken into account in determining the Directors or the number of Directors who are to retire by rotation at that meeting if it is an AGM.

Board evaluation

During the year, the Board engaged Lintstock, a firm highly experienced in conducting board evaluations, to facilitate an external evaluation of the Board, following on from their previous review during the prior year. The Board evaluation considered a broad range of areas including; Board composition and expertise, Board dynamics, the structure of the Board and its Committees, Board oversight of investment strategy and performance, relations with shareholders, oversight of risk management, succession planning, in particular in relation to the Chairman, and priorities for change during the year.

The findings in the Linstock Board Review 2023 report were very positive and found that the Directors were aligned on the key issues with a strong relationship with the Investment Manager. The report noted the strong support for the internal candidates identified to succeed the Chairman and SID and recommended that the knock-on implications be addressed. Subsequently, Colleen McHugh was appointed as an independent non-executive Director with effect from 1 June 2024 and the Board have agreed that Nick Pink will succeed Chris Russell as Chairman, Solomon Soquar will succeed Nick Pink as SID, from the date of the 2024 AGM, at which time Chris Russell will formally retire from the Board.

During the financial years where an external evaluation is not conducted, the Board conducts an annual self-evaluation of its performance and that of the Company's individual Directors, which is led by the Chairman and, as regards the Chairman's performance evaluation, by the Senior Independent Director. The annual self-evaluation considers how the Board functions as a whole, taking into account the balance of skills, experience and length of service of each Director, and also reviews the individual performance of its members.

To facilitate the self-evaluation, the Company Secretary circulates a detailed questionnaire to each Director and a separate questionnaire for the evaluation of the Chairman. The questionnaires, once completed, are returned to the Company Secretary who collates responses, prepares a summary and discusses the Board evaluation with the Chairman prior to circulation to the remaining Board members. The performance of the Chairman is evaluated by the other Directors, led by the Senior Independent Director.

The Board considers the annual self-evaluation process to be appropriate having regard to the non-executive role of the Directors and the significant outsourcing of services by the Company to external providers.

Board succession planning

The Board considers it has a breadth of experience relevant to the Company, and the Directors believe that any changes to the Board's composition can be managed without undue disruption. An induction programme is in place for all Director appointees. Any proposals for a new Director are discussed and approved by the Board.

The Board's succession planning policy seeks to ensure that the Board remains well balanced and that the Directors have a sufficient level of skills, knowledge and experience to meet the needs of the Company. The Directors are ever cognisant of the need for the Board to have a balance of gender and other attributes, including the requirement to appoint a majority of non-UK resident Directors.

The Board's policy is that a Director of the Company, who subsequently becomes Chair, should serve for no more than a total of 12 years. The current Chairman, Christopher Russell, has indicated his intention to step down from the Board at the AGM in December 2024, whereupon the Board has determined he will be succeeded as Chair by Nick Pink.

Board diversity

The Board's policy, which has been implemented in its recent succession planning, is to supports the widening of its diversity, whilst ensuring the capabilities, experience and background of each member remain appropriate to the Company and continue to contribute to overall Board effectiveness.

The objectives of this policy are to seek to broaden the diversity represented on the Board and to bring fresh perspectives to the Board's decision-making processes from a wide range of backgrounds.

The Board is currently 50% female. Following the impending retirement of Chris Russell, this will increase to 60%.

In compliance with FCA Listing Rule 9.8.6 (LR 9.8.6), the Company has provided information, set out in the tables below, on how it has met the following targets on Board diversity –

– at least 40% of the Board is female

– at least one senior position on the Board is held by a woman and

– at least one individual on the Board is from a minority ethnic background.

The Board confirms that all of the targets have been met as at 30 June 2024, the Company's chosen reference date within its financial year for the data.

Gender identity	Number of Board members	% of the Board	Number of senior positions on the Board
Men	3	50	2
Women	3	50	2

Ethnic background	Number of Board members	% of the Board	Number of senior positions on the Board
White British or other White (including minority white groups)	5	83	4
Black/African/Caribbean/Black British	1	17	–
Other ethnic group	–	–	–

The data shown in the above tables reflect the gender and ethnic background of the Board, and were collected on the basis of self-reporting by the individuals concerned. The questions asked were 'Which ethnicity category best describes your background?' and 'What is the gender in which you wish to be categorised?'.

The Listing Rules specify the positions of CEO, CFO, Chair and SID as being senior positions. The Board notes that, as an externally managed investment company, with a Board comprised entirely of non-executive Directors, it does not have the roles of a chief executive officer or chief finance officer as envisaged in LR 9.8.6, and therefore for the purpose of the above targets, it considers the senior positions on the Board to include the roles of Chair, SID and Chair of any permanent committee of the Board.

There have been no changes to the composition of the Board subsequent to the year end.

Committees of the Board

The Board has established an Audit and Risk Committee and a Management Engagement Committee and approved their terms of reference, copies of which can be obtained from the Company Secretary upon request and on the Company's website at ruffer.co.uk/ric

The table on page 74 sets out the number of Committee meetings held during the year ended 30 June 2024 and the number of such meetings attended by each Committee member.

Audit and Risk Committee

The Company has established an Audit and Risk Committee (ARC), with formally delegated duties and responsibilities within written terms of reference. The ARC is comprised of the entire Board and is chaired by Susie Farnon. The ARC meets formally at least three times a year.

A report of the ARC detailing responsibilities and activities is presented on pages 84 to 89.

Management Engagement Committee

The Company has established a Management Engagement Committee (MEC), with formally delegated duties and responsibilities within written terms of reference. The MEC is comprised of the entire Board and is chaired by Shelagh Mason. The MEC meets annually in June each year and holds ad hoc meetings to address any arising issues as required.

The principal duties of the Committee are to review the performance of and contractual arrangements with the Investment Manager and all other service providers to the Company (other than the Auditor).

During the year the Committee has reviewed the services provided by its service providers, and recommended that the continuing appointments of the Company's Investment Manager and other service providers was in the best interests of the Company. The last meeting was held on 5 June 2024.

A report of the MEC detailing responsibilities and activities during the year is presented on pages 90 and 91.

Nomination Committee

The Board does not have a separate Nomination Committee, as the Board believes that the functions of such a committee are best fulfilled by the whole Board as part of its regular business. Any proposals for a new Director or succession planning are discussed and approved by the Board. The Board will determine whether an external search consultancy is used in the appointments of future non-executive Directors.

Remuneration Committee

In view of its non-executive and independent nature, the Board considers that it is not appropriate to have a Remuneration Committee as anticipated by the UK Code because this function is carried out as part of the regular Board business. A Remuneration report prepared by the Board is on pages 82 and 83.

Internal control

The Company's risk exposure and the effectiveness of its risk management and internal control systems are reviewed by the Audit and Risk Committee at its meetings and annually by the Board.

The Board is responsible for establishing and maintaining the Company's system of internal controls and for maintaining and reviewing its effectiveness. The system of internal controls is designed to manage rather than to eliminate the risk of failure to achieve business objectives and as such can only provide reasonable, but not absolute, assurance against material misstatement or loss. These controls aim to ensure that assets of the Company are safeguarded, proper accounting records are maintained and the financial information for publication is reliable. The Board has a risk governance framework which is designed to identify, evaluate and mitigate the risks identified. Within this risk governance framework, the Board and Audit and Risk Committee regularly review the register of principal risks.

The Board has contractually delegated to external parties various functions as listed below. The duties of investment management, administration and custody are segregated. Each of the contracts entered into with the parties was entered into after full and proper consideration by the Board of the quality and cost of services offered, including the control systems in operation as far as they relate to the affairs of the Company.

The Board, together with the Audit and Risk Committee, considers on an ongoing basis the process for identifying, evaluating and managing any significant risks faced by the Company. The process includes reviewing reports from the Company Secretary on risk control and compliance, in conjunction with the Investment Manager's regular reports which cover investment performance.

Investment and portfolio risk management is provided by Ruffer AIFM Limited (a company authorised by the FCA), which delegates these functions to Ruffer LLP.

Administration, accounting, registrar, and company secretarial duties are performed by Sanne Fund Services (Guernsey) Limited, a company licensed and regulated by the Guernsey Financial Services Commission.

CREST agency functions are performed by Computershare Investor Services (Jersey) Limited, a company licensed and regulated by the Jersey Financial Services Commission.

Depositary services performed by Northern Trust (Guernsey) Limited, a company licensed and regulated by the Guernsey Financial Services Commission.

Custodial services are provided by Northern Trust (Guernsey) Limited, a company licensed and regulated by the Guernsey Financial Services Commission.

Sponsorship and brokering services are provided by Investec Bank plc (Investec), a firm which is authorised and regulated by the FCA.

The Board reviews regularly the performance of the service companies. The Auditor is reviewed by the ARC and the other service providers by the MEC as described in the MEC report on pages 90 and 91.

The Board meets formally with the Investment Manager quarterly to review the performance of the investments in the light of the Company's investment objectives, and the Investment Manager's position against its peers. The Board also conducts an annual visit to the offices of Ruffer LLP to meet with certain of the senior executives in the firm and to review such matters as its internal control procedures; Ruffer's business, product, marketing and personnel strategies, so far as they affect the Company; portfolio risk analysis; integration of ESG into portfolio construction; and cyber vulnerability. The last such visit took place on 12 September 2024.

The Board receives and reviews quarterly reports from the Investment Manager, the AIFM and the Administrator. The MEC conducted an annual review of all key service providers in June 2024, which was communicated to the Board, and included a detailed assessment of their performance along with completion of a questionnaires by each service provider regarding key areas including their control environment, business continuity, cyber security arrangements and response to ESG, as further disclosed in the MEC report on pages 90 and 91.

In common with most investment companies, the Company does not have an internal audit function. All of the Company's management functions are delegated to the Investment Manager and Administrator which have their own internal compliance and risk assessment functions. As such, an internal audit function specific to the Company is therefore considered unnecessary, as explained on page 88.

Principal risks and uncertainties

Principal risks and uncertainties are disclosed on pages 16 to 23.

Anti-bribery and corruption

The Board acknowledges that the Company's international operations may give rise to possible claims of bribery and corruption. In consideration of The Bribery Act 2010, enacted in the UK, at the date of this report the Board had conducted a review of the perceived risks to the Company arising from bribery and corruption to identify aspects of business which may be improved to mitigate such risks. The Board has adopted a zero-tolerance policy towards bribery and has reiterated its commitment to carry out business fairly, honestly and openly.

Criminal Finances Act

The Board has a zero-tolerance commitment to preventing persons associated with it from engaging in criminal facilitation of tax evasion and will not work with any service provider who does not demonstrate the same commitment. The Board has satisfied itself in relation to its key service providers that they have reasonable provisions in place to prevent the criminal facilitation of tax evasion by their own staff or any associated persons.

UK Modern Slavery Act

The Board acknowledges the requirement to provide information about human rights in accordance with the UK Modern Slavery Act. The Board conducts the business of the Company ethically and with integrity, and has a zero-tolerance policy towards modern slavery in all its forms. As the Company has no employees, all its Directors are non-executive and all its functions are outsourced, there are no further disclosures to be made in respect of employees and human rights.

Directors' remuneration report

Introduction

An ordinary resolution for the approval of the annual remuneration report was passed by shareholders at the AGM held on 30 November 2023.

Remuneration policy

All Directors are non-executive and a Remuneration Committee has not been established. The Board as a whole considers matters relating to the Directors' remuneration.

The Company's policy is that the fees payable to the Directors should reflect the time spent by the Directors on the Company's affairs and the responsibilities borne by the Directors and be sufficient to attract, retain and motivate directors of a quality required to run the Company successfully. The Chairs of the Board, the Audit and Risk Committee and the Management Engagement Committee and the SID are paid a higher fee in recognition of their additional responsibilities. The policy is to review fee rates periodically, although such a review will not necessarily result in any changes to the rates, and account is taken of fees paid to directors of comparable companies.

There are no long-term incentive schemes provided by the Company and no performance fees are paid to Directors.

No Director has a service contract with the Company but each of the Directors is appointed by a letter of appointment which sets out the main terms of their appointment. Directors hold office until they retire or cease to be a director in accordance with the Articles of Incorporation or by operation of law.

Remuneration

The Directors of the Company are remunerated for their services at such a rate as the Directors determine provided that the aggregate amount of such fees does not exceed £300,000 (30 June 2023: £300,000) per annum.

Directors are remunerated in the form of fees, payable quarterly in arrears, to the Director personally. The annual fees payable to each Director as at 30 June 2024 and 30 June 2023 are shown below –

	30 June 24 £	30 June 23 £
Christopher Russell (Chairman)	65,000	58,000
Nicholas Pink (Senior Independent Director)	47,250	41,500
Susie Farnon (Chair of Audit and Risk Committee)	53,000	48,000
Shelagh Mason (Chair of Management Engagement Committee)	46,750	41,500
Solomon Soquar	43,500	39,000
Colleen McHugh (appointed 1 June 2024)	43,500	na
	299,000	228,000

During the year ended 30 June 2024, Directors' fees of £259,125 (30 June 2023: £238,875) were charged to the Company of which £nil remained payable at the year end (30 June 2023: £nil). No additional remuneration has been paid to Directors outside their normal fees and expenses.

During the year, the Board reviewed the Directors' fees against the recommendations of a non-executive director (NED) fee review conducted by Trust Associates and noted that the fees paid to the Directors were below the average for all UK investment companies with market capitalisations over £500 million, and well below the equivalent fees paid to directors of Channel Island companies. The Directors determined to implement the recommendations of the TA report in relation to the year ended 30 June 2024.

As a result, the Board resolved in May 2024 that the basic fee be increased by 11.5% in nominal terms, from £39,000 to £43,500 per annum, effective 1 July 2023 (2023: 13.0% in nominal terms effective 1 July 2022), with a view to further gradual increases towards the industry average. Additional fees were also increased as follows –

- serving as Chair of the Board: fee increased from £19,000 to £21,500
- serving as Chair of the Audit Committee: fee increased from £9,000 to £9,500
- serving as Senior Independent Director: fee increased from £2,500 to £3,750
- serving as Chair of Management Engagement Committee: fee increased from £2,500 to £3,250.

Audit and Risk Committee report

The Audit and Risk Committee presents here its report for the year ended 30 June 2024, setting out the responsibilities of the Committee and its key activities during the year. As in previous years, the Committee has reviewed the Company's financial reporting, the independence and effectiveness of the Auditor and the internal control and risk management systems of service providers. In order to assist the Committee in discharging these responsibilities, regular reports are received from the Investment Manager, Administrator and Auditor.

Members of the Committee will continue to be available at each AGM to respond to any shareholder questions on its activities and reports.

Responsibilities

The Committee reviews and recommends to the Board the Financial Statements of the Company and is the forum through which the Auditor reports to the Board of Directors.

The role of the Committee includes –

- monitoring and reporting to the Board on such matters as the integrity of the Financial Statements of the Company and any formal announcements relating to the Company's financial performance, and any significant financial reporting judgements
- providing advice to the Board on whether the Financial Statements of the Company are fair, balanced and understandable, and provide the information necessary for shareholders to assess the Company's position and performance
- considering the appropriateness of accounting policies and practices including critical estimates and judgement areas
- reviewing and considering the AIC Code, the UK Code and FRC Guidance on Audit Committees
- monitoring and reviewing the quality, effectiveness and independence of the Auditor and the effectiveness of the audit process, considering and making recommendations to the Board on the appointment, re-appointment, replacement and remuneration of the Company's Auditor
- developing and implementing policy on the engagement of the Auditor to provide non-audit services
- reviewing the Company's procedures for prevention, detection and reporting of fraud, bribery and corruption

- monitoring and reviewing the internal control and risk management systems of the Company and its service providers, including review of the risk matrix and identification of principal and emerging risks
- considering the need for an internal audit function and
- reporting to the Board on how it has discharged its responsibilities.

The Committee's full terms of reference are available on the Company's website at ruffer.co.uk/ric

Key activities

The following sections discuss the assessments made by the Committee during the year.

Financial reporting – the Committee's review of the Unaudited Half Yearly Financial Report, Unaudited Investment Manager's Year End Review and the Annual Report and Audited Financial Statements focused on the significant risk relating to the valuation and ownership of investments. The investments comprise the majority of the Company's NAV and hence form part of the Key Performance Indicator (KPI) NAV per share. Hence any significant error in valuation or misstatement of holdings could materially impact the NAV and hence the reported NAV per share of the Company.

Valuation of investments – the Company's investments had a fair value of £1,004,731,917 as at 30 June 2024 (30 June 2023: £1,037,539,714) and represented the majority of the net assets of the Company. The investments are predominantly listed except for investments in unlisted investment funds.

The valuation of investments as at 30 June 2024 is in accordance with the requirements of IFRS. The Committee considered the fair value of the investments held by the Company as at 30 June 2024 to be reasonable based on information provided by the Investment Manager and Administrator. All prices are confirmed to independent pricing sources as at 30 June 2024 by the Administrator and are subject to a review process at the Administrator and oversight at the Investment Manager. We also note the work of the Auditor on these balances as set out in their report on pages 94 to 104.

The Committee considered the classification of the Company's investments within the levels of the fair value hierarchy in accordance with the requirements of IFRS 9, most notably the classification of the Company's holding in the Ruffer Illiquid Multi-Strategies Fund, which represents approximately 6.9% (2023: 8.1%) of the Company's NAV. The Committee was comfortable that this investment should be classified within Level 2 of the hierarchy, as the Investment Manager creates a sufficient market for the shares.

Ownership of investments – the Company's investment holdings are reconciled to independent reports from the Custodian by the Administrator with any discrepancies being fully investigated and reconciled by the Administrator. The Committee satisfied itself, based on reviews of information provided by the Custodian, Depositary and Administrator, that the holdings of investments are correctly recorded.

Investment income and realised and unrealised gains and losses on investments – the Committee has considered the risk that these items may be materially mis-stated, which could impact the reporting of the performance of the Company in any accounting period. The Committee is satisfied that the controls around the recording and calculations for these items and the reconciliation of cash and investment holdings are sufficiently robust to satisfactorily mitigate this risk.

Risk management – the Committee considered the process for managing the risk of the Company and its service providers. Risk management procedures for the Company, as detailed in the Company's risk governance framework, were reviewed and approved by the Committee. Regular reports are received from the Investment Manager and Administrator on the Company's risk evaluation process and reviews. During the year, the Committee has updated its risk framework to allocate the ten previously identified principal risks, plus climate change risk (newly identified as a principal risk during the year), into five risk categories. Please refer to the strategic report on pages 16 to 23 for details on the principal risks and uncertainties and their management. Financial risks faced by the Company are discussed in note 19 of the Financial Statements on pages 127 to 139.

The Company's AIFM, Ruffer AIFM Limited has responsibilities in law in relation to risk management under the AIFMD.

Fraud, bribery and corruption – the Committee continues to monitor the fraud, bribery and corruption policies of the Company. The Board receives a confirmation from all service providers that there have been no instances of fraud, bribery or corruption.

The Auditor – in May 2024, in accordance with the FRC's Audit Committees and the External Audit: Minimum Standard (the Minimum Standard), the Audit Committee entered into a competitive audit tender process, as the incumbent Auditor, Deloitte LLP, had been in post since 2015. Four audit firms were invited to tender, of which three submitted formal tenders and presented these tenders to the Audit Committee in person. All tenders were given fair and objective consideration by the Audit Committee, who selected two of the three candidates to make formal presentations to the Board. Following the candidates' final presentations to the Board, the Board determined that Deloitte LLP should be reappointed as the Company's Auditor. The Company intends to conduct a tender process at least every 10 years and to rotate auditors at least every 20 years, as recommended by the Minimum Standard and the UK Statutory Auditors and Third Country Auditors Regulations 2016.

Independence, objectivity and fees – the independence and objectivity of the Auditor is reviewed by the Committee which also reviews the terms under which the Auditor is appointed to perform non-audit services. The Committee has established pre-approval policies and procedures for the engagement of Deloitte LLP to provide audit, assurance and tax services. The Auditor may not provide a service which –

- places them in a position to audit their own work
- creates a mutuality of interest
- results in the Auditor developing close relationships with service providers of the Company
- results in the Auditor functioning as a manager or employee of the Company or
- puts the Auditor in the role of advocate of the Company.

The Committee takes into account relevant ethical and regulatory guidance regarding the provision of non-audit services by the Auditor, and will report to the Board to identify any matters in respect of which it considers that action or improvement is needed, and to make recommendations as to the steps to be taken. The Board maintains a non-audit services policy which is reviewed periodically and is available on the Company's website at ruffer.co.uk/ric

The following table summarises the remuneration paid to the Auditor for audit and non-audit services during the years ended 30 June 2024 and 2023.

	30 June 24 £	*30 June 23 £
Statutory audit	79,800	90,000
Total audit fees	79,800	90,000
Interim review	22,400	21,000
Total non-audit related fees	22,400	21,000

* Remuneration for the year ended 30 June 2023 included additional charges relating to the previous year's audit

No tax or other services were provided during the year.

Deloitte LLP also has safeguards in place to ensure objectivity and independence.

When considering the effectiveness and independence of the Auditor, and the effectiveness of the audit process, the Committee meets regularly with the Auditor to discuss the audit plan and the scope of the audit. The Committee also takes account of factors such as –

- the audit plan presented to them before each audit
- the post audit report including variations from the original plan
- changes in audit personnel
- the Auditor's own internal procedures to identify threats to independence and
- feedback from both the Investment Manager and Administrator evaluating the performance of the team.

The Committee has examined the scope and results of the audit, its cost effectiveness and the independence and objectivity of the Auditor, with particular regard to non-audit fees, and is satisfied that an effective audit has been completed with diligence and professional scepticism, that the scope of the audit was appropriate and significant judgements have been challenged robustly. It also considers Deloitte LLP, as Auditor, to be independent of the Company.

Internal control and risk management systems

The Committee discussed with the Auditor the risk of misstatement in the Financial Statements arising from the potential for the Company's key service providers, the Investment Manager and Administrator, to override controls.

At each quarterly Board meeting, compliance reports are provided by the Administrator and the Investment Manager. The Board also receives confirmation from the Administrator and the Investment Adviser of their capabilities under their ISAE 3402 Type II audit reports, which relate to the effectiveness of the entity's internal controls and procedures. The Administrator's report was qualified on certain matters, however following discussions with the Administrator, the Audit Committee is satisfied that all such matters have been addressed and remediated.

Under its risk governance framework, the Board reviews its risk register, which includes a specifically identified principal risk relating to the internal controls of service providers, on a quarterly basis. In addition, the Management Engagement Committee conducts a formal review of all key service providers on an annual basis, including a review of any known internal control weaknesses, which are discussed with the service provider to ensure matters are resolved expeditiously.

The Committee has reviewed the need for an internal audit function. The Committee is satisfied that the systems and procedures employed by the Investment Manager and the Administrator provide sufficient assurance that a sound system of internal control is maintained. An internal audit function specific to the Company is therefore considered unnecessary.

For any questions on the activities of the Committee not addressed in the foregoing, members of the Committee will attend each AGM to respond to such questions.

In finalising the Financial Statements for recommendation to the Board for approval, the Committee has satisfied itself that the Financial Statements taken as a whole are fair, balanced and understandable, and provide the information necessary for shareholders to assess the Company's performance, business model and strategy.

Susie Farnon
Chair, Audit and Risk Committee
17 September 2024

Management Engagement Committee report

The Management Engagement Committee presents here its report for the year ended 30 June 2024, setting out the responsibilities of the Committee and its key activities for the year. The Committee meets annually in June each year and holds ad hoc meetings to address any arising issues as required.

Responsibilities

The formally delegated duties and responsibilities of the Committee are set out in written terms of reference which are available from the Company Secretary upon request and published on the Company's website at ruffer.co.uk/ric. The Committee's terms of reference are reviewed on an annual basis.

The principal duties of the Committee are to review the performance of and contractual arrangements with the Investment Manager and all other key service providers to the Company, other than the Auditor which is reviewed by the Audit and Risk Committee. In addition, the Committee is involved in monitoring and reviewing the level of remuneration of the Investment Manager to ensure that it is appropriate, competitive and sufficient to incentivise the Investment Manager.

Key activities

The Committee conducts an annual review of the performance of, and contractual relationships with, the Company's key service providers, including the Investment Manager. To facilitate this review, the Company Secretary circulates two detailed questionnaires to each service provider: one relating to an assessment of the services provided during the year, any issues encountered and feedback on other service providers; and a second requesting details of the service provider's internal control systems, business continuity plans, succession planning and any key staff changes, ESG policies and cyber security arrangements. In addition, qualitative feedback on the performance and operations of each service provider is obtained from each of the Directors, the Investment Manager, the Broker and the Company Secretary. The Company Secretary prepares a summary of responses received which is presented to the Committee for its review.

The last Committee meeting was held on 5 June 2024 and no material issues were identified as a result of the annual service provider review. Accordingly, the Management Engagement Committee recommended to the Board that the retention of the Company's service providers was in the best interests of the Company and its shareholders.

No material issues were identified during the Committee's review of the Investment Manager and the Board concluded that the Investment Manager had deep industry experience, an appropriate investment strategy for the investment objectives of the Company and that the continued appointment of the Investment Manager on the terms agreed, including management fees, was in the best interests of the Company and its shareholders.

Shelagh Mason
Chairman, Management Engagement Committee
17 September 2024

Report of the depositary to the shareholders of Ruffer Investment Company Limited

Northern Trust (Guernsey) Limited has been appointed as Depositary to Ruffer Investment Company Limited (the 'Company') in accordance with the requirements of Article 36 and Articles 21(7), (8) and (9) of the Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers and amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) No 1060/2009 and (EU) No 1095/2010 (the 'AIFM Directive').

We have enquired into the conduct of Ruffer AIFM Limited (the 'AIFM') and the Company for the year ended 30 June 2024, in our capacity as Depositary to the Company.

This report including the review provided below has been prepared for and solely for the Shareholders in the Company. We do not, in giving this report, accept or assume responsibility for any other purpose or to any other person to whom this report is shown.

Our obligations as Depositary are stipulated in the relevant provisions of the AIFM Directive and the relevant sections of Commission Delegated Regulation (EU) No 231/2013 (collectively the 'AIFMD legislation') and the Authorised Closed-ended Investment Schemes Rules and Guidance 2021.

Amongst these obligations is the requirement to enquire into the conduct of the AIFM and the Company and their delegates in each annual accounting period.

Our report shall state whether, in our view, the Company has been managed in that period in accordance with the AIFMD legislation. It is the overall responsibility of the AIFM and the Company to comply with these provisions. If the AIFM, the Company or their delegates have not so complied, we as the Depositary will state why this is the case and outline the steps which we have taken to rectify the situation.

The Depositary and its affiliates are or may be involved in other financial and professional activities which may on occasion cause a conflict of interest with its roles with respect to the Company. The Depositary will take reasonable care to ensure that the performance of its duties will not be impaired by any such involvement and that any conflicts which may arise will be resolved fairly and any transactions between the Depositary and its affiliates and the Company shall be carried out as if effected on normal commercial terms negotiated at arm's length and in the best interests of Shareholders.

Basis of Depositary Review

The Depositary conducts such reviews as it, in its reasonable discretion, considers necessary in order to comply with its obligations and to ensure that, in all material respects, the Company has been managed (i) in accordance with the limitations imposed on its investment and borrowing powers by the provisions of its constitutional documentation and the appropriate regulations and (ii) otherwise in accordance with the constitutional documentation and the appropriate regulations. Such reviews vary based on the type of Fund, the assets in which a Fund invests and the processes used, or experts required, in order to value such assets.

Review

In our view, the Company has been managed during the period, in all material respects –

i in accordance with the limitations imposed on the investment and borrowing powers of the Company by the constitutional documents; and by the AIFMD legislation; and

ii otherwise in accordance with the provisions of the constitutional documents; and the AIFMD legislation.

For and on behalf of

Northern Trust (Guernsey) Limited
17 September 2024

Independent auditor's report to the Members of Ruffer Investment Company Limited

Report on the audit of the financial statements

1 Opinion

In our opinion the financial statements of Ruffer Investment Company Limited (the 'Company') –

- give a true and fair view of the state of the Company's affairs as at 30 June 2024 and of its profit for the year then ended
- have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and
- have been prepared in accordance with the requirements of the Companies (Guernsey) Law, 2008.

We have audited the financial statements which comprise –

- the Statement of Financial Position
- the Statement of Comprehensive Income
- the Statement of Changes in Equity
- the Statement of Cash Flows
- the Material Accounting Policies and
- the related notes 1 to 21.

The financial reporting framework that has been applied in their preparation is applicable law and IFRSs as adopted by the European Union.

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. The non-audit services provided to the Company for the year are disclosed in note 9 to the financial statements. 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 (and which was consistent with the prior year) was – – valuation and ownership of investments
Materiality	The materiality that we used in the current year was £10.197 million which was determined on the basis of 1% of Net Asset Value (NAV) of the Company as at 30 June 2024.
Scoping	Balances were scoped in for testing based on our assessment of risk of material misstatement. As part of our risk assessment process, we considered the impact of relevant controls implemented at the service providers.
Significant changes in our approach	There are no significant changes in our audit approach in the current year audit.

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 –

- considering the effect of current macroeconomic conditions to the Company and valuation of its portfolio
- evaluating the judgements and decisions with regards to key forecasting assumptions used in the going concern assessment
- assessing reasonableness of assumptions on expenditure projections for the next three years, used in supporting the use of the going concern assumption and
- assessing the appropriateness of the going concern disclosures in the financial statements.

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 investments

Key audit matter description

Included in the Company's Statement of Financial Position as at 30 June 2024 are investments with a fair value of £1,005 million (2022: £1,038 million) as disclosed in Note 10 to the financial statements. The Company's portfolio primarily comprises equity investments, government bonds and investment funds. Investments are key area of focus to the users of the financial statements given that they are the most quantitatively significant balance and main driver of the Company's performance and NAV. As explained in Notes 2 (e) and 3, the Company's accounting policy is to measure its investment at fair value through profit and loss. Refer to consideration made by the audit committee on valuation and ownership of investments discussed on pages 85 and 86.

The identified risks were –

- there might be errors or fraudulent manipulation of valuation in order to report favourable key performance indicators
- inappropriate exchange rates might be used to convert foreign currency denominated investment to the Company's reporting currency
- trades made immediately before year-end might be excluded from the valuation or conversely, trades made immediately after the year end might be included in the valuation in error and
- the Company might not have legal title to the investment held at year end.

How the scope of our audit responded to the key audit matter

To respond to the key audit matter, we have performed the following audit procedures –

- obtained an understanding of and tested the relevant controls around the valuation and ownership of investments and NAV preparation process by the administrator
- agreed investments held as at year end to independently obtained custodian confirmation
- assessed the reasonableness of exchange rates used in converting investments denominated in currencies other than the pound sterling by comparing rates used to independent sources
- assessed purchases and sales made around year end to determine whether transactions had been recorded in the correct period
- reconciled the investment purchases and sales transactions to the custodian trade report for the year and
- agreed the unit prices of all investments to independent pricing sources.

Key observations

Based on the work performed, we concluded that the valuation and ownership of investments are appropriate, specifically –

- the prices applied by management in the valuation of investments are reasonable and
- investments denominated in currencies other than Pound Sterling have been appropriately converted at a reasonable spot rate at year end.
- the Company had proper legal title to the investments held at year end and
- the investment transactions have been accounted for in the correct accounting period.

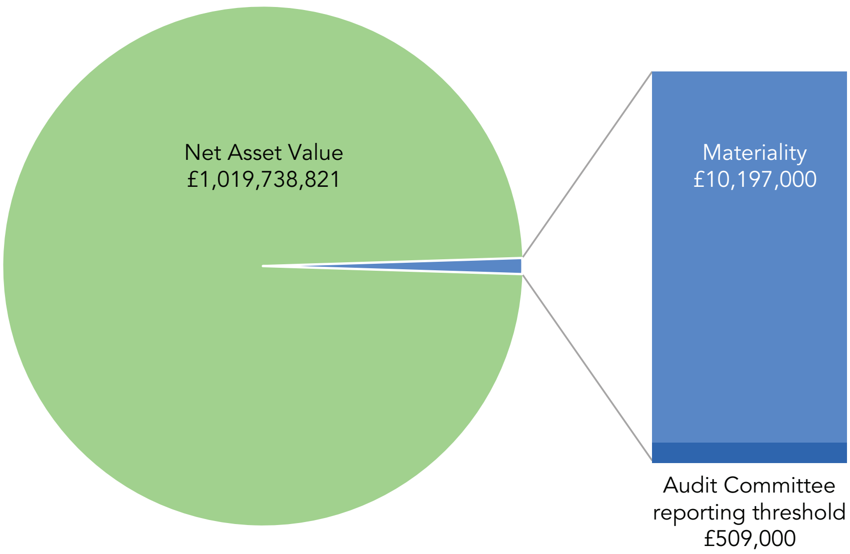
6 Our application of materiality

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	£10,197,000 (2023: £10,920,000)
Basis for determining materiality	1% (2023:1%) of NAV
Rationale for the benchmark applied	NAV is the most appropriate benchmark as it is considered one of the principal drivers for members of the Company in assessing financial performance and represents total shareholders' interest.



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 –

a the quality of the control environment and whether we were able to rely on controls,

b our risk assessment, including our assessment of the Company's overall control environment and

c our past experience of the audit, which has indicated a low number of corrected and uncorrected misstatements identified in prior periods.

6.3 Error reporting threshold

We agreed with the Audit Committee that we would report to the Committee all audit differences in excess of £509,000 (2022: £546,000), 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 Company 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.

7.2 Our consideration of the control environment

The Company is administered by a third party Guernsey regulated service provider. As part of our audit, we obtained an understanding of and tested the relevant controls around the valuation and ownership of investments and NAV preparation process established at the service provider. We inspected weekly and monthly NAV checklists and accompanying reports on a sample basis.

7.3 Our consideration of climate-related risks

As part of our audit we made enquiries of management to understand the process they have adopted to assess the potential impact of climate change on the financial statements. Management considers that the impact of climate change does not give rise to a material financial statement impact as described on page 17. We used our knowledge of the Company to evaluate management's assessment. We also read the annual report to consider whether the disclosures in relation to climate change made in the other information within the annual report are materially consistent with the financial statements and our knowledge obtained in our 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 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: 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, 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 and relevant internal specialists, including financial instrument specialists 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 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 Companies (Guernsey) Law, 2008, the Protection of Investors (Bailiwick of Guernsey) Law, 2020, the Listing Rules and relevant 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.

11.2 Audit response to risks identified

As a result of performing the above, we identified valuation and ownership of 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 the Board and the Audit Committee and reviewing correspondence with Guernsey Financial Services Commission 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 including financial instrument specialists, 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 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 set out on page 24
- the Directors' explanation as to its assessment of the Company's prospects, the period this assessment covers and why the period is appropriate set out on pages 24 and 25
- the Directors' statement on fair, balanced and understandable as set out on pages 66 and 67
- the Board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on page 16
- the section of the annual report that describes the review of effectiveness of risk management and internal control systems set out on pages 16 to 23 and
- the section describing the work of the Audit Committee set out on pages 84 to 89.

13 Matters on which we are required to report by exception

13.1 Adequacy of explanations received and accounting records

Under the Companies (Guernsey) Law, 2008 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
- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records.

We have nothing to report in respect of these matters.

14 Other matters which we are required to address

14.1 Auditor tenure

Following the recommendation of the Audit Committee, we were appointed by the Board on 19 March 2015 to audit the financial statements for the year ending 30 June 2015 and subsequent financial periods. The period of total uninterrupted engagement including previous renewals and reappointments of the firm is 10 years, covering the years ending 30 June 2015 to 30 June 2024. We were reappointed as auditor of the Company for the period ending 30 June 2025 and subsequent financial periods.

14.2 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).

15 Use of our report

This report is made solely to the Company's members, as a body, in accordance with Section 262 of the Companies (Guernsey) Law, 2008. 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.

As required by the Financial Conduct Authority (FCA) Disclosure Guidance and Transparency Rule (DTR) 4.1.15R – DTR 4.1.18R, these financial statements will form part of the Electronic Format Annual Financial Report filed on the National Storage Mechanism of the FCA in accordance with DTR 4.1.15R – DTR 4.1.18R. This auditor's report provides no assurance over whether the Electronic Format Annual Financial Report has been prepared in compliance with DTR 4.1.15R – DTR 4.1.18R.

Theo Brennand
For and on behalf of Deloitte LLP
Recognised Auditor
St Peter Port, Guernsey

17 September 2024

Statement of financial position as at 30 June 2024

	Notes	30 June 24 £	30 June 23 £
Assets			
Non-current assets			
Investments at fair value through profit or loss	10	1,004,731,917	1,037,539,714
Current assets			
Cash and cash equivalents		18,788,529	50,508,224
Trade and other receivables	11	3,518,082	1,992,046
Derivative financial assets	18, 19	36,246	3,497,285
Total current assets		22,342,857	55,997,555
Total assets		1,027,074,774	1,093,537,269
Liabilities			
Current liabilities			
Trade and other payables	12	3,967,386	1,496,934
Derivative financial liabilities	18, 19	3,368,567	–
Total liabilities		7,335,953	1,496,934
Net assets		1,019,738,821	1,092,040,335
Equity			
Capital and reserves attributable to the Company's shareholders			
Share capital	13	723,100,329	791,710,799
Capital reserve		182,591,777	193,130,681
Retained revenue reserve		18,997,156	12,149,296
Other reserves		95,049,559	95,049,559
Total equity		1,019,738,821	1,092,040,335
Net assets attributable to holders of redeemable participating preference shares (per share)	14	2.8489	2.8474

The Financial Statements on pages 105 to 141 were approved on 17 September 2024 and signed on behalf of the Board of Directors by

Christopher Russell
Chairman

Susie Farnon
Director

The notes on pages 109 to 141 form an integral part of these Financial Statements.

Statement of comprehensive income for the year ended 30 June 2024

	Notes	Year ended 30 June 2024 Revenue £	Capital £	Total £	Year ended 30 June 2023 Revenue £	Capital £	Total £
Fixed interest income		14,517,892	–	14,517,892	8,516,370	–	8,516,370
Dividend income		7,067,029	–	7,067,029	5,943,455	–	5,943,455
Bank interest income		877,338	–	877,338	528,540	–	528,540
Net changes in fair value of financial assets at fair value through profit or loss	6	–	(2,886,852)	(2,886,852)	–	(53,713,731)	(53,713,731)
Other net gains	7	–	3,248,799	3,248,799	–	16,742,015	16,742,015
Total income		22,462,259	361,947	22,824,206	14,988,365	(36,971,716)	(21,983,351)
Management fees	8	–	(10,314,509)	(10,314,509)	–	(10,517,318)	(10,517,318)
Other expenses	9	(1,111,897)	(586,342)	(1,698,239)	(1,001,012)	(294,584)	(1,295,596)
Total expenses		(1,111,897)	(10,900,851)	(12,012,748)	(1,001,012)	(10,811,902)	(11,812,914)
Profit/(loss) for the year before tax		21,350,362	(10,538,904)	10,811,458	13,987,353	(47,783,618)	(33,796,265)
Withholding tax	4	(643,704)	–	(643,704)	(619,657)	–	(619,657)
Profit/(loss) for the year after tax		20,706,658	(10,538,904)	10,167,754	13,367,696	(47,783,618)	(34,415,922)
Total comprehensive income/(loss) for the year		20,706,658	(10,538,904)	10,167,754	13,367,696	(47,783,618)	(34,415,922)
Basic and diluted earnings/(loss) per share		5.48p	(2.79)p	2.69p	3.70p	(13.23)p	(9.53)p

The 'Total' columns of this statement represent the Company's statement of comprehensive income, prepared in accordance with International Financial Reporting Standards as adopted by the European Union.

The revenue and capital return columns are prepared under guidance published by the Association of Investment Companies. All revenue and capital items in the above statement derive from continuing operations.

Basic and diluted earnings per share are calculated by dividing the profit after taxation by the weighted average number of redeemable participating preference shares in issue during the year. The weighted average number of shares for the year was 377,895,332 (30 June 2023: 361,081,202). As there are no items which would cause a dilution to occur, the basic and diluted earnings per share are the same.

The notes on pages 109 to 141 form an integral part of these Financial Statements.

Statement of changes in equity for the year ended 30 June 2024

	Notes	Share capital £	Capital reserve £	Retained revenue reserve* £	Other Reserves* £	Total year ended 30 June 24 £
Balance at 1 July 2023		791,710,799	193,130,681	12,149,296	95,049,559	1,092,040,335
Total comprehensive income for the year		–	(10,538,904)	20,706,658	–	10,167,754
Transactions with shareholders						
Share buybacks	13	(68,541,928)	–	–	–	(68,541,928)
Share buyback costs	13	(68,542)	–	–	–	(68,542)
Distributions during the year	5	–	–	(13,858,798)	–	(13,858,798)
Balance at 30 June 2024		723,100,329	182,591,777	18,997,156	95,049,559	1,019,738,821

	Notes	Share capital £	Capital reserve £	Retained revenue reserve* £	Other Reserves* £	Total year ended 30 June 23 £
Balance at 1 July 2022		608,654,303	240,914,299	8,166,612	95,049,559	952,784,773
Total comprehensive loss for the year		–	(47,783,618)	13,367,696	–	(34,415,922)
Transactions with shareholders						
Share capital issued	13	184,342,250	–	–	–	184,342,250
Share issue costs	13	(1,285,754)	–	–	–	(1,285,754)
Distributions during the year	5	–	–	(9,385,012)	–	(9,385,012)
Balance at 30 June 2023		791,710,799	193,130,681	12,149,296	95,049,559	1,092,040,335

* Under The Companies (Guernsey) Law, 2008, the Company can distribute dividends from share capital and reserves, subject to satisfying a solvency test. However, the Company's dividend policy is that dividends will only be paid from accumulated revenue reserves. In order to provide clearer information relating to reserves available for distribution, the Company has separately identified this reserve in these financial statements as a 'Retained revenue reserve' in the Statement of Financial Position and the Statement of Changes in Equity. 'Other reserves' represents amounts converted from share premium in 2004 and 2008.

The notes on pages 109 to 141 form an integral part of these Financial Statements.

Statement of cash flows for the year ended 30 June 2024

	Notes	Year ended 30 June 24 £	Year ended 30 June 23 £
Cash flows from operating activities			
Profit/(loss) for the year after tax		10,167,754	(34,415,922)
Adjustments for			
Net realised losses/(gains) on investments	6	20,625,763	(38,771,841)
Unrealised (gains)/losses on investments	6	(17,738,911)	92,485,572
Realised gains on forward foreign exchange contracts	7	(9,772,589)	(13,452,548)
Unrealised losses/(gains) on forward foreign exchange contracts	7	6,829,606	(3,011,276)
Foreign exchange gains on cash and cash equivalents	7	(305,816)	(278,191)
Increase in trade and other receivables (excluding amounts due in respect of sales of investments and share issues)		(1,690,742)	(498,304)
(Decrease)/increase in trade and other payables (excluding amounts due in respect of purchases of investments and share issue costs)		(83,703)	220,978
		8,031,362	2,278,468
Net cash received on closure of forward foreign exchange contracts	7	9,772,589	13,452,548
Purchases of investments		(1,508,722,215)	(1,529,460,934)
Sales of investments		1,538,658,328	1,298,549,953
Net cash generated from/(used in) operating activities		47,740,064	(215,179,965)
Cash flow from financing activities			
Dividends paid	5	(13,858,798)	(9,385,012)
Proceeds from issue of redeemable participating preference shares		–	184,342,250
Share issue costs		–	(1,429,821)
Share buybacks		(65,840,936)	–
Share buyback costs		(65,841)	–
Net cash (used in)/generated from financing activities		(79,765,575)	173,527,417
Net decrease in cash and cash equivalents		(32,025,511)	(41,652,548)
Cash and cash equivalents at the beginning of the year		50,508,224	91,882,581
Foreign exchange gains on cash and cash equivalents	7	305,816	278,191
Cash and cash equivalents at the end of the year		18,788,529	50,508,224

The notes on pages 109 to 141 form an integral part of these Financial Statements.

Notes to the Financial Statements
for the year ended 30 June 2024

1 The Company

The Company was incorporated with limited liability in Guernsey on 1 June 2004 as a company limited by shares and as an authorised closed-ended investment company. As an existing closed-ended fund the Company is deemed to be granted an authorised declaration in accordance with section 8 of the Protection of Investors (Bailiwick of Guernsey) Law, 2020, as amended and rule 6.02 of the Authorised Closed-ended Investment Schemes Rules and Guidance 2021. The Company is listed on the Main Market of the London Stock Exchange (LSE) and was admitted to the premium segment of the Official List of the UK Listing Authority on 20 December 2005.

The Company's registered office is shown on page 149 and details of its investment objective and strategy are shown on pages 12 and 13.

2 Material accounting policies

a Statement of compliance

The Financial Statements of the Company for the year ended 30 June 2024 have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and the Listing Rules of the London Stock Exchange in compliance with the Companies (Guernsey) Law, 2008.

b Basis of preparation

The Financial Statements are prepared in pound sterling (£), which is the Company's functional and presentation currency. The Financial Statements have been prepared on a going concern basis under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities at fair value through profit or loss.

c Going concern

The Directors believe that it is appropriate to continue to adopt the going concern basis in preparing the Financial Statements since the assets of the Company consist mainly of cash and cash equivalents and securities which are readily realisable. The Directors also note that overall, due to the nature of the Company's portfolio, which comprises both equities and other more defensive assets, it has not been affected significantly in terms of value or cashflows by the effects of the conflicts in Ukraine or the Middle East, or the continued high level of interest rates. Accordingly, in the Directors' opinion, the Company has adequate financial resources to continue in operational existence for the foreseeable future. Matters relating to the going concern status of the Company are also discussed in the long-term viability statement on pages 24 and 25.

d New accounting standards and amendments effective and adopted

The following relevant IFRSs have been applied in these Financial Statements during the year –

- IAS 1 (amended), 'Presentation of Financial Statements' – (amendments regarding the disclosure of accounting policies, effective for accounting periods commencing on or after 1 January 2023)
- IAS 8 (amended), 'Accounting Policies, Changes in Accounting Estimates and Errors' – (amendments regarding the definition of accounting estimates, effective for accounting periods commencing on or after 1 January 2023)

The changes arising from the amendments to these IFRSs are either presentational and/or minor in nature. In the opinion of the Directors, the adoption of these new and amended standards has had no material impact on the Financial Statements of the Company.

Standards and amendments in issue but not yet effective

The following relevant IFRSs, which have not been applied in these Financial Statements, were in issue at the reporting date but not yet effective –

- IFRS 7 (amended), 'Financial Instruments: Disclosures' – (effective for accounting periods commencing on or after 1 January 2026)
- IFRS 9 (amended), 'Financial Instruments' – (effective for accounting periods commencing on or after 1 January 2026)
- IFRS 18, 'Presentation and Disclosures in Financial Statements' – (effective for accounting periods commencing on or after 1 January 2027)

The amendments to IFRS 7 and IFRS 9 were published in May 2024 and relate to the classification and measurement of financial instruments.

IFRS 18 sets out requirements for the presentation and disclosure of information in financial statements to help ensure they provide relevant information that faithfully represents an entity's assets, liabilities, equity, income and expenses.

In addition, the International Sustainability Standards Board (ISSB) published the following Sustainability Disclosure Standards in June 2023, effective for accounting periods commencing on or after 1 January 2024 –

- IFRS S1, 'General Requirements for Disclosure of Sustainability-related Financial Information'
- IFRS S2, 'Climate-related Disclosures'

IFRS S1 sets out overall requirements with the objective to require an entity to disclose information about its sustainability-related risks and opportunities.

IFRS S2 sets out the requirements for identifying, measuring and disclosing information about climate-related risks and opportunities.

The purpose of both standards is to provide information that is useful to primary users of general purpose financial reports in making decisions relating to providing resources to the entity.

It is anticipated that the adoption of these new and amended standards will have no material impact on the Financial Statements of the Company.

e Financial instruments

i Classification

Financial assets are classified into the following categories: financial assets at fair value through profit or loss and financial assets at amortised cost.

The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition.

The Company's financial assets at fair value through profit or loss comprise investment assets and derivative assets in the form of forward foreign currency exchange contracts.

The Company's financial assets at amortised cost comprise trade and other receivables and cash and cash equivalents.

Financial liabilities are classified as either financial liabilities at fair value through profit or loss or financial liabilities at amortised cost.

The Company's financial liabilities at fair value through profit or loss comprise derivative liabilities in the form of forward foreign currency exchange contracts.

The Company's financial liabilities at amortised cost comprise trade and other payables.

ii Investments at fair value through profit or loss ('investments')

Recognition

Investments are recognised in the Company's Statement of Financial Position when the Company becomes a party to the contractual provisions of the instrument.

Purchases and sales of investments are recognised on the trade date (the date on which the Company commits to purchase or sell the investment). Investments purchased are initially recorded at fair value, being the consideration given. Transaction or other dealing costs associated with purchases and sales of investments are recognised through profit or loss in the Statement of Comprehensive Income.

Measurement

Subsequent to initial recognition, investments are measured at fair value. Gains and losses arising from changes in the fair value of investments and gains and losses on investments that are sold are recognised through profit or loss in the Statement of Comprehensive Income within net changes in fair value of financial assets at fair value through profit or loss.

Investments traded in active markets are valued at the latest available bid prices ruling at midnight on the reporting date. The Directors are of the opinion that the bid-market prices are the best estimate of fair value. Investments consist of listed or quoted equities or equity-related securities, options and bonds which are issued by corporate issuers, supra-nationals or government organisations, and investment in funds.

Shares in some investment funds are not listed on an actively traded exchange and these are valued on the reporting date at the official NAV of each fund as reported by each fund's independent administrator at the reporting date, as the most recent price is the best estimate of the amount for which holdings could have been disposed of at the reporting date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Gains and losses arising from changes in the fair value of financial assets/(liabilities) are shown as net gains or losses on financial assets through profit or loss (see note 10) and recognised in the Statement of Comprehensive Income in capital in the period in which they arise.

Realised gains and losses arising on disposal of investments are calculated by reference to the proceeds received on disposal and the average cost attributable to those investments, and are recognised in the Statement of Comprehensive Income in capital. Unrealised gains and losses on investments are recognised in the Statement of Comprehensive Income in capital.

iii Derivatives

Forward foreign currency contracts are treated as derivative contracts and as such are recognised at fair value on the date on which they are entered into and subsequently remeasured at their fair value. Fair value is determined by rates in active currency markets. All derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative. The gain or loss on remeasurement to fair value is recognised immediately through profit or loss in the Statement of Comprehensive Income in capital within other gains in the period in which they arise.

iv Financial instruments at amortised cost

Trade and other receivables

Trade and other receivables are amounts due in the ordinary course of business and are classified as current assets if collection is expected in one year or less. If not, they are presented as non-current assets. Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment, such impairment to be determined using the simplified expected credit losses approach in accordance with IFRS 9.

At each reporting date, the Company measures the loss allowance on its trade and other receivables at an amount equal to the lifetime expected credit losses. Expected credit losses are estimated based on the Company's historical credit loss experience, adjusted for factors that are specific to the financial asset, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including the time value of money where appropriate.

Cash and cash equivalents

Cash comprises cash in hand and demand deposits. Cash equivalents are short-term, highly liquid investments with original maturities of three months or less and bank overdrafts.

Trade and other payables

Trade and other payables are obligations to pay for services that have been acquired in the ordinary course of business and are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade and other payables are recognised initially at fair value plus any directly attributable incremental costs of acquisition or issue and subsequently measured at amortised cost using the effective interest rate method.

v Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise assets and settle the liabilities simultaneously.

vi Derecognition of financial instruments

A financial asset is derecognised when: (a) the rights to receive cash flows from the asset have expired, (b) the Company retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass through arrangement'; or (c) the Company has transferred substantially all the risks and rewards of the asset, or has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset. A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired.

f Income

The Company has no income that falls within the scope of IFRS 15, therefore all income is recognised in accordance with IFRS 9. Dividend income from equity investments is recognised when the relevant investment is quoted ex-dividend, and is included gross of withholding tax. Interest income is recognised for all debt instruments using the effective interest rate method. Dividend and interest income are recognised through profit or loss in the Statement of Comprehensive Income in revenue.

g Expenses

Expenses are accounted for on an accruals basis and are recognised through profit or loss in the Statement of Comprehensive Income in either capital or revenue reserves. The Company's management fees are allocated between capital and revenue in a ratio determined by the Board at its sole discretion. Currently 100% of the management fees are charged to capital, as are transaction costs on the purchase and sale of investments. All other expenses of the Company are recognised in revenue.

h Translation of foreign currency

Functional and presentation currency

The Financial Statements of the Company are presented in the currency of the primary economic environment in which the Company operates (its 'functional currency'). The Directors have considered the currency in which the original capital was raised, distributions will be made and ultimately the currency in which capital would be returned in a liquidation. On this basis, pound sterling best represents the functional currency of the Company. For the purpose of the Financial Statements, the results and financial position of the Company are expressed in pound sterling, which is the presentation currency of the Company.

Foreign currency transactions are translated into the functional currency using the exchange rate prevailing at the transaction date. Foreign exchange gains and losses resulting from the settlement of such transactions and those from the translation at period end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Comprehensive Income.

Translation differences on non-monetary items such as financial assets held at fair value through profit or loss are reported as part of net changes in fair value on financial assets through profit or loss in the Statement of Comprehensive Income.

i Share issue costs

Share issue costs are fully written off against the share capital account in the period of the share issue in accordance with Guernsey company law.

j Redeemable participating preference shares

As the Company's redeemable participating preference shares are redeemable at the sole option of the Directors, they are required to be classified as equity instruments. Please refer to note 13 for further details.

3 Significant accounting judgements, estimates and assumptions

The preparation of the Financial Statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expense and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future periods.

Judgements

In the opinion of the Directors, there are no significant judgements made that have had a material effect on the Financial Statements.

Estimates

The Company records its investments and derivatives at fair value. Investments classified in level 1 of the fair value hierarchy (see note 19) are measured at fair value based on a quoted price in an active market. However, the fair value of investments classified in level 2 and level 3 of the fair value hierarchy and of forward foreign exchange contracts are determined at the valuation date on the basis of estimates based on the reported NAVs of the investments and prevailing exchange rates respectively. The Directors consider that these valuations represent the best estimate of the fair values of the Company's level 2 and level 3 investments and derivatives. Details of the valuation methodologies and assumptions applied in determining the fair value of the Company's investments and derivatives, and sensitivities to those assumptions, are disclosed in note 19.

4 Taxation

The Company has been granted Exempt Status under the terms of The Income Tax (Exempt Bodies) (Guernsey) Ordinance, 1989 to income tax in Guernsey. Its liability is an annual fee of £1,600 (30 June 2023: £1,200).

The amounts disclosed as taxation in the Statement of Comprehensive Income relate solely to withholding tax deducted at source on income.

5 Dividends to shareholders

Dividends, if any, are declared semi-annually, usually in October and March each year. The Company paid and declared the following dividends during the year.

	Year ended 30 June 24 £	Year ended 30 June 23 £
2023 Second interim dividend of 1.65p (2022: 1.25p)	6,328,043	4,311,472
2024 First interim dividend of 2.00p (2023: 1.35p)	7,530,755	5,073,540
	13,858,798	9,385,012

A second interim dividend of 3.10p per share in respect of the year ended 30 June 2024 was declared on 18 September 2024. The dividend is payable on 11 October 2024 to shareholders on record at 27 September 2024.

6 Net changes in financial assets at fair value through profit or loss

	Year ended 30 June 24 £	Year ended 30 June 23 £
Gains realised on investments sold during the year	48,555,204	94,589,633
Losses realised on investments sold during the year	(69,180,967)	(55,817,792)
Net realised (losses)/gains on investments sold during the year (see note 10)	(20,625,763)	38,771,841
Movement in unrealised gains/(losses) arising from changes in fair value	17,738,911	(92,485,572)
Net changes in fair value on financial assets at fair value through profit or loss	(2,886,852)	(53,713,731)

7 Other gains/(losses)

	Year ended 30 June 24 £	Year ended 30 June 23 £
Movement in unrealised (losses)/gains on spot and forward foreign exchange currency contracts	(6,829,606)	3,011,276
Realised gains on spot and forward foreign currency contracts	9,772,589	13,452,548
Other realised and unrealised foreign exchange gains	305,816	278,191
	3,248,799	16,742,015

8 Management fees

The management fees were charged to the capital reserves of the Company. The management fees for the year, including outstanding balances at end of the year, are detailed below.

	Year ended 30 June 24 £	Year ended 30 June 23 £
Management fees for the year	10,314,509	10,517,318
Management fees payable at the end of the year	759,478	880,118

The basis for calculating the management fees is set out in the General Information on page 147.

9 Other expenses

	Year ended 30 June 24 £	Year ended 30 June 23 £
Expenses charged to revenue		
Administration fee*	254,074	256,707
Directors' fees	259,125	238,875
Custodian and Depositary fees*	167,245	177,237
Broker's fees	42,500	38,750
Audit fee	79,800	90,000
Auditor's remuneration for interim review	22,400	21,000
Legal and professional fees	71,830	28,298
Registrar fees	77,578	68,099
General expenses	137,345	82,046
	1,111,897	1,001,012
Expenses charged to capital		
Investment transaction costs	586,342	294,584
Total other expenses	1,698,239	1,295,596

* The basis for calculating the Administration fees, Custodian and Depositary fees is set out in the General Information on pages 147 and 148.

Ongoing charges ratio

The ongoing charges ratio (OCR) of an investment company is the annual percentage reduction in shareholder returns as a result of recurring operational expenditure. Ongoing charges are classified as those expenses which are likely to recur in the foreseeable future, and which relate to the operation of the company, excluding investment transaction costs, financing charges and gains or losses on investments. The OCR is calculated as the total ongoing charges for a period divided by the average net asset value over that period.

	Year ended 30 June 24 £	Year ended 30 June 23 £
Management fee (see note 8)	10,314,509	10,517,318
Other expenses (see above)	1,698,239	1,295,596
	12,012,748	11,812,914
Excluded expenses*	(641,221)	(294,584)
Total ongoing expenses	11,371,527	11,518,330
Average NAV**	1,068,272,008	1,076,002,874
Ongoing charges ratio (using AIC methodology)	1.06%	1.07%

* Excluded expenses principally comprise security transaction costs and one-off costs.

** Average NAV is calculated as the weighted average of all the NAVs published on the LSE during the year.

10 Investment assets at fair value through profit or loss

	Year ended 30 June 24 £	Year ended 30 June 23 £
Cost of investments at the start of the year	1,064,658,652	787,014,198
Acquisitions at cost during the year	1,508,572,677	1,509,213,642
Disposals during the year	(1,538,493,622)	(1,270,341,029)
(Losses)/gains on disposals during the year	(20,625,763)	38,771,841
Cost of investments held at the end of the year	1,014,111,944	1,064,658,652
Fair value below cost	(9,380,027)	(27,118,938)
Fair value of investments held at the end of the year	1,004,731,917	1,037,539,714

11 Trade and other receivables

	30 June 24 £	30 June 23 £
Amounts receivable within one year		
Investment income receivable	725,261	57,062
Fixed interest income receivable	2,782,183	1,750,222
Sales of investments awaiting settlement	1,961	166,667
Other receivables	214	–
Prepayments	8,463	18,095
	3,518,082	1,992,046

The Directors consider that the carrying amounts of trade and other receivables approximate to their fair value. All receivables are short-term, with settlement due within a few days or months of the year end, and are held with reputable entities and government institutions with no history of default. As a result, the Company's exposure to default risk is negligible and no credit losses are expected.

12 Trade and other payables

	30 June 24 £	30 June 23 £
Amounts falling due within one year		
Share buybacks payable	2,703,693	–
Purchases of investments awaiting settlement	248,458	397,996
Management fees payable	759,478	880,118
Other payables	255,757	218,820
	3,967,386	1,496,934

The Directors consider that the carrying amounts of trade and other payables approximate to their fair value.

13 Share capital

	30 June 24 £	30 June 23 £
Authorised share capital		
Unlimited unclassified shares of 0.01p each	Unlimited	Unlimited
75,000,000 C shares of 0.1p each	75,000	75,000

The Company's share capital comprises 75,000,000 C shares of 0.1p each, and an unlimited number of unclassified shares of 0.01p each.

	Number of shares		Share capital	
	Year ended 30 June 24	Year ended 30 June 23	Year ended 30 June 24 £	Year ended 30 June 23 £
Issued share capital				
Redeemable participating preference shares of 0.01p each				
Balance at the start of the year	383,517,764	323,002,764	791,710,799	608,654,303
Issued and fully paid during the year	–	60,515,000	–	184,342,250
Share issue costs	–	–	–	(1,285,754)
Share buybacks during the year	(25,580,000)	–	(68,541,928)	–
Share buyback costs	–	–	(68,542)	–
Balance at the end of the year	357,937,764	383,517,764	723,100,329	791,710,799

Unclassified shares

Unclassified shares can be issued as nominal shares or redeemable participating preference shares. Nominal shares can only be issued at par to the Administrator. The Administrator is obliged to subscribe for nominal shares for cash at par when redeemable participating preference shares are redeemed to ensure that funds are available to redeem the nominal amount paid up on redeemable participating preference shares. The holder or holders of nominal shares shall have the right to receive notice of and to attend general meetings of the Company but shall not be entitled to vote thereat. Nominal shares shall carry no right to dividends. In a winding-up, holders of nominal shares shall be entitled to be repaid an amount equal to their nominal value out of the assets of the Company. There were no nominal shares in issue at 30 June 2024 or 30 June 2023.

The holders of fully paid redeemable participating preference shares are entitled to one vote at all meetings of the relevant class of shareholders. Participating preference shares carry the right to receive dividends or other distributions declared by the Company. In a winding-up, participating preference shareholders shall be entitled, firstly, to an amount equal to the nominal value of their shareholding, and, secondly, to a proportionate share of the balance of assets remaining in the Company after settlement of amounts due to nominal shareholders.

C shares

There were no C Shares in issue at year end (30 June 2023: Nil).

Block listing and additional shares issued

As at 30 June 2024 and 30 June 2023, the Company had the ability to issue 9,341,551 redeemable participating preference shares under a block listing facility.

During the year, no new redeemable participating preference shares were allotted or issued under the block listing facility (30 June 2023: 60,515,000 redeemable participating preference shares issued).

New redeemable participating preference shares rank pari passu with the existing shares in issue.

Purchase of own shares by the Company

A special resolution was passed on 30 November 2023 which authorised the Company in accordance with The Companies (Guernsey) Law, 2008 to make purchases of its own shares as defined in that Ordinance of its Participating Shares of 0.01p each, provided that –

a the maximum number of shares the Company can purchase is no more than 14.99% of the Company's issued share capital

b the minimum price (exclusive of expenses) which may be paid for a share is 0.01p, being the nominal value per share

c the maximum price (exclusive of expenses) which may be paid for the share is an amount equal to the higher of (i) 105% of the average of the middle market quotations for a share taken from the LSE Daily Official List for the 5 business days immediately preceding the day on which the Share is purchased and (ii) the price stipulated in Article 5(i) of the Buyback and Stabilisation Regulation (No 2237 of 2003)

d purchases may only be made pursuant to this authority if the shares are (at the date of the proposed purchase) trading on the LSE at a discount to the lower of the undiluted or diluted NAV

e the authority conferred shall expire at the conclusion of the Annual General Meeting of the Company in 2024 or, if earlier, on the expiry of 15 months from the passing of this resolution, unless such authority is renewed prior to such time and

f the Company may make a contract to purchase shares under the authority hereby conferred prior to the expiry of such authority which will or may be executed wholly or partly after the expiration of such authority and may make an acquisition of shares pursuant to any such contract.

Redeemable participating preference shares in issue

As at 30 June 2024, the Company had 383,517,764 (30 June 2023: 383,517,764) redeemable participating preference shares of 0.01p each in issue, of which 25,580,000 shares (30 June 2023: Nil) were held in treasury. During the year, the Company has bought back into treasury 25,580,000 redeemable participating preference shares at an average price of £2.6795. Therefore, the total voting rights in the Company at 30 June 2024 were 357,937,764 (30 June 2023: 383,517,764. Subsequent to the year end, the Company has bought back a further 7,150,000 of its own shares at an average purchase price of £2.7396.

14 NAV reconciliation

The Company announces its NAV, based on bid value, to the LSE after each weekly and month end valuation point. At the time of releasing the year end NAV to the LSE, not all 30 June prices of the Company's investments may be available. Adjustments are made to the NAV in the Financial Statements once these prices become available. The following is a reconciliation of the NAV and NAV per share attributable to redeemable participating preference shareholders as presented in these Financial Statements to the NAV and NAV per share reported to the LSE.

	30 June 24		30 June 23	
	NAV £	NAV per share £	NAV £	NAV per share £
NAV published on the LSE as at the year end	1,019,427,621	2.8481	1,096,014,803	2.8578
Adjustments to valuations	311,200	0.0008	(3,974,468)	(0.0104)
Net assets attributable to holders of redeemable participating preference shares	1,019,738,821	2.8489	1,092,040,335	2.8474

15 Contingent liabilities

There were no contingent liabilities as at 30 June 2024 (30 June 2023: £Nil).

16 Related party transactions

The Directors are responsible for the determination of the investment policy of the Company and have overall responsibility for the Company's activities, and are therefore regarded as related parties.

Investment Management Agreement

The Company is managed by Ruffer AIFM Ltd, a subsidiary of Ruffer LLP, a privately owned business registered in England and Wales as a limited liability partnership. The Company and the Investment Manager have entered into an Investment Management Agreement under which the Investment Manager has been given responsibility for the day-to-day discretionary management of the Company's assets (including uninvested cash) in accordance with the Company's investment objective and policy, subject to the overall supervision of the Directors and in accordance with the investment restrictions in the Investment Management Agreement and the Articles.

The market value of WS Ruffer Gold is deducted from the NAV of the Company before the calculation of management fees on a monthly basis, as the Investment Manager separately earns a management fee from that entity. For additional information, refer to the Portfolio Statement on pages 142 to 146. Management fees for the year and payable at the end of the year are disclosed in note 8.

Directors' remuneration

Directors' remuneration is set out in the Directors' Remuneration Report on pages 82 and 83 of the Financial Statements.

Shares held by related parties

As at 30 June 2024, Directors of the Company held the following numbers of shares beneficially –

Shares	30 June 24	30 June 23
Christopher Russell	125,000	125,000
Susie Farnon	16,200	16,200
Shelagh Mason	14,698	14,698
Nicholas Pink	63,206	55,027
Solomon Soquar	10,000	–
Colleen McHugh	7,000	na
	236,104	210,925

As at 30 June 2024, Duncan MacInnes, investment director of the Investment Manager, owned 58,100 (30 June 2023: 43,100) shares in the Company.

As at 30 June 2024, Jasmine Yeo, investment manager of the Investment Manager, owned 15,000 (30 June 2023: Nil) shares in the Company.

As at 30 June 2024, Jonathan Ruffer, chairman of Ruffer LLP (the parent entity of the Company's Investment Manager), owned 499,335 (30 June 2023: 499,335) shares in the Company.

As at 30 June 2024, Henry Maxey, chief investment officer of Ruffer LLP (the parent entity of the Company's Investment Manager), owned 2,000,000 (30 June 2023: Nil) shares in the Company. On 31 July 2024, Mr Maxey acquired a further 1,850,000 shares in the Company.

As at 30 June 2024, Ruffer LLP and other entities within the Ruffer Group held 6,769,224 (30 June 2023: 2,891,816) shares in the Company on behalf of its discretionary clients.

On 19 August 2024, Colleen McHugh acquired a further 5,000 shares in the Company.

Investments in related funds

As at 30 June 2024, the Company held investments in four (30 June 2023: four) related investment funds valued at £189,046,709 (30 June 2023: £211,696,123). Refer to the Portfolio Statement on pages 142 to 146 for details.

17 Operating segment reporting

The Chief Operating Decision Maker, which is the Board, is of the opinion that the Company is a single operating segment. The financial information used by the Chief Operating Decision Maker to manage the Company presents the business as a single segment.

Segment information is measured on the same basis as that used in the preparation of the Company's Financial Statements.

The Company receives no revenues from external customers. The Company holds no non-current assets other than investments in any geographical area other than Guernsey.

18 Financial instruments

In accordance with its investment objectives and policies, the Company holds financial instruments which at any one time may comprise the following –

- securities held in accordance with the investment objectives and policies
- cash and short-term receivables and payables arising directly from operations
- derivative transactions including investment in forward foreign currency contracts and
- borrowing up to a maximum of 30% of the NAV of the Company.

Terms, conditions and accounting policies

The financial instruments held by the Company comprise principally internationally listed or quoted equities or equity related securities (including convertibles), and/or bonds which are issued by corporate issuers, supra-nationals or government organisations.

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of its financial assets and liabilities are disclosed in note 2. The following table analyses the carrying amounts of the financial assets and liabilities by category as defined in IFRS 9.

The following are the categories of financial instruments held by the Company at the reporting date.

	30 June 24 fair value £	30 June 23 fair value £
Financial assets		
Financial assets at fair value through profit or loss		
Listed securities	945,861,804	987,853,777
UCITS funds	58,870,113	49,685,937
Derivative financial assets	36,246	3,497,285
Financial assets at amortised cost		
Cash and cash equivalents	18,788,529	50,508,224
Trade and other receivables (excluding prepayments)	3,509,619	1,973,951
	1,027,066,311	1,093,519,174

	30 June 24 fair value £	30 June 23 fair value £
Financial liabilities		
Financial liabilities at fair value through profit or loss		
Derivative financial liabilities	3,368,567	–
Financial liabilities at amortised cost		
Trade and other payables	3,967,386	1,496,934
	7,335,953	1,496,934

19 Financial risk management and associated risks

The Company is exposed to a variety of financial risks as a result of its activities. These risks include market risk (including price risk, foreign currency risk and interest rate risk), credit risk and liquidity risk. These risks, which have applied throughout the year and the Investment Manager's policies for managing them are summarised as follows:

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company's activities expose it primarily to the market risks of changes in market prices, interest rates and foreign currency exchange rates.

Market price risk

Market price risk arises mainly from the uncertainty about future prices of the financial instruments held by the Company. It represents the potential loss the Company may suffer through holding market positions in the face of price movements.

The Company's investment portfolio is exposed to market price fluctuations which are monitored by the Investment Manager in pursuance of the investment objectives and policies. Adherence to investment guidelines and to investment and borrowing powers set out in the Placing and Offer for Subscription document mitigates the risk of excessive exposure to any particular type of security or issuer.

Market price sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to equity, investment funds, commodities and bond price risks at the reporting date. The 20% reasonably possible price movement for equity-related securities, investment funds and commodities (30 June 2023: 20%) is based on the Investment Manager's best estimates. The sensitivity rate for these investments of 20% is regarded as reasonable, as in the Investment Manager's view there continues to be potential for market volatility in the coming year.

A 20% (30 June 2023: 20%) increase in the market prices of equity- and commodity-related investments as at 30 June 2024 would have increased the net assets attributable to holders of redeemable participating preference shares by £69,604,484 (30 June 2023: £53,009,374) and a 20% change in the opposite direction would have decreased the net assets attributable to holders of redeemable participating preference shares by an equal opposite amount.

This analysis does not allow for the impact of investments held within Ruffer Protection Strategies or Ruffer Illiquid Multi-Strategies Fund 2015, which may reduce the sensitivity to market prices. Please refer to the Derivatives section below.

A sensitivity analysis based on the interest rates of bond-related investments as at 30 June 2024 and 30 June 2023 has been considered under Interest rate risk on pages 133 and 134.

Actual trading results may differ from the above sensitivity analysis and these differences could be material.

Foreign currency risk

Foreign currency risk arises from fluctuations in the value of a foreign currency. It represents the potential loss the Company may suffer though holding foreign currency assets in the face of foreign exchange movements.

As a portion of the Company's investment portfolio is invested in securities denominated in currencies other than pound sterling (the functional and presentation currency of the Company), the Statement of Financial Position may be significantly affected by movements in the exchange rates of such currencies against pound sterling. The Investment Manager has the power to manage exposure to currency movements by using options, warrants and/or forward foreign currency contracts and details of the holdings of such instruments at the date of these Financial Statements is set out below and on the following page. In the event that the base currency weakens during the course of the contract, the contract will expire at a loss that will be offset by a corresponding gain in the underlying assets. The opposite would be true when the base currency strengthens during the course of the contract.

As at 30 June 2024, the Company had four (30 June 2023: two) open forward foreign currency contracts.

Forward foreign exchange contracts at 30 June 2024

Expiry date	Underlying	Notional amounts of contracts outstanding	Fair value assets/(liabilities) £
20 Sept 2024	Foreign currency (sale of USD)	US$561,215,900	(3,238,717)
20 Sept 2024	Foreign currency (sale of JPY)	JPY10,377,000,000	36,246
20 Sept 2024	Foreign currency (sale of EUR)	€8,015,000	(15,369)
20 Sept 2024	Foreign currency (sale of EUR)	€26,509,800	(114,481)
			(3,332,321)

Forward foreign exchange contracts at 30 June 2023

Expiry date	Underlying	Notional amounts of contracts outstanding	Fair value assets/(liabilities) £
15 Sept 2023	Foreign currency (sale of USD)	US$447,491,642	3,489,331
15 Sept 2023	Foreign currency (sale of EUR)	€28,458,375	7,954
			3,497,285

The Company's treatment of currency transactions other than in pound sterling is set out in note 2 to the Financial Statements under 'Translation of foreign currency.'

As at 30 June 2024 and 30 June 2023, the Company held the following assets and liabilities in currencies other than the functional currency, excluding the impact of forward foreign exchange contracts disclosed above.

	30 June 24 assets £	30 June 24 liabilities £	30 June 23 assets £	30 June 23 liabilities £
Australian dollar	–	–	39,872,562	–
Euro	33,585,617	77,290	26,056,469	–
Canadian dollar	3,409,612	–	1,083,413	–
Yen	151,103,749	–	174,468,368	–
Swiss franc	3,849,993	–	–	–
US dollar	467,122,905	–	399,321,189	–
Total	659,071,876	77,290	640,802,001	–

Foreign currency sensitivity

The Company's exposure and sensitivity to a change of 10% in foreign exchange rates is detailed by currency in the following table.

	30 June 24 net exposure £	30 June 24 effect on net assets £	30 June 23 net exposure £	30 June 23 effect on net assets £
Australian dollar	–	–	39,872,562	3,987,256
Euro	4,286,868	428,687	1,518,818	151,882
Canadian dollar	3,409,612	340,961	1,083,413	108,341
Yen	99,455,813	9,945,581	174,468,368	17,446,837
Swiss franc	3,849,993	384,999	–	–
US dollar	26,768,796	2,676,880	47,103,125	4,710,313
Total	137,771,082	13,777,108	264,046,286	26,404,629

As at 30 June 2024, if the exchange rates of pound sterling against the above currencies had weakened by 10% (30 June 2023: 10%), with all other variables held constant, net assets attributable to holders of redeemable participating preference shares would be £13,777,108 (30 June 2023: £26,404,629) higher, net of open forward foreign currency contracts and due mainly as a result of foreign currency gains on translation of these financial assets and liabilities to pound sterling; and a 10% strengthening of pound sterling against the above currencies would have resulted in an equal but opposite effect on the net assets attributable to holders of redeemable participating preference shares. The sensitivity rate of 10% is regarded as reasonable as this approximates to the weighted average volatility over the last two years of the principal foreign currencies to which the Company is exposed against Pound Sterling. Any changes in the foreign exchange rate will directly affect the profit and loss, allocated to the capital column of the Statement of Comprehensive Income.

Actual trading results may differ from the above sensitivity analysis and these differences could be material.

As has been seen in previous years currencies can fluctuate by more or less than this indicative amount. The Investment Manager incorporates this variable into risk analysis when managing the investments.

Interest rate risk

Interest rate risk represents the uncertainty of investment return due to changes in the market rates of interest.

The Company invests in fixed and floating rate securities. The income of the Company may be affected by changes to interest rates relevant to particular securities or as a result of the Investment Manager being unable to secure similar returns on the expiry of contracts or sale of securities. Interest receivable on bank deposits and floating rate securities or payable on bank overdraft positions will be affected by fluctuations in interest rates (cash flow interest rate risk).

The Investment Manager actively manages the Company's exposure to interest rate risk, paying heed to prevailing interest rates and economic conditions, market expectations and their own opinions of likely movements in interest rates. Currently the vast majority of the exposure of the Company to fixed interest securities is in the form of index-linked bonds. The value of these investments is determined by current and expected inflation and interest rates.

The value of fixed interest securities will be affected by general changes in interest rates that will in turn result in increases or decreases in the market value of those instruments. When interest rates decline, the value of the Company's investments in fixed rate debt obligations can be expected to rise, and when interest rates rise, the value of those investments may decline (fair value interest rate risk).

The investment portfolio details the security type, issuer, interest rate, and maturity date of all of the Company's fixed and floating rate securities as at 30 June 2024.

The following tables summarise the Company's exposure to interest rate risk. It includes the Company's financial assets and liabilities at fair values, categorised by underlying interest rate type.

As at 30 June 2024

	Floating rate £	Fixed rate £	Non-interest bearing £	Total £
Financial assets				
Investments at fair value through profit or loss	179,185,849	347,347,051	478,199,017	1,004,731,917
Cash and cash equivalents	18,788,529	–	–	18,788,529
Derivative financial assets	–	–	36,246	36,246
Trade and other receivables	–	–	3,509,619	3,509,619
	197,974,378	347,347,051	481,744,882	1,027,066,311
Financial liabilities				
Trade and other payables	–	–	3,967,386	3,967,386
Derivative financial liabilities	–	–	3,368,567	3,368,567
	–	–	7,335,953	7,335,953

As at 30 June 2023

	Floating rate £	Fixed rate £	Non-interest bearing £	Total £
Financial assets				
Investments at fair value through profit or loss	110,065,207	473,752,470	453,722,037	1,037,539,714
Cash and cash equivalents	50,508,224	–	–	50,508,224
Derivative financial assets	–	–	3,497,285	3,497,285
Trade and other receivables	–	–	1,973,951	1,973,951
	160,573,431	473,752,470	459,193,273	1,093,519,174
Financial liabilities				
Trade and other payables	–	–	1,496,934	1,496,934
	–	–	1,496,934	1,496,934

The table below summarises weighted average effective (real) interest rates for fixed rate financial instruments.

	30 June 24 %	Weighted average period for which rate/ yield is fixed (years)	30 June 23 %	Weighted average period for which rate/ yield is fixed (years)
UK government bonds	0.5947	27.24	3.5591	29.60
US government bonds	1.9736	9.16	4.3669	19.64
North American corporate bonds	12.0032	4.30	18.2200	4.38
Australian government bonds	–	–	4.3047	1.08
Japanese government bonds	0.1463	0.95	-0.1406	0.92

Interest rate sensitivity analysis

Key determinants of interest rates include economic growth prospects, inflation, governments' fiscal positions and rates on nominal bonds of similar maturities. This sensitivity analysis assumes a 200 basis point increase or decrease in interest rates (30 June 2023: 200 basis point increase or decrease), with all other variables unchanged. This would be the equivalent of a 200 basis point increase or decrease in 'real' interest rates, and as such is likely to overstate the actual impact of such a move in nominal rates. The increased interest sensitivity rates in the current year are regarded as reasonable due to the current high inflation environment.

As most of the Company's fixed rate securities are index-linked bonds, their yields, and as a consequence their prices, are determined by market perception as to the appropriate level of yields given the economic background.

This analysis does not allow for the impact of investments held within Ruffer Protection Strategies which may reduce the sensitivity to changes in interest rates. Please refer to the Derivatives section below.

Fair value interest rate sensitivity

In respect of the Company's holdings of fixed rate bonds, an increase/decrease of 200 basis points in interest rates as at the reporting date would have decreased/increased the net assets attributable to holders of redeemable participating preference shares by £63,897,360 (30 June 2023: £124,862,317).

Cash flow interest rate sensitivity

In respect of the Company’s holdings of floating rate bonds and cash and cash equivalents, an increase/decrease of 200 basis points in interest rates as at the reporting date would have increased/decreased the net assets attributable to holders of redeemable participating preference shares by £3,959,488 (30 June 2023: £3,211,469).

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. Failure of any relevant counterparty to perform its obligations in respect of these items may lead to a financial loss.

The Company is exposed to credit risk in respect of cash and cash equivalents and trade and other receivables. The credit risk associated with debtors is limited to the unrealised gains on open derivative contracts such as forward foreign currency contracts, as detailed above and trade and other receivables. It is the opinion of the Board of Directors that the carrying amounts of these financial assets represent the maximum credit risk exposure as at the reporting date.

The Company will not invest in the securities of any company that is not quoted or does not have a listing on a market specified in the Financial Services and Markets Act 2000 (Financial Promotions) Order 2001 except for investments in investment funds and such other financial markets as may be specifically agreed from time to time between the Board and the Investment Manager.

All transactions in listed securities are settled/paid upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the broker has received payment. Payment is made on a purchase once the securities have been received by the broker. The trade will fail if either party fails to meet their obligation. All amounts outstanding at the year end on the purchases of securities were settled within a few days of the year end, therefore there are no expected credit losses on these amounts.

The Company’s most recent prospectus, published on 15 December 2022, allows investment in a wide universe of equity related securities and bonds, including those in countries that may be classed as emerging or developing. In adhering to investment restrictions set out within the document, the Company mitigates the risk of any significant concentration of credit risk.

Credit risk analysis

The Company's maximum credit exposure is limited to the carrying amount of financial assets recognised at the reporting date, as summarised below.

	30 June 24 £	30 June 23 £
Financial assets at fair value through profit or loss	1,004,731,917	1,037,539,714
Derivative assets at fair value through profit or loss	36,246	3,497,285
Cash and cash equivalents	18,788,529	50,508,224
Trade and other receivables	3,509,619	1,973,951
	1,027,066,311	1,093,519,174

The Company is exposed to a potentially material credit risk in respect of cash and cash equivalents, which is mitigated by the use of institutions with a high credit rating. As at 30 June 2024, almost 100% (30 June 2023: almost 100%) of cash is placed with Northern Trust (Guernsey) Limited (NTGL), and the remainder with Royal Bank of Scotland International Limited (RBSI).

NTGL is a wholly owned subsidiary of The Northern Trust Corporation (TNTC). TNTC is publicly traded and a constituent of the S&P 500. TNTC has a long-term credit rating of AA- (30 June 2023: AA-) from Standard & Poor's and A2 (30 June 2023: A2) from Moody's. RBSI has a long-term credit rating of A (30 June 2023: A) from Standard & Poor's and A2 (30 June 2023: A2) from Moody's.

The Moody's credit ratings of the issuers of Bonds held by the Company as at 30 June 2024 and 30 June 2023 were as follows.

	30 June 24	30 June 23
UK index-linked gilt 2.5% 17/07/2024	Aa3	–
UK index-linked gilt 0.375% 22/03/2062	Aa3	Aa3
UK index-linked gilt 0.125% 22/11/2065	Aa3	Aa3
UK index-linked gilt 0.125% 22/03/2068	Aa3	Aa3
UK index-linked gilt 0.125% 22/03/2073	Aa3	Aa3
US Treasury inflation indexed bond 1.125% 15/01/2033	Aaa	–
US Treasury inflation indexed bond 1.375% 15/07/2033	Aaa	–
US Treasury inflation indexed bond 1.75% 15/01/2034	Aaa	–
UK gilt 2.25% 07/09/2023	–	Aa3
UK gilt 0.75% 22/07/2023	–	Aa3
US Treasury inflation indexed bond 0.625% 15/01/2026	–	Aaa
US Treasury inflation indexed bond 0.625% 15/02/2051	–	Aaa
US Treasury inflation indexed bond 0.625% 15/02/2052	–	Aaa
US Treasury inflation indexed bond 0.625% 15/02/2053	–	Aaa
US Treasury floating rate bond 31/01/2024	–	Aaa
US Treasury floating rate bond 31/10/2024	Aaa	Aaa
US Treasury floating rate bond 31/01/2025	Aaa	–
US Treasury floating rate bond 30/04/2025	Aaa	–
US Treasury floating rate bond 31/07/2025	Aaa	–
US Treasury floating rate bond 31/10/2025	Aaa	–
PFCLN 9.75% 15/11/2026	–	*BB-
Denarius Metals 12% 19/10/2028	†na	–
Australia 2.75% 21/04/2024	–	Aaa
Australia 0.25% 21/11/2024	–	Aaa
Japan 0.005% 01/04/2024	–	A1
Japan 0.005% 01/05/2024	–	A1
Japan 0.005% 01/06/2024	–	A1
Japan 0.005% 01/07/2024	–	A1
Japan 0.005% 01/08/2024	–	A1
Japan 0.005% 01/01/2025	A1	–
Japan 0.005% 01/05/2025	A1	–
Japan 0.005% 01/06/2025	A1	–
Japan 0.005% 01/08/2025	A1	–
Japan 0.005% 01/09/2025	A1	–

* Standard & Poors rating

† No rating available

None of the Company's financial assets is secured by collateral or other credit enhancements.

Derivatives

The Company has gained exposure to derivative contracts (predominantly options and forward currency contracts) as a risk management tool. The intention of using such derivative contracts has been primarily to minimise the exposure of the Company to the negative impact of changes to foreign exchange rates, interest rates, market volatility and to protect the portfolio from a correlated fall in bonds and equities. At the year end, all such instruments (except forward foreign exchange contracts) were held indirectly within the Ruffer Protection Strategies International or Ruffer Illiquid Multi-Strategies Fund 2015 vehicles as detailed in the Portfolio Statement on page 146.

Fair value

Financial assets at fair value through profit or loss are carried at fair value. Other assets and liabilities are carried at cost which approximates fair value.

IFRS 13 requires the Company to classify a fair value hierarchy that reflects the significance of the inputs used in making the measurements. IFRS 13 establishes a fair value hierarchy that prioritises the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under IFRS 13 are as follows –

Level 1: Quoted prices, based on bid prices, (unadjusted) in active markets for identical assets or liabilities

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly (that is, as prices) or indirectly (that is, derived from prices) and

Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety. If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a Level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgment, considering factors specific to the asset or liability.

The determination of what constitutes 'observable' requires significant judgment by the Company. The Company considers observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

Assets classified in Level 1 consist of listed or quoted equities or equity related securities, options and bonds which are issued by corporate issuers, supra-nationals or government organisations.

Assets classified in Level 2 are investments in funds fair-valued using the official NAV of each fund as reported by each fund's independent administrator at the reporting date. Where these funds are invested in equity type products, they are classified as equity in the table above. Options and foreign exchange forward contracts are fair valued using publicly available data. Foreign exchange forward contracts are shown as derivative financial assets and liabilities in the above table.

Assets classified in Level 3 consist of investments for which no market exists for trading, for example investments in liquidating or illiquid funds, and are reported using the latest available official NAV less dividends declared to date of each fund as reported by each fund's independent administrator at the last reporting date. Where a market exists for trading in illiquid funds, these are classified in Level 2.

The following table presents the Company's financial assets and liabilities at fair value through profit or loss by level within the valuation hierarchy at 30 June 2024.

				30 June 24
	Level 1 £	Level 2 £	Level 3 £	Total £
Financial assets at fair value through profit or loss				
Long-dated index-linked gilts	167,491,254	–	–	167,491,254
Short-dated bonds	357,740,165	–	–	357,740,165
Credit and derivative strategies	–	130,176,596	–	130,176,596
Gold and precious metals exposure	40,847,653	36,259,655	–	77,107,308
Commodity exposure	25,039,480	–	–	25,039,480
Equities	224,566,656	22,610,458	–	247,177,114
Derivative financial assets	–	36,246	–	36,246
Total assets	815,685,208	189,082,955	–	1,004,768,163
Financial liabilities at fair value through profit or loss				
Derivative financial liabilities	–	3,368,567	–	3,368,567
Total liabilities	–	3,368,567	–	3,368,567

The following table presents the Company's financial assets and liabilities at fair value through profit or loss by level within the valuation hierarchy at 30 June 2023.

	Level 1 £	Level 2 £	Level 3 £	30 June 23 Total £
Financial assets at fair value through profit or loss				
Non-UK index-linked bonds	123,979,982	–	–	123,979,982
Long-dated index-linked gilts	86,442,111	–	–	86,442,111
Short-dated bonds	371,184,204	2,211,380	–	373,395,584
Credit and derivative strategies	–	162,010,186	–	162,010,186
Gold exposure and gold equities	26,664,983	28,201,683	–	54,866,666
Commodity exposure	88,467,875	–	–	88,467,875
Equities	126,893,056	21,484,254	–	148,377,310
Derivative financial assets	–	3,497,285	–	3,497,285
Total assets	823,632,211	217,404,788	–	1,041,036,999
Financial liabilities at fair value through profit or loss				
Derivative financial liabilities	–	–	–	–
Total liabilities	–	–	–	–

The Company recognises transfers between levels of fair value hierarchy as of the end of the reporting year during which the transfer has occurred. During the years ended 30 June 2024 and 30 June 2023, there were no transfers between levels of fair value hierarchy.

There were no movements in Level 3 investments during the year.

Liquidity risk

Liquidity risk is the risk that the Company will find it difficult or impossible to realise assets or otherwise raising funds to meet financial commitments. The Company's liquidity risk is managed by the Investment Manager who monitors the cash positions on a regular basis. The Company's overall liquidity risks are monitored on a regular basis by the Board of Directors and a formal report is made by the Investment Manager to the Directors at each Board Meeting.

As at 30 June 2024 and 30 June 2023, the Company had no significant financial liabilities other than short-term payables arising directly from investing activity and derivative financial liabilities used to minimise the Company's foreign currency exposure.

20 Capital risk management

The fair value of the Company's financial assets and liabilities approximate to their carrying amounts at the reporting date. For the purposes of this disclosure, redeemable participating preference shares are considered to be capital.

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern and be viable in order to pursue its investment objectives. The Board regularly reviews the Company's capital structure, including gearing levels. It also decides the extent to which any return of capital or income may be made to shareholders by way of dividends or share repurchases. It is the Board's intention to increase the market capitalisation of the Company not only through capital gain on the portfolio but also through further issuance of shares when demand permits, and the shares are trading at a sufficient premium to NAV per share.

To assist with the marketing of the Company's shares, the Company intends to operate in such a manner that its shares are not categorised as non-mainstream pooled investments. This requires the Company to act so that it would qualify as an investment trust if it were UK tax-resident. Among other things, this requires the Company to pay dividends such that it retains no more than 15% of the income that it receives or is deemed to receive on an annual basis.

The Company has the ability to borrow up to 30% of its NAV at any time for short-term or temporary purposes as is necessary for the settlement of transactions, to facilitate redemption (where applicable) or to meet ongoing expenses. At the year end the Company had no borrowings (30 June 2023: Nil). The Company does not have, nor does it intend to adopt, any structural gearing. The gearing ratio below is calculated as total liabilities divided by total equity.

	30 June 24 £	30 June 23 £
Total assets	1,027,074,774	1,093,537,269
Less: total liabilities	(7,335,953)	(1,496,934)
Total equity	1,019,738,821	1,092,040,335
Gearing ratio	0.72%	0.14%

The Board considers this gearing ratio to be adequate since total liabilities, which relates only to trade and other payables and unrealised losses on open forward foreign currency contracts, represents a very small proportion of the Company's total assets.

The Company has no externally imposed capital requirements.

Redemption facility

In addition to the Company having the authority to purchase shares when deemed appropriate by the Directors, the Company has a Redemption Facility (which takes the form of a tender offer to all holders of redeemable participating preference shares). This facility may operate annually, in November each year, at the discretion of the Directors. Redemptions on any Redemption Date may be restricted to a maximum of 25% in aggregate of the Shares then in issue, with any tender requests from shareholders in excess of this being scaled back pro rata.

The facility is intended, together with share buybacks, to address any imbalance in the supply and demand for the shares and to assist in maintaining a narrow discount to the NAV per Share at which the shares may be trading.

A special resolution was passed on 30 November 2023 which authorised the Company to make purchases of its own shares. For details of the terms and conditions related to such buybacks, please refer to note 13. During the year, the Company bought back into treasury 25,580,000 redeemable participating preference shares (30 June 2023: Nil).

21 Subsequent events

These Financial Statements were approved for issuance by the Board on 17 September 2024. Subsequent events have been evaluated up until this date.

Subsequent to the year end, the Company has purchased 7,150,000 of its own shares into treasury at an average price of £2.7396 per share.

A second interim dividend of 3.10p per share in respect of the year ended 30 June 2024 was declared on 18 September 2024. The dividend is payable on 11 October 2024 to shareholders on record at 27 September 2024.

Portfolio statement as at 30 June 2024

	Currency	Holding at 30 June 24	Fair value £	% of total net assets
Government bonds 51.50%				
(30 Jun 23: 53.28%)				
Long-dated index-linked bonds				
US Treasury inflation indexed bond 1.125% 15/01/2033	USD	40,007,000	30,749,154	3.02
US Treasury inflation indexed bond 1.375% 15/07/2033	USD	41,587,000	31,996,892	3.14
US Treasury inflation indexed bond 1.75% 15/01/2034	USD	74,570,000	58,259,892	5.70
UK index-linked gilt 0.375% 22/03/2062	GBP	8,461,000	10,050,433	0.99
UK index-linked gilt 0.125% 22/11/2065	GBP	9,083,000	8,558,997	0.84
UK index-linked gilt 0.125% 22/03/2068	GBP	14,447,000	13,964,366	1.37
UK index-linked gilt 0.125% 22/03/2073	GBP	17,192,000	13,911,520	1.36
Total long-dated index-linked bonds			167,491,254	16.42
Short-dated bonds				
Japan 0.005% 01/01/2025	JPY	4,000,000,000	19,655,940	1.93
Japan 0.005% 01/05/2025	JPY	5,835,250,000	28,653,102	2.81
Japan 0.005% 01/06/2025	JPY	6,255,300,000	30,708,927	3.02
Japan 0.005% 01/08/2025	JPY	7,331,950,000	35,973,940	3.53
Japan 0.005% 01/09/2025	JPY	7,295,700,000	35,787,471	3.51
UK index-linked gilt 2.5% 17/07/2024	GBP	7,200,000	27,774,936	2.72
US Treasury floating rate bond 31/10/2024	USD	32,000,000	25,310,494	2.48
US Treasury floating rate bond 31/01/2025	USD	53,500,000	42,335,022	4.15
US Treasury floating rate bond 30/04/2025	USD	40,000,000	31,647,608	3.10
US Treasury floating rate bond 31/07/2025	USD	44,000,000	34,799,842	3.41
US Treasury floating rate bond 31/10/2025	USD	57,000,000	45,092,883	4.42
Total short-dated bonds			357,740,165	35.08
Total government bonds			525,231,419	51.50

	Currency	Holding at 30 June 24	Fair value £	% of total net assets
Equities 24.24%				
(30 Jun 23: 13.57%)				
Europe				
Accor	EUR	48,700	1,579,314	0.15
AIB	EUR	601,040	2,513,968	0.25
Arcelormittal	EUR	150,000	2,716,295	0.27
Banco Santander	EUR	615,583	2,258,946	0.22
Bayer	EUR	144,227	3,183,566	0.31
Dassault Aviation	EUR	9,077	1,304,516	0.13
DHL Group	EUR	52,630	1,685,355	0.16
Groupe Danone	EUR	30,521	1,476,264	0.14
Hellenic Telecom	EUR	23,774	272,572	0.03
JDE Peet's	EUR	101,873	1,605,659	0.16
Orange	EUR	138,800	1,100,191	0.11
Prosegur Cash	EUR	720,973	318,301	0.03
Prosus	EUR	60,000	1,691,043	0.17
Roche	CHF	17,062	3,746,013	0.37
Ryanair ADS	USD	20,800	1,915,344	0.19
Smurfit Kappa	GBP	146,175	5,152,851	0.51
TUI	EUR	163,480	914,579	0.09
Vallourec	EUR	181,111	2,247,581	0.22
Vivendi	EUR	273,930	2,264,606	0.22
Total Europe equities			37,946,964	3.73

	Currency	Holding at 30 June 24	Fair value £	% of total net assets
United Kingdom				
Aberforth Smaller Companies	GBP	270,000	4,071,600	0.40
Admiral Group	GBP	125,875	3,290,372	0.32
Anglo American	GBP	12,280	307,246	0.03
BAE Systems	GBP	110,300	1,455,960	0.14
Balfour Beatty	GBP	294,430	1,074,669	0.11
Barratt Developments	GBP	600,000	2,832,600	0.28
Beazley	GBP	314,900	2,226,343	0.22
BP	GBP	4,638,665	22,042,936	2.16
British American Tobacco	GBP	316,150	7,682,445	0.75
Castings	GBP	750,000	2,685,000	0.26
Conduit	GBP	262,960	1,297,708	0.13
Deliveroo	GBP	797,440	1,042,254	0.10
Glencore	GBP	900,000	4,059,900	0.40
Grit Real Estate	GBP	3,482,444	592,015	0.06
JD Sports Fashion	GBP	642,400	767,668	0.08
Jet2	GBP	117,444	1,537,342	0.15
Marks & Spencer	GBP	533,630	1,527,783	0.15
PRS REIT	GBP	2,870,000	2,155,370	0.21
Prudential	GBP	638,840	4,588,149	0.45
Reckitt Benckiser	GBP	132,915	5,691,420	0.56
Renn Universal Growth Trust	GBP	937,500	0	0.00
Rio Tinto	GBP	50,000	2,600,000	0.25
Rolls-Royce Holdings	GBP	438,005	2,000,807	0.20
Ruffer SICAV UK Mid & Smaller Companies Fund*	GBP	8,812,245	22,610,458	2.22
Science Group	GBP	355,800	1,565,520	0.15
Shell	GBP	98,718	2,797,175	0.27
Tesco	GBP	1,000,000	3,058,000	0.30
Trident Royalties	GBP	7,557,947	3,597,583	0.35
Unilever	GBP	81,667	3,547,614	0.35
Vodafone	GBP	1,953,700	1,361,729	0.13
Total UK equities			114,067,666	11.18

	Currency	Holding at 30 June 24	Fair value £	% of total net assets
North America				
AGNC	USD	677,800	5,108,291	0.50
Amazon	USD	24,159	3,693,872	0.36
Bank of America	USD	120,179	3,779,770	0.37
Cigna	USD	16,933	4,421,461	0.43
Citigroup	USD	111,061	5,575,447	0.55
Coty A	USD	225,800	1,787,472	0.17
Exxon Mobil	USD	17,521	1,594,695	0.15
General Electric	USD	14,599	1,834,775	0.18
M & T Bank	USD	6,120	732,270	0.07
Noble	USD	19,700	695,459	0.07
Pfizer	USD	178,086	3,940,566	0.39
Philip Morris	USD	16,159	1,294,637	0.13
PNC Financial	USD	9,100	1,119,347	0.11
Suncor	CAD	69,791	2,098,413	0.21
Total North America equities			37,676,475	3.69
Asia (ex-Japan)				
Alibaba Group ADR	USD	211,785	12,060,607	1.18
iShares MSCI China	USD	9,423,931	30,071,619	2.95
Taiwan Semiconductor Manufacturing	USD	37,686	5,180,670	0.51
Total Asia (ex-Japan) equities			47,312,896	4.64
Other equities				
AMBEV ADR	USD	2,412,047	3,891,322	0.38
Taylor Maritime Investments	GBP	5,000,000	3,850,000	0.38
Tufton Oceanic Assets	USD	2,562,500	2,431,791	0.24
Total other equities			10,173,113	1.00
Total equities			247,177,114	24.24
Commodity exposure 2.46				
(30 Jun 23: 8.10)				
Wisdomtree Brent crude oil	USD	367,552	15,783,372	1.55
Wisdomtree copper	USD	184,198	5,764,108	0.57
Yellow Cake	GBP	600,000	3,492,000	0.34
Total commodity exposure			25,039,480	2.46

	Currency	Holding at 30 June 24	Fair value £	% of total net assets
Gold and precious metals exposure 7.56 (30 Jun 23: 5.02)				
Barrick Gold	USD	231,592	3,053,095	0.30
Denarius Metals 12% 19/10/2028	CAD	1,800,000	1,301,481	0.13
Newmont	USD	102,060	3,376,172	0.33
WS Ruffer Gold Fund*	GBP	11,080,000	36,259,655	3.56
Wisdomtree platinum	USD	297,000	21,681,352	2.13
Wisdomtree silver	USD	537,956	11,435,553	1.11
Total gold and precious metals exposure			77,107,308	7.56
Credit and derivative strategies 12.77 (30 Jun 23: 14.84)				
Ruffer Illiquid Multi Strategies Fund 2015*	GBP	110,392,473	70,178,703	6.88
Ruffer Protection Strategies*	GBP	9,334,953	59,997,893	5.89
Total credit and derivative strategies			130,176,596	12.77
Total investments			1,004,731,917	98.53
Cash and other net current assets			15,006,904	1.47
			1,019,738,821	100.00

* Ruffer Protection Strategies International and Ruffer Illiquid Multi Strategies Fund 2015 Ltd are classed as related parties as they share the same Investment Manager (Ruffer AIFM Limited) as the Company. WS Ruffer Gold Fund and Ruffer SICAV UK Mid and Smaller Companies Fund are also classed as related parties as their investment manager (Ruffer LLP) is the parent of the Company's Investment Manager.

General information

Ruffer Investment Company Limited was incorporated in Guernsey as a company limited by shares and as an authorised closed-ended investment company on 1 June 2004. The Company launched on the London Stock Exchange on 8 July 2004, with a launch price of 100p per share and an initial net asset value of 98p per share. The principal objective of the Company is to achieve a positive total annual return, after all expenses, of at least twice the Bank of England base rate. The Company invests predominantly in internationally listed or quoted equities or equity related securities (including convertibles) and/or bonds which are issued by corporate issuers, supra-nationals or government organisations.

The Company's redeemable participating preference shares are listed on the London Stock Exchange.

The Company reports its audited annual results each year for the year ended 30 June, and its unaudited interim results for the six months ended 31 December. These Financial Statements were authorised for issue on 17 September 2024 by the Directors.

The Investment Manager is authorised and regulated by the United Kingdom Financial Conduct Authority as a full-scope Alternative Investment Fund Manager (AIFM). The Investment Manager is entitled to an investment management fee payable to the AIFM monthly in arrears at a rate of 1% of the Net Asset Value per annum.

The Investment Manager and the Board intend to conduct the affairs of the Company so as to ensure that it will not become tax resident in the United Kingdom. Accordingly, and provided that the Company does not carry on a trade in the United Kingdom through a branch or agency situated therein, the Company will not be subject to United Kingdom Corporation Tax or Income Tax.

The Company intends to be operated in such a manner that its shares are not categorised as non-mainstream pooled investments. Among other things, this requires the Company to pay dividends such that it retains no more than 15% of the income that it receives or is deemed to receive for UK tax purposes on an annual basis.

Sanne Fund Services (Guernsey) Limited (the 'Administrator') is entitled to receive an annual fee equal to 0.08%. per annum on the first £100 million; 0.04%. per annum between £100 million and £200 million; 0.02%. per annum between £200 million and £300 million; and 0.015%. per annum thereafter; based on the NAV of the Company on a mid-market basis, subject to a minimum fee of £100,000 per annum.

Northern Trust (Guernsey) Limited (the 'Custodian') is entitled to receive from the Company a fee of £2,000 per annum. The Custodian is also entitled to charge for certain expenses incurred by it in connection with its duties.

Northern Trust (Guernsey) Limited (the ‘Depositary’) is entitled to an annual Depositary fee payable monthly in arrears at a rate of 0.01% of the Net Asset Value of the Company up to £100 million, 0.008% on the next £100 million and 0.006% thereafter as at the last business day of the month subject to a minimum fee of £20,000 per annum.

Management and administration

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Christopher Russell
Shelagh Mason
Nicholas Pink
Susie Farnon
Solomon Soquar
Colleen McHugh (appointed 1 June 2024)

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Appendix (unaudited)

Regulatory performance data

To 30 Jun %	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Ruffer	14.6	15.5	26.1	6.3	6.1	16.4	5.0	5.0	8.9	15.4	15.3
RIC NAV	–	–	–	–	–	–	–	–	–	14.1†	8.2
FTSE All-Share TR	19.6	22.6	28.7	10.1	5.1	-7.8	-14.8	-9.7	16.9	18.7	19.7
UK Bank Rate	6.4	5.9	7.1	6.5	5.5	5.9	4.4	3.9	3.8	4.7	4.5
MSCI PIMFA Balanced	16.8	17.7	21.8	13.1	7.4	-6.2	-11.5	-5.1	11.7	14.9	13.8
Twice UK Bank Rate	13.2	12.2	14.6	13.3	11.3	12.0	9.0	8.0	7.7	9.6	9.3
MSCI World ESG Leaders	–	–	–	–	–	–	–	–	–	–	–
MSCI World	28.0	26.5	22.3	16.2	13.0	-15.4	-18.8	-5.7	20.7	10.6	15.8
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Ruffer	2.4	5.3	15.0	16.0	11.1	2.5	12.6	0.7	10.3	-1.9	6.5
RIC NAV	-0.8	14.8	18.6	21.8	8.8	-0.3	13.8	-2.6	7.9	-1.0	8.8
FTSE All-Share TR	18.4	-13.0	-20.5	21.1	25.6	-3.1	17.9	13.1	2.6	2.2	18.1
UK Bank Rate	5.0	5.5	2.8	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.3
MSCI PIMFA Balanced	12.3	-7.4	-11.9	17.2	17.4	0.9	13.2	9.3	6.7	7.8	13.8
Twice UK Bank Rate	10.2	11.3	5.6	1.0	1.0	1.0	1.0	1.0	1.0	1.0	0.6
MSCI World ESG Leaders	–	–	-30.0	9.0	25.8	-2.2	24.9	21.4	8.3	-1.0	17.5
MSCI World	22.1	-15.2	-25.8	12.1	22.5	-1.7	22.1	22.4	9.0	-2.1	19.5
			2018	2019	2020	2021	2022	2023	2024		Annualised
Ruffer			0.4	-2.0	12.9	15.2	2.1	-3.8	0.1		8.1
RIC NAV			0.8	-0.9	10.1	15.3	6.0	-1.7	1.0		6.9
FTSE All-Share TR			9.0	0.6	-13.0	21.5	1.6	7.9	13.0		7.1
UK Bank Rate			0.4	0.7	0.6	0.1	0.3	3.0	5.2		2.9
MSCI PIMFA Balanced			6.8	5.0	-1.3	15.2	-4.3	4.0	14.0		6.9
Twice UK Bank Rate			0.8	1.4	1.2	0.2	0.7	6.0	10.7		5.9
MSCI World ESG Leaders			10.6	8.7	5.9	35.8	-9.4	18.3	24.1		6.4
MSCI World			11.5	7.3	3.9	37.5	-10.7	18.9	21.9		8.7

† From 7 July 2004

Source: Ruffer, FTSE International, Bloomberg, MSCI, WM. Cumulative performance 30 June 1995 to 30 June 2024, in pounds sterling. Past performance is not a reliable indicator of future performance. The value of the shares and the income from them can go down as well as up and you may not get back the full amount originally invested. The value of overseas investments will be influenced by the rate of exchange. All figures include reinvested income. All mentions of Ruffer performance refer to Ruffer's representative portfolio, which is an unconstrained segregated portfolio following Ruffer's investment approach. Ruffer performance is shown after deduction of all fees and management charges. Calendar quarter data has been used up to the latest quarter end and monthly data thereafter. FTSE/MSCI Balanced data prior to 28 Feb 2017 refers to the FTSE WMA Balanced Index and after 1 Mar 2017 refers to the MSCI PIMFA Balanced index. Performance prior to 1 July 2022 has been calculated using monthly data points, and thereafter using daily data points. More information: ruffer.co.uk/methodology. This document is issued by Ruffer AIFM Limited (RAIFM), 80 Victoria Street, London SW1E 5JL. Ruffer LLP and Ruffer AIFM Limited are authorised and regulated by the Financial Conduct Authority. Ruffer AIFM is a wholly owned subsidiary of Ruffer LLP. © RAIFM 2024 © Ruffer LLP 2024.

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Alternative performance measures used in the Annual Report

Total NAV/Share price return

Total NAV return and total share price return are calculations showing how the NAV/share price per share has performed over a period of time, taking into account dividends paid to shareholders. It is calculated on the assumption that dividends are reinvested at the prevailing NAV/share price on the last day of the month that the shares first trade ex-dividend. This provides a useful measure to allow shareholders to compare performances between investment funds where the dividend paid may differ.

Year ended 30 June 24		Total NAV return	Total share price return
Opening LSE NAV/share price per share		285.78p	276.00p
Closing LSE NAV/share price per share	(a)	284.81p	270.50p
Dividends paid	(b)	3.65p	3.65p
Weighted average LSE NAV/share price per share on ex-dividend date	(c)	277.69p	263.25p
Dividend adjustment factor (d = b/c + 1)	(d)	1.0131	1.0139
Adjusted closing NAV/share price per share (e = a x d)	(e)	288.55p	274.25p
Total NAV/share price return		1.0%	(0.6)%

Year ended 30 June 23		Total NAV return	Total share price return
Opening LSE NAV/share price per share		293.36p	300.00p
Closing LSE NAV/share price per share	(a)	285.78p	276.00p
Dividends paid	(b)	2.60p	2.60p
Weighted average LSE NAV/share price per share on ex-dividend date	(c)	300.89p	307.42p
Dividend adjustment factor (d = b/c + 1)	(d)	1.0086	1.0085
Adjusted closing NAV/share price per share (e = a x d)	(e)	288.25p	278.33p
Total NAV/share price return		(1.7)%	(7.2)%

Share premium/(discount) to NAV

Share premium or (discount) to NAV is the amount by which the share price is higher/lower than the NAV per share, expressed as a percentage of the NAV per share, and provides a measure of the Company's share price relative to the NAV.

NAV per share

NAV per share is a calculation of the Company's NAV divided by the number of shares in issue at the NAV date and provides a measure of the value of each share in issue.

Market capitalisation

Market capitalisation is the value of a company that is traded on the stock market, calculated by multiplying the total number of shares by the share price on the reference date.