Dunedin Income Growth Investment Trust PLC

Selecting a diverse portfolio of high-quality UK and overseas companies to deliver a resilient quarterly income and long-term capital growth potential

Annual Report
31 January 2019

View of Aberdeen Standard Investments' office from Bow Churchyard, London

Contents

Visit our Website

To find out more about Dunedin Income Growth Investment Trust PLC, please visit dunedinincomegrowth.co.uk

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the action you should take, you are recommended to seek your own independent financial advice from your stockbroker, bank manager, solicitor, accountant or other financial adviser authorised under the Financial Services and Markets Act 2000 if you are in the United Kingdom or, if not, from another appropriately authorised financial adviser.

If you have sold or otherwise transferred all your Ordinary shares in Dunedin Income Growth Investment Trust PLC, please forward this document, together with the accompanying documents immediately to the purchaser or transferee, or to the stockbroker, bank or agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Financial Highlights For the year ended 31 January 2019

Dunedin Income Growth Investment Trust PLC (the "Company" or "DIGIT") is an investment trust with its Ordinary shares listed on the premium segment of the London Stock Exchange. The Company aims to attract long term private and institutional investors who seek growth of income and capital from a portfolio invested mainly in companies listed or quoted in the United Kingdom.

The Company is governed by a board of directors, all of whom are independent, and has no employees. Like most other investment companies, the Company outsources its investment management and administration to an investment management company, the Standard Life Aberdeen Group, and other third party providers. The Company does not have a fixed life.

Net asset value total return[AB]

(3.86)%

2018 **+11.98%**

Earnings per share (revenue)

12.68p

2018 **12.64p**

Share price total return[A]

(0.83)%

2018 **+11.74%**

Ongoing charges[A]

0.63%

2018 **0.61%**

Discount to net asset value[AC]

6.96%

2018 **8.14%**

Dividends per Ordinary share

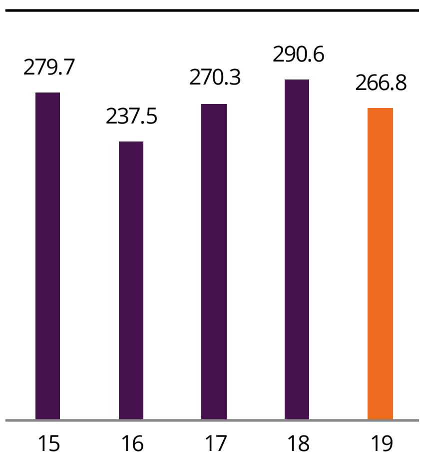
12.45p

(+2.89%)

2018 **12.10p**

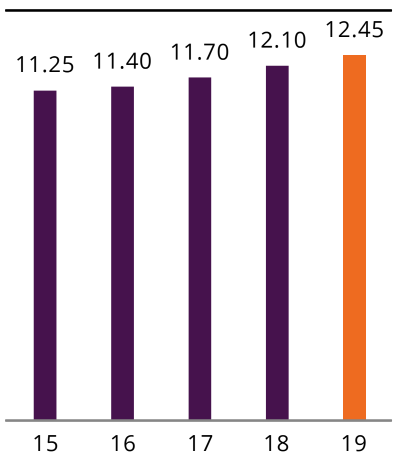
[A] Alternative Performance Measure (see pages 89 and 90).
[B] With debt at fair value, dividends reinvested (see page 89).
[C] With debt at fair value. See definition on page 69.

Net asset value per share*
At 31 January – pence

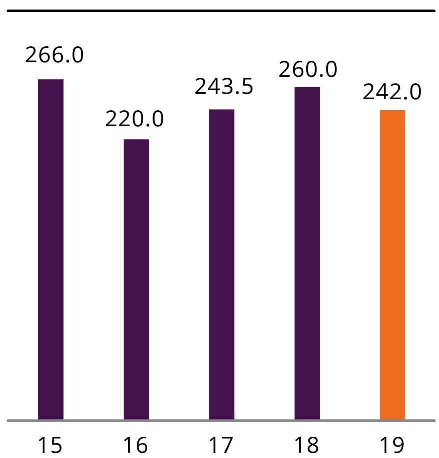


* With debt at fair value (see note 16).

Dividends per share
Year ended 31 January - pence



Mid-market price per share
At 31 January – pence



Investment Objective

The Company's objective is to achieve growth of income and capital from a portfolio invested mainly in companies listed or quoted in the United Kingdom.

Investment Policy

In pursuit of its objective, the Company's investment policy is to invest in high quality companies with strong income potential and providing an above-average portfolio yield.

Details of the Company's policies in relation to risk diversification and gearing are contained on page 9.

Benchmark

The Company's benchmark is the FTSE All-Share Index (total return). Performance is measured on a net asset value total return basis over the long-term.

Management

The Company's Manager is Aberdeen Standard Fund Managers Limited ("ASFML", the "AIFM" or the "Manager") which has delegated the investment management of the Company to Aberdeen Asset Managers Limited ("AAML" or the "Investment Manager"). Both companies are wholly owned subsidiaries of Standard Life Aberdeen plc, which was formed by the merger of Aberdeen Asset Management PLC and Standard Life plc in August 2017. Aberdeen Standard Investments is a brand of the investment business of the merged entity.

Financial Calendar

23 May 2019	Annual General Meeting in Dundee (12 noon)
29 May 2019	Final dividend payable for year ended 31 January 2019
31 July 2019	Half year end
30 August 2019	Expected payment of first interim dividend
September 2019	Expected announcement of half-yearly results for six months ending 31 July 2019
29 November 2019	Expected payment of second interim dividend
31 January 2020	Year end
28 February 2020	Expected payment of third interim dividend
March 2020	Expected announcement of annual results for the year ending 31 January 2020

Chairman's Statement

David Barron
Chairman

Against a weak market backdrop, your company's net asset value ("NAV") declined by 3.86% on a total return basis for the year ended 31 January 2019. This compares with a total return of -3.83% from the FTSE All-Share Index. The share price total return for the year was -0.83% reflecting a modest narrowing of the discount to NAV from 8.14% at the start of the year to 6.96% as at year end (on an ex-income basis with borrowings stated at fair value). As explained in more detail below, the equity portfolio performed well relative to the benchmark but this was offset by the impact of gearing in a falling market and ongoing charges.

It is disappointing to report on a year when the NAV total return was negative, albeit in line with the benchmark. However there are a number of factors that were more positive.

Throughout the year, the portfolio continued to evolve in line with our strategy to create a more active, better quality and higher growth investment proposition that can deliver reliable and growing dividends to our shareholders. The Board is encouraged with the progress made so far and the year under review was one of solid progress, with record earnings, a dividend increased ahead of inflation and continuing improvement in performance relative to the Company's peers.

There were positive contributions from stock selection and whilst gearing detracted from performance, the Board believes the long-term impact of gearing will be positive. In addition, our overseas holdings, which are principally in Europe, did not benefit from a weaker pound. Thus, overall stock selection was positive and the impact of gearing was negative in a market that fell over the year.

Over one and three years the NAV total return is broadly in line with the benchmark, and over the longer three year period the Company now ranks in the top quartile of all 25 investment trusts in the AIC UK Equity Income Sector (source: AIC).

The quality characteristics of the portfolio were much enhanced over the year, with the companies held having significantly higher margins and lower debt than the wider market. From a positioning perspective, the active share of the portfolio increased over the year by nearly 10% to more than 70%, while the Company's exposure to mid cap and smaller companies is now well over 30% having increased by around 5% over the period. At the same time, the average dividend growth rate of the companies within the portfolio has increased.

The Board believes that these changes position your Company to deliver both faster dividend growth and better capital performance over the medium term.

Earnings and Dividends

Income from investments was in line with the previous year, resulting in earnings per share of 12.68p (2018: 12.64p).

During the year the Board considered all aspects of the Company's strategy for revenue generation. We continue to believe that the use of option strategies to deliver revenue is a useful and helpful element of our strategy. Income from writing options contributed some 7% of the Company's total revenue. This level of income is helpful but not vital and, whilst option strategies continue to make a contribution to revenue without detracting from the overall performance of the Company, we shall continue to keep the flexibility, whilst carefully monitoring the implementation of the strategy.

Three interim dividends of 3.0p per share (2018: 2.575p) were paid in respect of the year, on 24 August 2018, 23 November 2018 and 22 February 2019.

Having been unchanged since 2013, the rates of interim dividends were increased during the year as the Board had been mindful that the increases in the overall annual rate of dividend since then had caused the final dividend to become a growing percentage of the total annual payment. During the year, the Board therefore announced its intention to increase the rate of each interim dividend this year to 3.0p per share so as to create a more even balance between the rates of the interim and final dividends. At the same time, the Board stated that, as a result of this rebalancing, it expected that the final dividend would be lower than last year but that it remained our intention to continue a policy of growing total annual dividends in real terms over the medium term.

Accordingly, the Board is proposing a final dividend of 3.45p per share (2018: 4.375p), payable on 29 May 2019 to shareholders on the register on 3 May 2019. This will make a total dividend of 12.45p per share for the year, an increase of 2.9% on last year and slightly ahead of the rate of inflation which was 1.8% as measured by the Consumer Price Index. This will be the 35th year out of the past 39 that the Company has grown its dividend, with the level of distribution maintained in the other four years. As can be seen in greater detail on page 16 the importance of dividends to the overall return from the Company, and indeed the index, is highly significant.

Following payment of the final dividend, we will be able to add a further 0.38p per share to the Company's revenue reserves, meaning that 11.54p per share will be available to support future distributions, representing 93% of the current annual dividend cost, a further strengthening of your company's financial position.

Our strategy is to reduce the Company's dependence on higher yielding, lower growth companies. The income performance has been somewhat stronger than expected and we have not experienced a drop in earnings. However, as we look forward into the year ahead, it is likely that we will see a decline in the earnings per share. Our strategy, however, should enhance the Company's longer term potential for both faster dividend growth and better capital performance. As stated above, our distribution policy remains to grow the dividend faster than inflation over the medium term and, with the Company's robust revenue reserves and the healthy underlying dividend growth of the companies within the portfolio, that policy remains well supported.

Market Background

The year under review was very much one of contrasts. The first half proved reasonably strong for equities with the FTSE All-Share Index reaching an all-time high in May 2018 and consensus extremely optimistic around the prospects for global growth. However, over the course of the latter part of the year, concerns around the Chinese economy, the pace of monetary tightening in the United States and trade policy tensions resulted in a sharp sell-off from the end of September. Since the end of 2018, equities have rallied and recovered some of their earlier losses given signs that some of these risks may have eased, in particular following a more dovish message from the Federal Reserve.

Despite the recent recovery in equity markets the global economic picture deteriorated over the course of 2018. In particular, China slowed quite significantly due to the impact of both domestic policies and the uncertainty caused by ongoing trade disputes. This in turn has had a knock on effect on the European economy with export-related growth declining sharply. While the US economy has remained relatively strong, even there the signs are that growth is cooling as the impact of tax cuts fades and interest rates rise.

Meanwhile, the UK economy has so far proven surprisingly resilient despite ongoing political travails and the uncertainty posed by the withdrawal from the EU. Employment data has remained strong and we have started to see signs of higher rates of income growth. However, in recent months there has been more evidence of a weakening environment for business investment given low levels of visibility on future trading arrangements for companies. That uncertainty over the shape of the UK's trading relationship with both the EU and the rest of the world, as a result of Brexit, and any consequent impact upon the Company's portfolio is likely to persist for some considerable time.

Performance

As noted above, the Company's NAV total return for the year was -3.86%. The total return from the equity portfolio was -2.67%, an outperformance of 1.16% compared to the total return of -3.83% from the FTSE All-Share Index. Within the equity portfolio it is positive to note that the Company benefitted from a strong performance from precisely the kind of companies to which the Investment Manager has been seeking to expand our exposure. Namely, high quality businesses with cash flows and balance sheets capable of providing reasonable levels of dividend yield but, critically, combined with good long-term growth prospects.

The Company also benefitted from a strong performance from a number of our overseas holdings, which, once again, have added value while further broadening the opportunity set for your Investment Manager to pick from and diversifying our income stream. A number of the new smaller market cap investments have made a useful contribution to performance.

Gearing

As shareholders will recall, in December 2015 the Company borrowed £30 million through the issue of loan notes bearing an interest rate of 3.99% with a maturity date of 2045, recognising that the debenture was repayable in 2019. The proceeds of the loan note issuance remain invested in a portfolio of corporate bonds which, taking into account the call features or prepayment options on several of the bonds, broadly matches the duration of the debenture and the income from which largely offsets the interest cost of the issue. These bonds will be sold at the most appropriate time and the proceeds deployed to meet the repayment of the debenture.

With debt valued at par, the Company's net gearing increased from 14.47% to 16.21% during the year. However, on a pure equity basis, after netting off cash and bonds, gearing rose from 7.83% to 8.81%. It is this latter figure that represents more accurately the true extent to which the movement in the NAV could differ from the return on an ungeared portfolio in the future. The Board believes this remains a relatively conservative level of equity gearing and, with part of the revolving credit facility undrawn, this provides the Company with financial flexibility should opportunities to deploy additional capital arise.

In April this year the Company will repay the £28.6 million debenture and exit from its bond holdings. This will significantly reduce the headline level of gearing and simplify the Company's capital structure. The Board believes that, despite a low level of equity gearing, investors' perception of the Company's level of leverage is influenced by the headline level of gearing; that is the total borrowings without taking into account the bond portfolio. The repayment of the debenture, and disposal of the bond holdings, will therefore mark an important step in simplifying and clarifying the strength of the Company's balance sheet.

After the repayment of the debenture, the Company will employ two sources of gearing, the £30 million loan notes maturing in 2045 and a £15 million multi-currency revolving credit facility that expires in July 2021. Under the terms of the revolving credit facility the Company has the option to increase the level of the commitment from £15 million to £30 million at any time, subject to the lender's credit approval. A Sterling equivalent of £11.4 million was drawn down at the year end.

Discount

The discount at which the price of the Company's shares trade relative to the NAV narrowed from 8.14% at the beginning of the year to 6.96% as at 31 January 2019 (on an ex-income basis with borrowings stated at fair value).

The Company's shares continued to trade at a relatively wide discount for the first eight months of the financial year. During this time the Company purchased 1,387,018 shares to hold in treasury, at a cost of £3.6 million, providing a small accretion to the NAV per share.

As stated above, the Board believes that the successful implementation by the Investment Manager of the investment strategy should enhance the Company's longer term potential for improved performance. We believe that this, in turn, should lead to a re-rating of the Company's shares relative to its peers.

We will again seek shareholders' permission at the forthcoming Annual General Meeting to buy back shares and are prepared to continue to use this measure in the light of both the Company's absolute level of discount and that relative to those of its peer group.

Annual General Meeting

The Annual General Meeting will be held at Discovery Point, Discovery Quay, Dundee DD1 4XA on Thursday 23 May 2019 at 12 noon. This will be a good opportunity for shareholders to meet the Board and Manager and we would encourage you to attend. Shareholders who are unable to attend are encouraged to complete and return their Proxy Forms to the Company's Registrar so that their votes are represented at the meeting.

The notice of Annual General Meeting is contained on pages 91 to 94.

Summary

During the year a history of the Company was published as we approach the 150th anniversary of the Company's establishment. I commend this to shareholders. It is an interesting and at times colourful story which highlights the long-term nature of investing and the durability of investment trusts as a vehicle for a wide range of investors, and in particular private investors. The book is available on the Company's website.

Looking back over the longer-term it is clear that in times of economic stress, corporate pay-outs can come under pressure, sometimes severe pressure. The most recent instance of this was in 2008 when dividend payments fell significantly as corporates cut or were forced to cut their distributions.

Our strategy of broadening the base of companies we can invest in by building revenue reserves and reducing our reliance on the few major dividend paying companies that account for a significant proportion of income from the UK stockmarket, is designed to ensure that we can grow our dividend and deliver capital growth over the longer-term. The portfolio is increasingly different from the broader market, as evidenced by our higher active share. As a result, investors should expect there will be periods, perhaps extended, when performance will diverge from the benchmark index.

There is some encouragement that the implementation of the strategy is beginning to deliver better results. Our relative performance has improved, particularly against similar funds from which investors might choose an equity income strategy.

The Board believes that the repositioning of the Company's portfolio leaves it relatively well placed amidst an uncertain economic and political environment, for which the outlook is finely balanced. In such market conditions your Investment Manager's focus will remain on identifying companies that can continue to prosper, even in more difficult conditions, and sustain and grow their distributions to shareholders.

The dividend has increased ahead of inflation over five years, the Company's shares currently yield 4.9% based on the dividends declared or paid for the year under review and, as stated above, our revenue reserves represent 93% of the annual dividend cost. The Board is focused on the Company continuing to deliver relative total return outperformance, particularly against comparable vehicles which, we believe, combined with a demonstration of the portfolio's income growth potential and the forthcoming simplification of the balance sheet, should result in the share price more closely reflecting the underlying asset value of the Company.

David Barron
Chairman
27 March 2019

Strategic Report

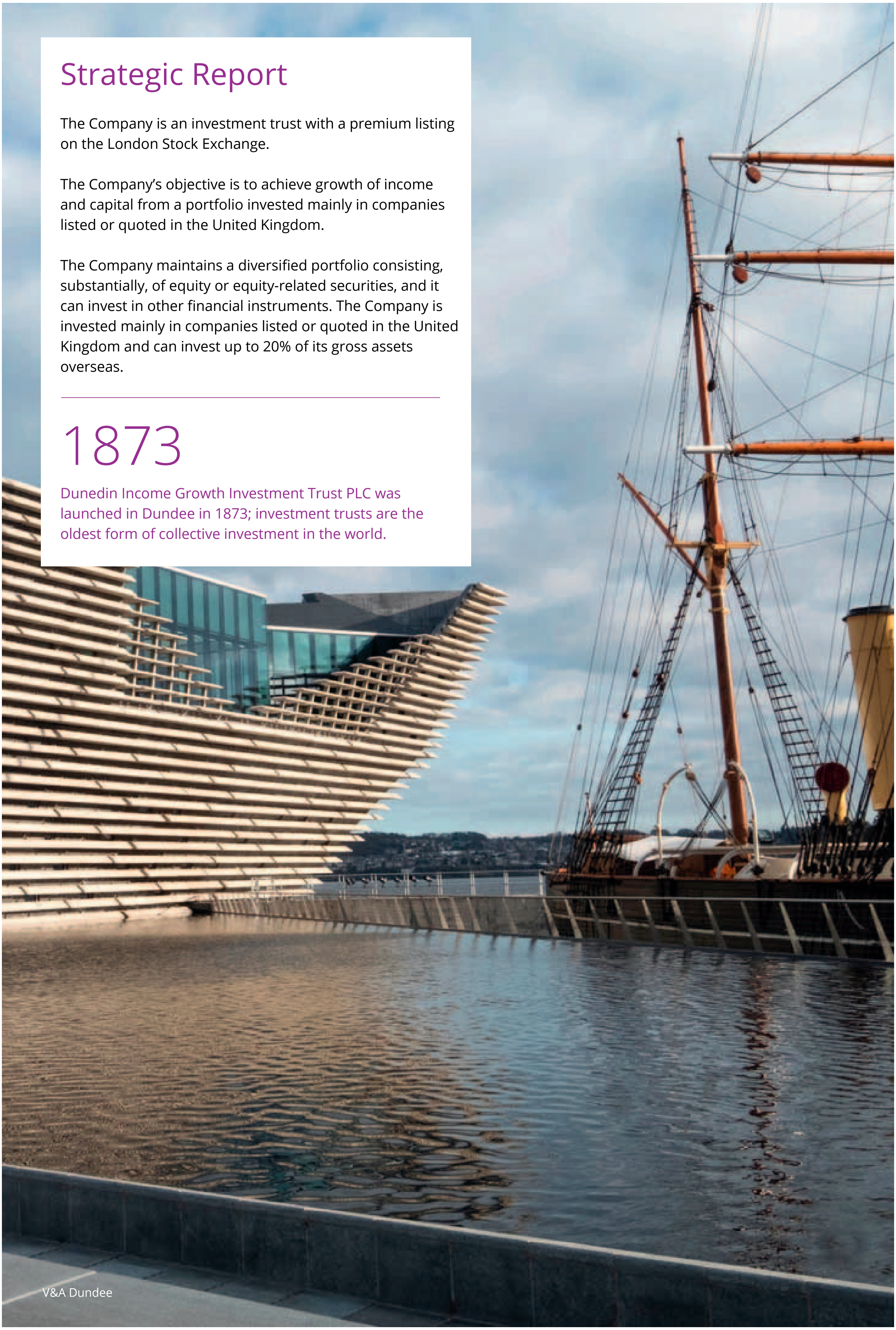
The Company is an investment trust with a premium listing on the London Stock Exchange.

The Company's objective is to achieve growth of income and capital from a portfolio invested mainly in companies listed or quoted in the United Kingdom.

The Company maintains a diversified portfolio consisting, substantially, of equity or equity-related securities, and it can invest in other financial instruments. The Company is invested mainly in companies listed or quoted in the United Kingdom and can invest up to 20% of its gross assets overseas.

1873

Dunedin Income Growth Investment Trust PLC was launched in Dundee in 1873; investment trusts are the oldest form of collective investment in the world.



V&A Dundee

Overview of Strategy

Business Model

The Company is an investment trust with a premium listing on the London Stock Exchange.

Investment Objective

The Company's objective is to achieve growth of income and capital from a portfolio invested mainly in companies listed or quoted in the United Kingdom.

Investment Policy

In pursuit of its objective, the Company's investment policy is to invest in high quality companies with strong income potential and providing an above-average portfolio yield.

Risk Diversification

The Company maintains a diversified portfolio consisting, substantially, of equity or equity-related securities, and it can invest in other financial instruments. The Company is invested mainly in companies listed or quoted in the United Kingdom and can invest up to 20% of its gross assets overseas.

It is the policy of the Company to invest no more than 15% of its gross assets in other listed investment companies and no more than 15% of its gross assets in any one company.

Gearing

The Board is responsible for determining the gearing strategy for the Company, with day-to-day gearing decisions being made by the Manager within the remit set by the Board. The Board has set its gearing limit at a maximum of 30% of the net asset value at the time of draw down. Gearing is used selectively to leverage the Company's portfolio in order to enhance returns where and to the extent considered appropriate.

Delivering the Investment Objective

The Directors are responsible for determining the Company's investment objective and investment policy. Day-to-day management of the Company's assets has been delegated, via the AIFM, to the Investment Manager.

Investment Process

The Investment Manager believes that company fundamentals ultimately drive stock prices but are often priced inefficiently. They believe that in-depth company research delivers insights that can be used to exploit these market inefficiencies.

Further information on the investment process and risk controls employed by the Investment Manager is contained on pages 79 to 80.

Benchmark

The Company's benchmark is the FTSE All-Share Index (total return). Performance is measured on a net asset value total return basis over the long-term.

Key Performance Indicators ("KPIs")

The Board uses a number of financial performance measures to assess the Company's success in achieving its objective and determining the progress of the Company in pursuing its investment policy. The main KPIs are shown in the table on the following page:

Overview of Strategy continued

KPI	Description
Performance	The Board considers the Company's NAV total return figures to be the best single indicator of performance over time. The figures for each of the past 10 years are set out on page 17.
Performance of NAV against benchmark index and comparable investment trusts	The Board measures the Company's NAV total return performance against the total return of the benchmark index – the FTSE All-Share Index. The figures for this year and for the past three and five years, and a graph showing performance against the benchmark index over the past five years are shown on page 16. The Board also monitors performance relative to a peer group of investment trusts which have similar objectives, policies and yield characteristics.
Revenue return per Ordinary share	The Board monitors the Company's net revenue return. The revenue returns per Ordinary share for each of the past 10 years are set out on page 17.
Dividend per Ordinary share	The Board monitors the Company's annual dividends per Ordinary share. The dividends per share for each of the past 10 years are set out on page 17.
Share price performance	The Board monitors the performance of the Company's share price on a total return basis. The returns for this year and for the past three and five years, and a graph showing the share price total return performance against the benchmark index over the past five years are shown on page 16.
Discount/premium to NAV	The discount/premium of the share price relative to the NAV per share is monitored by the Board. The discounts at the year end and at the end of the previous year are disclosed on page 15.
Ongoing charges	The Board monitors the Company's operating costs carefully. Ongoing charges for the year and the previous year are disclosed on page 15.

Principal Risks and Uncertainties

There are a number of risks which, if realised, could have a material adverse effect on the Company and its financial condition, performance and prospects. The risks and uncertainties faced by the Company are reviewed by the Audit Committee in the form of a risk matrix and the assessment of risks and their mitigation continues to be an area of significant focus for the Audit Committee. The principal risks and uncertainties facing the Company at the current time, together with a description of the mitigating actions the Board has taken, are set out in the table below. The Board has carried out a robust assessment of these risks, which include those that would threaten its business model, future performance, solvency or liquidity. The principal risks associated with an investment in the Company's shares are published monthly in the Company's factsheet and they can be found in the pre-investment disclosure document ("PIDD") published by the Manager, both of which are available on the Company's website.

Risk	Mitigating Action
Investment objectives - a lack of demand for the Company's shares due to its objectives becoming unattractive to investors could result in a widening of the discount of the share price to its underlying net asset value and a fall in the value of its shares.	**Board review.** The Board formally reviews the Company's objectives and strategies for achieving them on an annual basis, or more regularly if appropriate. **Shareholder communication.** The Board is cognisant of the importance of regular communication with shareholders. Directors attend meetings with the Company's largest shareholders and meet other shareholders at the

	Annual General Meeting. The Board reviews shareholder correspondence and investor relations reports and also receives feedback from the Company's broker. **Discount monitoring.** The Board, through the Manager, keeps the level of discount under constant review. The Board is responsible for the Company's share buy back policy and is prepared to authorise the use of share buy backs to provide liquidity to the market and try to limit any widening of the discount.
Investment strategies - the Company adopts inappropriate investment strategies in pursuit of its objectives which could result in investors avoiding the Company's shares, leading to a widening of the discount and poor investment performance.	**Adherence to investment guidelines.** The Board sets investment guidelines and restrictions which the Manager follows, covering matters such as asset allocation, diversification, gearing, currency exposure, use of derivatives etc. These guidelines are reviewed regularly and the Manager reports on compliance with them at Board meetings. In order to ensure adequate diversification, the Board has set absolute limits on maximum holdings and exposures in the portfolio at the time of investment, which are in addition to the limits contained in the Company's investment policy, including the following: - No more than 10% of gross assets to be invested in any single stock; and - The top five holdings should not account for more than 40% of gross assets. Regular shareholder communication and discount monitoring, as above.
Investment performance - the appointment or continuing appointment of an investment manager with inadequate resources, skills or expertise or which makes poor investment decisions. This could result in poor investment performance, a loss of value for shareholders and a widening discount.	**Monitoring of performance.** The Board meets the Manager on a regular basis and keeps under close review (inter alia) its resources, adherence to investment processes, the adequacy of risk controls, and investment performance. **Management Engagement Committee.** A detailed formal appraisal of the Manager is carried out annually by the Management Engagement Committee.
Income/dividends - the Company adopts an unsustainable dividend policy resulting in cuts to or suspension of dividends to shareholders, or one which fails to meet investor demands.	**Revenue forecasting and monitoring.** The Manager presents detailed forecasts of income and expenditure covering both the current and subsequent financial years at Board meetings. Dividend income received is compared to forecasts and variances analysed. **Use of reserves.** The Company has built up significant revenue reserves which are available to smooth dividend distributions to shareholders should there be a shortfall in revenue returns.
Financial/market - insufficient oversight or controls over financial risks, including market risk, foreign currency risk, liquidity risk and credit risk could result in losses to the Company.	**Management controls.** The Manager has a range of procedures and controls relating to the Company's financial instruments, including a review of investment risk parameters by its Investment Risk department and a review of credit worthiness of counterparties by its Counterparty Credit Risk team.

	Foreign currency hedging. It is not the Company's policy to hedge foreign currency exposure but the Company may, from time to time, partially mitigate it by drawing down borrowings in foreign currencies. **Board review.** As stated above, the Board sets investment guidelines and restrictions which are reviewed regularly and the Manager reports on compliance with them at Board meetings. Further details of the Company's financial instruments and risk management are included in note 17 to the financial statements.
Gearing - gearing accentuates the effect of rises or falls in the market value of the Company's investment portfolio on its net asset value. An inappropriate level of gearing at a time of falling values could result in a significant fall in the value of the Company's net asset value and shares. Such a fall in the value of the Company's net assets could result in a breach of loan covenants and trigger demands for early repayment or require investments to be sold to meet any shortfall. This could result in further losses.	**Gearing restrictions.** The Board sets gearing limits within which the Manager can operate. **Monitoring.** Both the limits and actual levels of gearing are monitored on an ongoing basis by the Manager and at regular Board meetings. In the event of a possible impending covenant breach, appropriate action would be taken to reduce borrowing levels. **Scrutiny of loan agreements.** The Board takes advice from the Manager and the Company's lawyers before approving details of loan agreements. Care is taken to ensure that covenants are appropriate and unlikely to be breached. **Limits on derivative exposure.** The Board has set limits on derivative exposures and positions are monitored at regular Board meetings.
Regulatory - changes to, or failure to comply with, relevant regulations (including the Companies Act, The Financial Services and Markets Act, The Alternative Investment Fund Managers Directive, accounting standards, investment trust regulations, the Listing Rules, Disclosure Guidance and Transparency Rules and Prospectus Rules) could result in fines, loss of reputation, reduced demand for the Company's shares and potentially loss of an advantageous tax regime.	**Board awareness.** The Directors have an awareness of the more important regulations and are provided with information on changes by the Association of Investment Companies. In terms of day to day compliance with regulations, the Board is reliant on the knowledge and expertise of the Manager. However, where necessary, the Board engages the service of external advisers. **Management controls.** The Manager's company secretariat and accounting teams use checklists to aid compliance and these are backed by the Manager's compliance monitoring programme and risk based internal audit investigations.
Operational - the Company is reliant on services provided by third parties (in particular those of the Manager and the Depositary) and any control gaps and failures in their operations could expose the Company to loss or damage.	**Agreements.** Written agreements are in place defining the roles and responsibilities of all third party service providers. **Internal control systems of the Manager.** The Board receives reports on the operation and efficacy of the Manager's IT and control systems, including those relating to cyber crime, and its internal audit and compliance functions. **Safekeeping of assets.** The Depositary is ultimately responsible for the safekeeping of the Company's assets and its records are reconciled to those of the Manager on a regular basis. Through a delegation by the Depositary, the Company's investments and cash balances are held in segregated accounts by the Custodian.

Monitoring of other third party service providers. The Manager monitors closely the control environments and quality of services provided by third parties, including those of the Depositary. This includes controls relating to cyber crime and is conducted through service level agreements, regular meetings and key performance indicators. The Directors review reports on the Manager's monitoring of third party service providers on a periodic basis.

Promoting the Company

The Board recognises the importance of promoting the Company to existing and prospective investors. The Board believes an effective way to achieve this is through subscription to and participation in the promotional programme run by the Manager on behalf of a number of investment trusts under its management. The Company's financial contribution to the programme is matched by the Manager. The Manager's marketing and investor relations teams report to the Board giving analysis of the promotional activities as well as updates on the shareholder register and any changes in the make up of that register.

The purpose of the programme is both to communicate effectively with existing shareholders and to gain new shareholders with the aim of improving liquidity and enhancing the value and rating of the Company's shares. Communicating the long-term attractions of the Company is key and therefore the Company also supports the Manager's investor relations programme which involves regional roadshows, promotional and public relations campaigns.

Board Diversity Policy

The Board recognises the importance of having a range of skilled, experienced individuals with the right knowledge represented on the Board in order to allow it to fulfil its obligations. The Board also recognises the benefits and is supportive of the principle of diversity in its recruitment of new Board members. The Board will not display any bias for age, gender, race, sexual orientation, religion, ethnic or national origins, or disability in considering the appointment of its Directors. In view of its size, the Board will continue to ensure that all appointments are made on the basis of merit against the specification prepared for each appointment and the Board does not therefore consider it appropriate to set measurable objectives in relation to its diversity.

At 31 January 2019, there were three male and two female Directors on the Board.

Environmental, Social and Human Rights Issues

The Company has no employees as the Board has delegated the day to day management and administrative functions to the Manager. There are therefore no disclosures to be made in respect of employees. The Company's socially responsible investment policy is set out below.

Socially Responsible Investment Policy

The Directors, through the Manager, encourage companies in which investments are made to adhere to best practice in the area of corporate governance and socially responsible business. The Manager believes that this can best be achieved by entering into a dialogue with company management to encourage them, where necessary, to improve their policies in both areas. The Manager's ultimate objective, however, is to deliver superior investment returns for its clients. Accordingly, whilst the Manager will seek to favour companies which pursue best practice in these areas, this must not be to the detriment of the return on the investment portfolio.

UK Stewardship Code and Proxy Voting as an Institutional Shareholder

Responsibility for actively monitoring the activities of portfolio companies has been delegated by the Board to the Manager which has sub-delegated that authority to the Investment Manager.

The full text of the Company's response to the Stewardship Code may be found on its website.

Modern Slavery Act

Due to the nature of its business, being a company that does not offer goods and services to customers, the Board considers that the Company is not within the scope of the Modern Slavery Act 2015 because it has no turnover. The Company is therefore not required to make a slavery and human trafficking statement. In any event, the Board considers the Company's supply chains, dealing predominantly with professional advisers and service providers in the financial services industry, to be low risk in relation to this matter.

Overview of Strategy continued

Viability Statement

The Board considers that the Company, which does not have a fixed life, is a long term investment vehicle and, for the purposes of this statement, has decided that five years is an appropriate period over which to consider its viability. The Board considers that this period reflects a balance between looking out over a long term horizon and the inherent uncertainties of looking out further than five years.

Taking into account the Company's current position and the potential impact of its principal risks and uncertainties, the Directors have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due for a period of five years from the date of this Report.

In assessing the viability of the Company over the review period, the Directors have focused upon the following factors:

- The principal risks and uncertainties detailed on pages 10 to 13 and the steps taken to mitigate these risks.
- The relevance of the Company's investment objective, especially in the current low yield environment.
- The Company is invested in readily-realisable listed securities.
- Share buy backs carried out in the past have not resulted in significant reductions to the capital of the Company.
- Although the Company's stated investment policy contains a gearing limit of 30% of the net asset value at the time of draw down, the Board's policy is to have a relatively modest level of equity gearing and the financial covenants attached to the Company's borrowings provide for significant headroom.
- The repayment of the Company's £28.6 million 7 7/8% Debenture Stock on 30 April 2019 has been pre-financed through the issue of £30 million 3.99% Loan Notes which are repayable in December 2045, the proceeds of which are invested in a portfolio of fixed interest securities which broadly match the duration of the Debenture.

In making its assessment, the Board is also aware that there are other matters that could have an impact on the Company's prospects or viability in the future, including a large economic shock or significant stock market volatility, and changes in regulation or investor sentiment.

Outlook

The Board's view on the general outlook for the Company can be found in the Chairman's Statement on pages 4 to 7 whilst the Investment Manager's views on the outlook for the portfolio are included on pages 19 to 21.

On behalf of the Board
David Barron
Chairman
27 March 2019

Results

Financial Highlights

	31 January 2019	31 January 2018	% change
Total assets (see page 85 for definition)	£471,480,000	£512,159,000	(7.94)
Equity shareholders' funds	£401,731,000	£442,384,000	(9.19)
Market capitalisation	£358,868,000	£389,167,000	(7.79)
Net asset value per Ordinary share	270.90p	295.55p	(8.34)
Net asset value per Ordinary share with debt at fair value[AF]	260.11p	283.04p	(8.10)
Share price (mid)	242.00p	260.00p	(6.92)
FTSE All-Share Index	3,825.62	4,137.66	(7.54)
Discount (difference between share price and net asset value)			
Discount where borrowings are deducted at fair value[F]	(6.96)%	(8.14)%	
Gearing (see page 84 for definitions)			
Net gearing[BF]	16.21%	14.47%	
Equity gearing[CF]	8.81%	7.83%	
Dividends and earnings			
Total return per share	(11.95)p	30.83p	
Revenue return per share	12.68p	12.64p	+0.32
Total dividend per share for the year	12.45p	12.10p	+2.89
Dividend cover[F] (see page 84 for definition)	1.02	1.04	
Revenue reserves			
Prior to payment of third interim dividend declared and proposed final dividend[D]	17.99p	18.11p	
After payment of third interim dividend declared and proposed final dividend[DE]	11.54p	11.16p	
Operating costs			
Ongoing charges[F]	0.63%	0.61%	

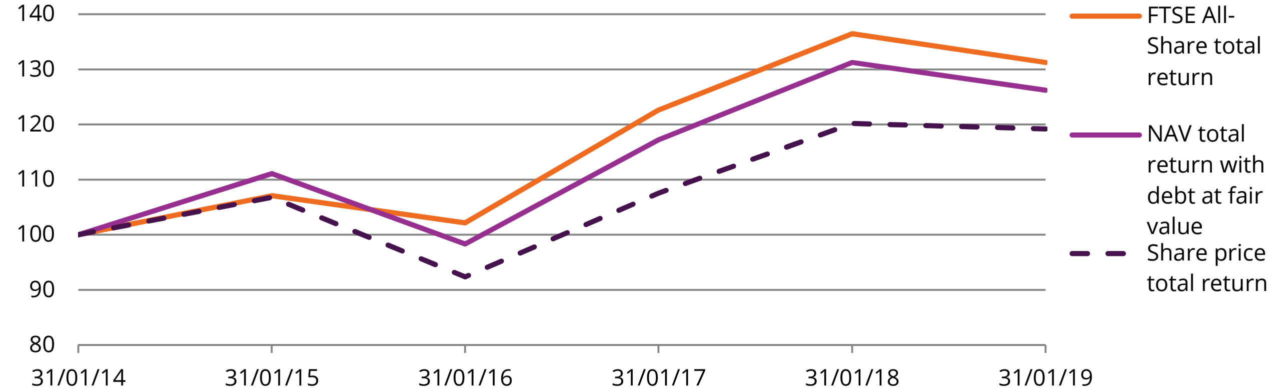
[A] Based on capital only net asset values (see note 16 on pages 68 and 69 for disclosure on net asset values).
[B] Calculated by dividing total borrowings less cash and cash equivalents by shareholders' funds, expressed as a percentage.
[C] Calculated as the amount by which the total value of equity securities held exceeds shareholders' funds, expressed as a percentage of shareholders' funds.
[D] Calculated by dividing the revenue reserve per the Statement of Financial Position on page 56 by the number of shares in issue at the reporting date per note 14 on page 67.
[E] Third interim dividend for the year ended 31 January 2019 of 3.000p per share (2018 – 2.575p). Proposed final dividend for the year ended 31 January 2019 of 3.450p (2018 – 4.375p).
[F] Considered to be an Alternative Performance Measure as defined on pages 89 and 90.

Performance (total return)

	1 year % return	3 year % return	5 year % return
Total return (Capital return plus net dividends reinvested)			
Net asset value[AB]	(3.86)%	+28.36%	+26.19%
FTSE All-Share Index	(3.83)%	+28.49%	+31.24%
Share price[B]	(0.83)%	+29.05%	+19.18%
Capital return			
Net asset value[A]	(9.20)%	+11.10%	+0.57%
FTSE All-Share Index	(7.54)%	+14.68%	+9.41%
Share price	(6.92)%	+10.00%	(6.83)%

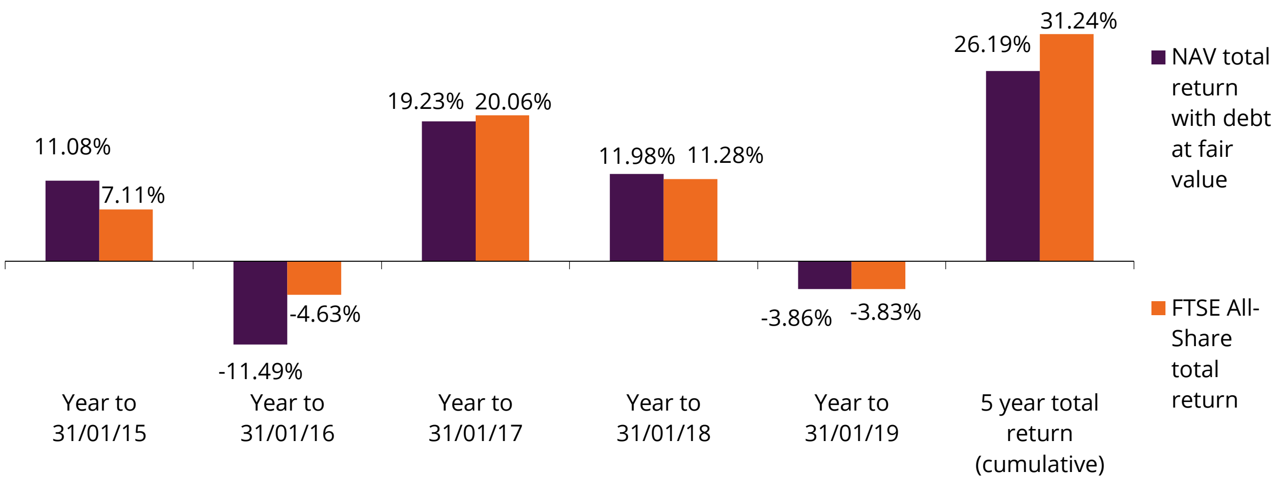
[A] Cum-income NAV with debt at fair value, adjusted to exclude the third interim dividend for the year ended 31 January 2019 which went ex-dividend on 31 January 2019 but was not paid until 22 February 2019 due to the difference in recognition of dividends payable on an ex-dividend date basis under AIC reporting guidelines and upon payment under accounting standards.
[B] Considered to be an Alternative Performance Measure (see page 89)
Source: Standard Life Aberdeen, Factset & Morningstar

Comparison of NAV and Share Price Total Return Performance of DIGIT to FTSE All-Share Index (figures rebased to 100) – Five years ended 31 January 2019



Source: Standard Life Aberdeen, Morningstar & Lipper

Comparison of NAV Total Return Performance of DIGIT to FTSE All-Share Index Total Return for 5 years



Source: Standard Life Aberdeen, Morningstar & Lipper

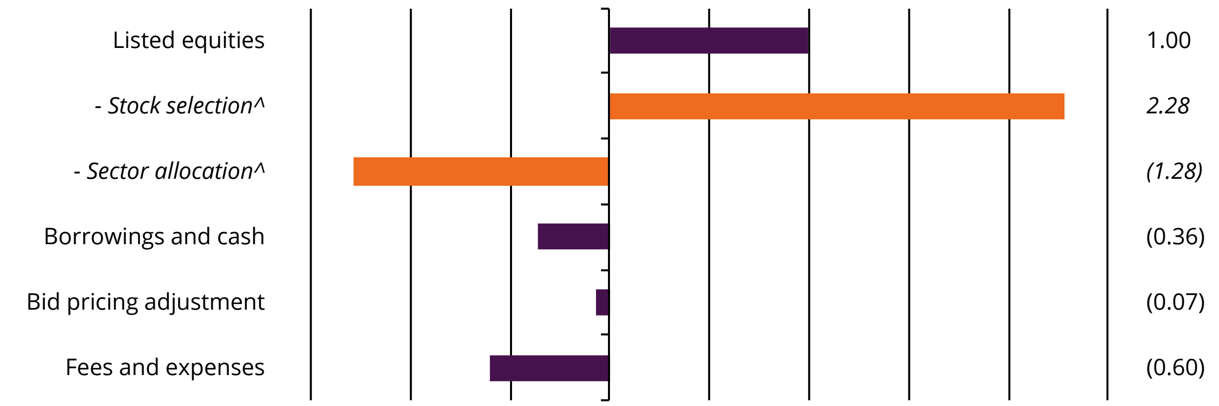
Performance

Analysis of Total Return Performance

	%
Gross assets total return	**(2.47)**
Total NAV return per share[A]	(3.86)
Total return on FTSE All-Share Index	(3.83)
Relative performance	**(0.03)**

[A]With debt at market value.

Analysis of Performance for the year Relative to the FTSE All-Share Index



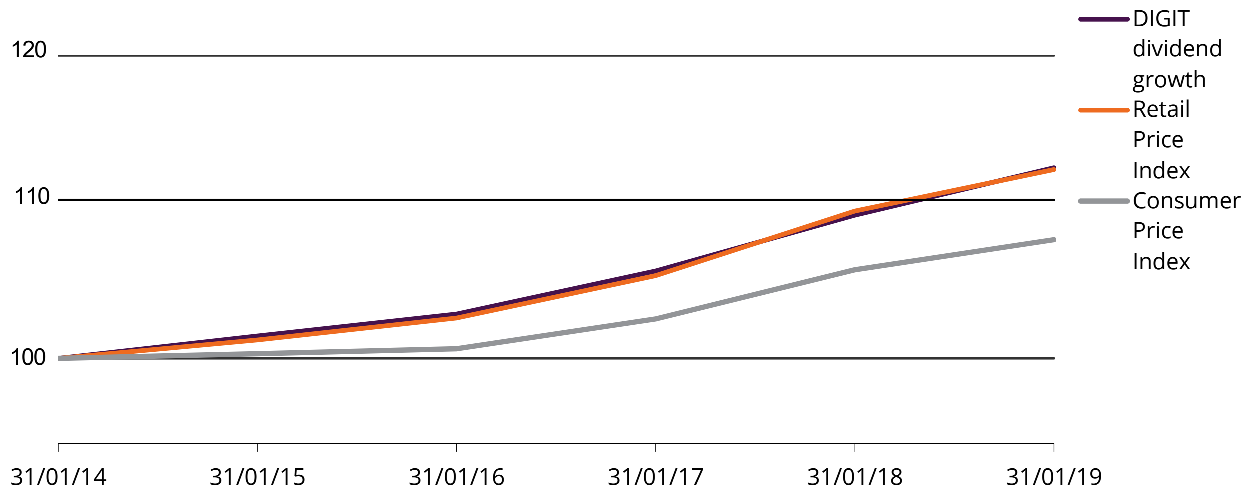
^ Further analysis of performance attributable to listed equities.

Ten Year Financial Record

Year ended 31 January	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Total revenue (£'000)	14,251	16,904	19,173	18,866	20,750	20,994	20,359	21,963	22,317	22,263
Per share (p)										
Revenue return	7.99	10.15	11.00	10.77	11.89	11.90	12.11	12.55	12.64	12.68
Dividends paid/proposed	10.25	10.25	10.65	10.75	11.10	11.25	11.40	11.70	12.10	12.45
Revenue reserve[A]	7.16	7.06	7.42	7.45	8.22	8.89	9.63	10.51	11.16	11.54
Net asset value[B]	198.80	226.81	222.88	251.48	262.34	279.66	237.48	270.34	290.57	266.83
Total return	51.15	39.00	6.50	41.30	22.24	27.76	(28.94)	43.83	30.83	(11.95)
Shareholders' funds (£'000)	303,603	346,927	341,280	385,605	403,526	428,702	368,041	415,810	442,384	401,731

[A] After payment of third interim and final dividends.
[B] With debt at fair value.

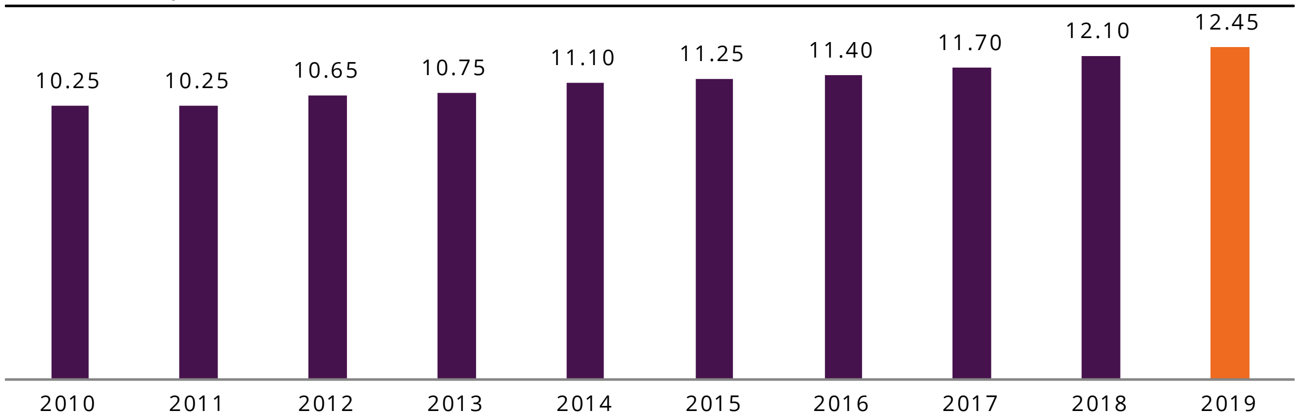
Comparison of Dividend Growth of DIGIT to Inflation (figures rebased to 100) – Five years ended 31 January 2019



Source: Standard Life Aberdeen , ONS & Facstet

Dividends per Share - Pence

Year to 31 January



Dividends

Dividend per share	Rate	xd date	Record date	Payment date
Proposed final dividend 2019	3.450p	2 May 2019	3 May 2019	29 May 2019
Third interim dividend 2019	3.000p	31 January 2019	1 February 2019	22 February 2019
Second interim dividend 2019	3.000p	1 November 2018	2 November 2018	23 November 2018
First interim dividend 2019	3.000p	2 August 2018	3 August 2018	24 August 2018
Total dividend 2019	**12.45p**			

Dividend per share	Rate	xd date	Record date	Payment date
Final dividend 2018	4.375p	3 May 2018	4 May 2018	30 May 2018
Third interim dividend 2018	2.575p	1 February 2018	2 February 2018	23 February 2018
Second interim dividend 2018	2.575p	2 November 2017	3 November 2017	24 November 2017
First interim dividend 2018	2.575p	3 August 2017	4 August 2017	25 August 2017
Total dividend 2018	**12.10p**			

Investment Manager's Review

Introduction

The year ended 31 January 2019 has been one of further progress. Since our appointment as lead managers nearly three years ago we have looked to increase the focus on growth of both capital and income and differentiate the Company in what is a highly competitive sector. It has been another active year in terms of executing this. We are encouraged that our strategy is producing tangible results, with positive relative performance for the equity portfolio whilst also improving both the underlying quality of the portfolio and its income growth potential. Since September 2016 we have nearly doubled the amount of income coming from faster growing companies and meaningfully increased the average underlying dividend growth rate of the holdings within the portfolio whilst the amount of income we deem at risk in the financial year ahead has fallen sharply. During this financial year the particular focus has been on improving the underlying quality of the holdings and this is reflected in meaningfully higher returns and stronger balance sheets in aggregate for the portfolio compared to where it stood twelve months ago. This has in part involved increasing exposure to small and mid-cap companies that have greater opportunity for long term growth and which now make up more than 30% of the equity portfolio. It has also required us to be increasingly selective and continue to focus the portfolio's capital towards the very best businesses that we can find.

Performance

In terms of income performance it was a solid year given the reorientation of the portfolio. Total income was more or less flat year on year with an increase of 1.2% from the equity holdings offset by declining fixed income revenue as the duration of the portfolio was reduced to closer match the maturing 2019 debenture. It is once again important to stress that maximisation of income in the near term has not been a priority and we have reduced holdings in higher yielding businesses, cutting near term earnings, in order to increase investments in lower yielding but faster growing companies. Option writing contributed 6.7% of the total income for the year. The Company benefited from special distributions from both **Direct Line Insurance** and **Aveva** and, in general, company dividend performance was ahead of our expectations with particularly notable increases from mining holdings **BHP Billiton** and **Rio Tinto** as well as French employee benefit manager **Edenred**. Only **Inmarsat** cut its dividend during the period and this was both expected and a precursor to a bid situation that allowed us to exit. Overall this has allowed us to make a further addition to revenue reserves that will support our strategy of focusing on greater income growth.

From a relative return perspective the equity portfolio outperformed the FTSE All-Share Index by 1.16% falling by 2.67% in total return terms against a return of -3.83% for the benchmark. This outperformance was driven by the stock selection within the portfolio. At the net asset level this was offset by the impact of costs and gearing. At the company level notable outperformers included **Edenred**, which benefitted from a recovery in its operations in Brazil as well as continued strong growth in its payments and expense management units. **Aveva**, which specialises in design software for large capital projects, saw improved demand from its customers in oil & gas and the first synergies being delivered from the merger with Schneider. Pleasingly, **Telecom Plus**, one of our newer holdings, performed well during the second half of the year as market conditions within the UK utility supply market continued to shift in its favour. Once again the portfolio benefited from its overseas holdings which made a further useful contribution to performance.

One of the main headwinds to performance came from the underweight position in the oil and gas sector which performed relatively robustly for much of the year. Our positioning here is driven by the lack of dividend growth from the companies and the relatively capital intensive and cyclical nature of the industry. Given high yields, we retain some exposure to both **Total** and **Royal Dutch Shell** but, given our strategy, this area is likely to remain a modest weighting relative to the large benchmark exposure. The holding in **British American Tobacco** was also hit following a series of potential regulatory changes within the key US tobacco market that dented investor confidence following the company's acquisition of Reynolds American in 2017. We retain the holding, believing the impact of such changes to be overly discounted in the current share price. Relative to the benchmark, we also missed out by not owning BSKYB or Shire Pharmaceutical which were both taken over during the year and together provided a near 1% impact on relative returns.

Portfolio Activity

It was another busy year as we continued to evolve the portfolio towards companies with superior capital and dividend growth prospects and higher quality characteristics. We would highlight that as long term, buy and hold investors we do not expect to be making this number of portfolio changes on an ongoing basis, however we believe this has been the best course of action for positioning the Company in the optimal way to deliver the desired outcome.

We introduced a number of new holdings into the portfolio. In line with our strategy, these companies are predominantly towards the small and mid-cap end of the market, where companies have a combination of established positions in their respective industries together with significant opportunity to grow from a low base. This translates into the ability to sustain a higher dividend or to grow the dividend at a faster pace. In addition, these companies sit well with our investment process where we have a well-resourced team investing the time to uncover and research companies that often go unnoticed by others.

We gave details in the Half Yearly Report of a number of such new introductions, including **Abcam**, **Dechra Pharmaceuticals**, **Genus**, **Just Eat** and **London Stock Exchange**. In the second half of the year we introduced **Ashmore**, a specialist emerging market debt asset manager; **Rightmove**, the leading online real estate advertiser; **Rentokil,** the facilities management business with a focus on pest control and hygiene; and engineer **Spirax Sarco** which sells critical steam control products to a wide range of end markets, most of which are defensive. These are a diverse range of businesses but common factors include structural drivers that enable them to grow their revenues independently of GDP, plus sustainable competitive advantages that should allow them to maintain their growth rate which in turn translates into strong long term expansion in cash flow and dividends.

We also initiated positions in some higher yielding companies to add diversity to the mix of income. The companies we selected have sound business models and well underpinned dividends. Examples here are **Rio Tinto**, **Direct Line Insurance** and **Telecom Plus**.

In the latter part of the year we took the opportunity to increase the Company's exposure to domestic earnings. This may seem a contrarian move given the elevated uncertainty over Brexit but, given the unclear outcome and the Company's significant exposure to overseas revenues, it seemed judicious to us to reduce this exposure and add to UK focused businesses where we can find those of appropriate quality.

To this end we introduced **Countryside Properties**, a well-run UK housebuilder with a balanced business model that provides a degree of protection from the cyclicality of the new-build housing market. It runs with no debt on the balance sheet and from an income perspective we expect mid to high single digit dividend growth with the potential for additional capital returns over time. In addition we introduced **Marshalls,** the leading manufacturer of hard landscaping solutions in the UK. It has consistently progressed ahead of the market due to a combination of exposure to structural trends, market share gains and bolt-on acquisitions, with earnings further enhanced by ongoing cost efficiencies. The company manages a conservative balance sheet and as a result we see good potential for dividend growth over the medium term.

While it has been an active year for new holdings we also added capital selectively to existing positions, with market volatility providing us with the opportunity to do so at attractive valuations. For example we topped up the holdings of **Aveva**, **British American Tobacco**, **Croda, Diageo** and **RELX**. In addition, we participated in equity raises for **Weir Group** and **Genus**.

To fund these purchases we exited a number of holdings. In line with our strategy, a number of these positions are higher yielding but the total return opportunity is lower than we can find elsewhere. Examples here being **BP**, **HSBC**, **Imperial Brands** and **Zurich Insurance.** In addition there were some holdings with average to low yields where we believed likely dividend progression insufficient to warrant a position, such as **AstraZeneca**, **Nestlé, Roche**, **Rolls Royce** and **RPC.**

We exited some holdings where we saw the quality of the franchises deteriorating below the high bar that we aim for. **Essentra, GIMA TT**, **Inmarsat**, **RPC**, **Sage** and **Wood Group** fall into this category. **GIMA TT**, an Italian listed maker of packaging machines for the tobacco industry, was an unusually short term holding for us having subscribed to the IPO only last year. However, following meetings with other industry participants it seemed clear that their market was developing less quickly than we had anticipated and the investment thesis was not playing out. As a result we decided to sell and move on, as whilst we aim to invest with a long term horizon we have the ability to be nimble and move quickly should we see good reason. Finally, there were holdings we sold on valuation grounds following relative outperformance such as **Temenos** and **Rotork**.

Corporate Engagement

A key part of the responsibility of share ownership is corporate stewardship and engagement. Addressing the governance and risk controls of the companies we hold is an aspect of investing that we embrace at Aberdeen Standard Investments and it aligns well with our long term investment horizon. The investment team takes full responsibility with dedicated on-desk resource and helped by expert advisors within the company. In addition to the hundreds of visits each year with executive teams, we frequently engage with non-executive board members, risk officers and other relevant personnel from the companies in which we invest.

Environmental and Social analysis is entrenched in our day to day investment process and is the responsibility of the investment team as opposed to sitting in a separate unit. This has been the case for over a year now and is proving an effective initiative, adding an equivalent focus on these issues to that which we have long applied to governance. How the companies we invest in identify environmental and social risks is something we analyse closely and we are increasingly finding that companies which manage these risks well and place high importance on responsible business practices are those that are setting themselves up best to produce positive long term financial results.

Outlook

Our approach remains consistent and we continue to focus on improving the medium term income and capital growth potential of the portfolio while maintaining appropriate diversity and balancing the near term requirements of the dividend. We are pleased with our progress so far but see scope for additional improvement and expect to further increase the quality of the holdings and make additional increases in allocation to mid and small caps. Market volatility may provide us with opportunities to find new investment ideas that will enhance the portfolio at attractive valuations.

Equity markets have partially recovered over the past two months following the marked drawdown in the latter part of 2018, however as we write this, many of the economic and political headwinds have not gone away and we see the likelihood of further market volatility as high. Against this backdrop we believe your company is well positioned with low levels of equity gearing, substantial revenue reserves and a positive outlook for underlying earnings evolution. We remain committed to a long term perspective, where we focus on holding high quality businesses whose market positions, competitive advantages, growth prospects and balance sheets allow them the best opportunity to prosper.

Ben Ritchie and Louise Kernohan
Aberdeen Asset Managers Limited
27 March 2019


St Paul's Cathedral, London

Portfolio

Over the past three years we have looked to increase the focus on growth of both capital and income and differentiate the Company in what is a highly competitive sector. It has been another active year in terms of executing this. We are encouraged that our strategy is producing tangible results, with positive relative performance for the equity portfolio whilst also improving both the underlying quality of the portfolio and its income growth potential.

Ten Largest Investments

As at 31 January 2019

Company	FTSE All-Share Index Sector	Valuation 2019 £'000	Total assets %	Valuation 2018 £'000
Prudential Prudential is a life insurance and savings company with leading market positions in Asia, the United States and the UK. They also own the fund management group M&G.	Life Insurance	18,554	3.9	20,966
Unilever Unilever is one of the world's foremost fast moving consumer goods companies with a portfolio of leading brands across the food and beverage, personal care and household categories.	Personal Goods	18,137	3.8	19,680
Relx Relx is a global provider of information and analytics for professionals and businesses across a number of industries including scientific, technical, medical and law.	Media	17,776	3.8	5,235
Diageo Diageo is a global leader in spirits and liquers with a portfolio of world-renowned brands.	Beverages	17,670	3.8	8,509
Royal Dutch Shell 'B' Royal Dutch Shell explores for, produces and refines petroleum and produces fuels, chemicals and lubricants. The company owns and operates gasoline filling stations world-wide.	Oil & Gas Producers	16,814	3.6	23,062
British American Tobacco British American Tobacco is the holding company for a group of companies that manufacture, market and sell cigarettes and other tobacco products. The group sells over 300 brands in approximately 180 markets around the world.	Tobacco	16,592	3.5	21,782
BHP Group BHP Group is the world's largest diversified resources group with a global portfolio of high quality assets. Core activities comprise the production and distribution of minerals, mineral products and petroleum.	Mining	16,292	3.5	15,922
Assura Assura owns properties in the healthcare sector which it manages directly; primarily these comprise local GP surgeries and larger primary care centres.	Real Estate Investment Trusts	15,302	3.2	14,399
Rio Tinto Rio Tinto is a global mining and processing company, operating predominantly tier one assets. Its main commodities are iron ore, aluminium and copper.	Mining	14,941	3.2	–
Croda Croda is a speciality chemicals company that supplies its products to industries such as personal care, pharmaceutical, plastics, food processiong nutrition and engineering amongst others.	Chemicals	13,668	2.9	10,313
Ten largest equity investments		**165,746**	**35.2**	

Portfolio

Other Investments

As at 31 January 2019

Company	FTSE All-Share Index Sector	Valuation 2019 £'000	Total assets %	Valuation 2018 £'000
Total	Oil & Gas Producers	12,369	2.6	14,503
Chesnara	Life Insurance	12,350	2.6	11,405
Telecom Plus	Fixed Line Telecommunications	11,981	2.5	–
Vodafone	Mobile Telecommunications	11,366	2.4	14,853
Direct Line Insurance	Non-life Insurance	10,896	2.3	–
National Grid	Gas, Water & Multi-Utilities	10,362	2.2	6,839
Edenred	Support Services	9,946	2.1	7,747
GlaxoSmithKline	Pharmaceuticals & Biotechnology	9,749	2.1	18,486
Aveva	Software & Computer Services	9,696	2.1	6,267
Close Brothers	Banks	9,443	2.0	8,877
Top twenty investments		**273,904**	**58.1**	
Weir Group	Industrial Engineering	9,067	1.9	8,253
Unibail-Rodamco-Westfield	Real Estate Investment Trusts	8,948	1.9	9,194
Experian	Support Services	8,883	1.9	7,579
Novo-Nordisk	Pharmaceuticals & Biotechnology	8,308	1.8	9,200
Schroders	Financial Services	8,096	1.7	8,155
Countryside Properties	Household Goods & Home Construction	7,353	1.6	–
Kone	Industrial Engineering	7,068	1.5	–
Standard Chartered	Banks	6,931	1.5	10,686
Euromoney Institutional Investor	Media	6,801	1.4	5,207
Ashmore	Financial Services	6,636	1.4	–
Top thirty investments		**351,995**	**74.7**	
Big Yellow	Real Estate Investment Trusts	5,719	1.2	2,776
Abcam	Pharmaceuticals & Biotechnology	5,401	1.1	–
Marshalls	Construction & Materials	5,324	1.1	–
SGS	Support Services	5,136	1.1	5,302
London Stock Exchange	Financial Services	5,037	1.1	–
Amadeus	Support Services	5,036	1.1	3,284
Tecan	Health Care Equipment & Services	4,842	1.0	2,336
Dechra Pharmaceuticals	Pharmaceuticals & Biotechnology	4,685	1.0	–
Ultra Electronics	Aerospace & Defence	4,603	1.0	4,411
Amplifon	Health Care Equipment & Services	4,398	0.9	5,037
Top forty investments		**402,176**	**85.3**	
Manx Telecom	Fixed Line Telecommunications	4,372	0.9	5,096
Heineken	Beverages	4,298	0.9	2,535
Hansteen Holdings	Real Estate Investment Trusts	4,273	0.9	3,331
Genus	Pharmaceuticals & Biotechnology	4,185	0.9	–
Grandvision	Health Care Equipment & Services	4,108	0.9	3,964
Brunello Cucinelli	Personal Goods	3,895	0.8	3,359
Just Eat	General Retailers	3,053	0.6	–
Rightmove	Media	2,346	0.5	–
Rentokil	Support Services	2,224	0.5	–
Spirax-Sarco Engineering	Industrial Engineering	2,178	0.5	–
Total equity investments		**437,108**	**92.7**	

Portfolio

Other Investments

As at 31 January 2019

Company	FTSE All-Share Index Sector	Valuation 2019 £'000	Total assets %	Valuation 2018 £'000
Southern Water Services Finance 6.125% 31/03/19	Fixed Income	5,892	1.3	158
EE Finance 4.375% 28/03/19	Fixed Income	5,840	1.2	777
Legal & General 5.875% Var 29/03/49	Fixed Income	4,683	1.0	1,047
Porterbrook Rail Finance 5.5% 20/04/19	Fixed Income	4,127	0.9	–
SSE 3.875% Var Perp	Fixed Income	2,098	0.5	2,187
Daimler International Finance 3.5% 06/06/19	Fixed Income	1,981	0.4	1,239
Rabobank Capital Funding Trust IV 5.556% FRN Perp Regs	Fixed Income	1,539	0.3	1,602
HSBC Bank Funding 5.862% FRN 29/04/49	Fixed Income	1,032	0.2	1,081
Imperial Brands Finance 7.75% 24/06/19	Fixed Income	1,022	0.2	1,090
Total fixed income investments		**28,214**	**6.0**	
Total equity investments		**437,108**	**92.7**	
Total investments		**465,322**	**98.7**	
Net current assets[A]		**6,158**	**1.3**	
Total assets less current liabilities[A]		**471,480**	**100.0**	

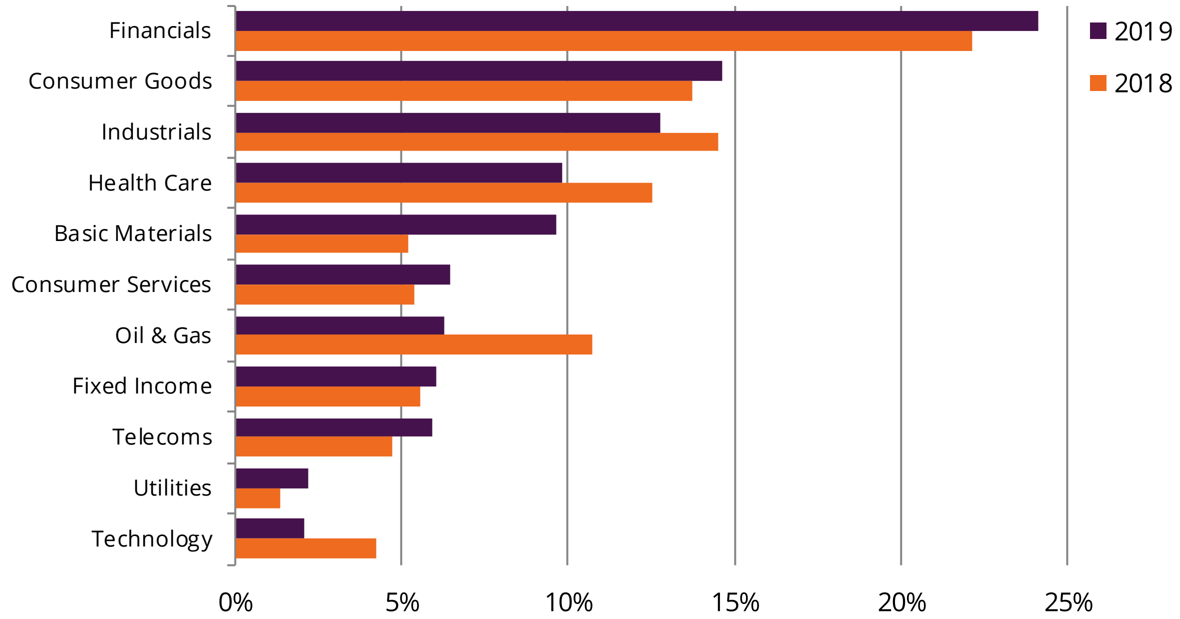
[A] Excluding bank loan of £11,427,000 and debenture stock of £28,597,000.

Note: The credit rating profile for the quoted bonds held is contained in note 17 on page 76.

Portfolio Sector Breakdown

As at 31 January 2019

Sector Breakdown



Portfolio
Sector Analysis
As at 31 January 2019

		FTSE All-Share Index weighting 2019 %	Portfolio weighting 2019 %	Portfolio weighting 2018 %
Oil & Gas	Oil & Gas Producers	13.91	6.19	9.16
	Oil Equipment Services & Distribution	0.27	–	1.42
		14.18	**6.19**	**10.58**
Basic Materials	Chemicals	0.78	2.90	2.01
	Forestry & Paper	0.31	–	–
	Industrial Metals & Mining	0.15	–	–
	Mining	6.81	6.62	3.11
		8.05	**9.52**	**5.12**
Industrials	Construction & Materials	1.57	1.13	–
	Aerospace & Defense	2.05	0.98	2.48
	General Industrials	0.97	–	0.98
	Electronic & Electrical Equipment	0.56	–	–
	Industrial Engineering	0.84	3.89	3.98
	Industrial Transportation	0.32	–	1.28
	Support Services	4.76	6.62	5.56
		11.07	**12.62**	**14.28**
Consumer Goods	Automobiles & Parts	0.05	–	–
	Beverages	3.60	4.66	2.16
	Food Producers	0.78	–	1.30
	Household Goods & Home Construction	3.22	1.56	–
	Leisure Goods	0.05	–	–
	Personal Goods	2.39	4.67	4.50
	Tobacco	3.91	3.52	5.60
		14.00	**14.41**	**13.56**
Health Care	Health Care Equipment & Services	0.94	2.83	2.21
	Pharmaceuticals & Biotechnology	7.03	6.86	10.14
		7.97	**9.69**	**12.35**
Consumer Services	Food & Drug Retailers	1.71	–	–
	General Retailers	1.70	0.65	1.10
	Media	3.62	5.71	2.04
	Travel & Leisure	4.78	–	2.16
		11.81	**6.36**	**5.30**
Telecommunications	Fixed Line Telecommunications	0.97	3.46	0.99
	Mobile Telecommunications	1.77	2.41	3.65
		2.74	**5.87**	**4.64**
Utilities	Electricity	0.64	–	–
	Gas, Water & Multi-utilities	2.26	2.19	1.33
		2.90	**2.19**	**1.33**

Sector Analysis continued

		FTSE All-Share Index weighting 2019 %	Portfolio weighting 2019 %	Portfolio weighting 2018 %
Financials	Banks	10.56	3.47	7.54
	Non-life Insurance	1.16	2.31	0.55
	Life Insurance	3.65	6.56	6.32
	Real Estate Investment & Services	0.41	–	–
	Real Estate Investment Trusts	2.29	7.26	5.80
	Financial Services	3.11	4.19	1.59
	Equity Investment Instruments	5.1	–	–
		26.28	**23.79**	**21.80**
Technology	Software & Computer Services	0.95	2.06	4.18
	Technology Hardware & Equipment	0.05	–	–
		1.00	**2.06**	**4.18**
Total equity investments		**100.00**	**92.70**	**93.14**
Fixed income investments			**5.99**	**5.51**
Total investments			**98.69**	**98.65**
Net current assets before borrowings[A]			**1.31**	**1.35**
Total assets less current liabilities[A]			**100.00**	**100.00**

[A] Excluding bank loan of £11,427,000 and debenture stock of £28,597,000.

Governance

The Company is registered as a public limited company and has been approved by HM Revenue & Customs as an investment trust. The Company is committed to high standards of corporate governance and applies the principles identified in the UK Corporate Governance Code and the AIC Code of Corporate Governance.

All Directors are considered by the Board to be independent of the Company and the Manager and free of any material relationship of the Manager.

Your Board of Directors

The Directors' details, all of whom are non-executive and independent of the Manager, are set out below. The Directors supervise the management of the Company and represent the interests of shareholders.

David Barron

Status: Independent Non-Executive Chairman

Length of service: 3 years, appointed a Director on 1 February 2016 and Chairman on 23 May 2017

Experience: Chief Executive of Miton Group PLC. He was, until 2013, Head of Investment Trusts of JP Morgan Asset Management and, until 2014, a director of The Association of Investment Companies. He is a Member of the Council and Finance Committee of Lancaster University.

Last re-elected to the Board: 25 May 2016

Committee membership: Management Engagement Committee and Nomination and Remuneration Committee

Catherine Claydon

Status: Senior Independent Non-Executive Director and Chairman of the Nomination and Remuneration Committee

Length of service: 8 years, appointed a Director on 1 February 2011

Experience: formerly Managing Director in Goldman Sachs International Pension & Insurance Strategies Group and a managing director at Lehman Brothers in its Pension Advisory Group. She is currently a director of the Barclays UK Retirement Fund, Chairman of the BBC Pension Trust and a trustee of the British Steel Pension Scheme.

Last re-elected to the Board: 23 May 2017

Committee membership: Audit Committee, Management Engagement Committee and Nomination and Remuneration Committee (Chairman)

Jasper Judd

Status: Independent Non-Executive Director and Chairman of the Audit Committee

Length of service: 3 years, appointed a Director on 1 February 2016

Experience: formerly worked for Brambles Limited, a listed Australian multi-national, where he held a number of senior executive roles including Global Head of Strategy. He is also a non-executive director of JP Morgan Indian Investment Trust plc. He is a Chartered Accountant.

Last re-elected to the Board: 25 May 2016

Committee membership: Audit Committee (Chairman), Management Engagement Committee and Nomination and Remuneration Committee

Elisabeth Scott

Status: Independent Non-Executive Director and Chairman of the Management Engagement Committee

Length of service: 7 years, appointed a Director on 24 January 2012

Experience: formerly Country Head of Schroders in Hong Kong. Previously responsible for Schroders' institutional client business in Hong Kong and managed multi-asset portfolios. She is currently a director of Fidelity China Special Situations Investment Trust PLC, Allianz Technology Trust PLC, India Capital Growth Fund Limited and the Association of Investment Companies.

Last re-elected to the Board: 24 May 2018

Committee membership: Audit Committee, Management Engagement Committee (Chairman) and Nomination and Remuneration Committee

Your Board of Directors continued

Howard Williams

Status: Independent Non-Executive Director

Appointment date: 1 year, appointed a Director on 1 April 2018

Experience: has over 35 years' of fund management experience and was, until October 2017, Chief Investment Officer and Head of the Global Equity Team at JPMorgan Asset Management. Prior to joining JPMorgan Asset Management in 1994, he held a number of senior positions at Shell Pensions and Kleinwort Benson Asset Management. He started his career at James Capel & Co. He is also a non-executive director of Schroders Unit Trust Limited.

Elected to the Board: 24 May 2018

Committee membership: Audit Committee, Management Engagement Committee and Nomination and Remuneration Committee

Directors' Report

The Directors present their report and the audited financial statements for the year ended 31 January 2019.

Results and Dividends

The financial statements for the year ended 31 January 2019 are contained on pages 55 to 77. First, second and third interim dividends, each of 3.0p per Ordinary share, were paid on 24 August 2018, 23 November 2018 and 22 February 2019 respectively. The Directors now recommend a final dividend of 3.45p per Ordinary share payable on 29 May 2019 to shareholders on the register on 3 May 2019. The ex-dividend date is 2 May 2019. A resolution in respect of the final dividend will be proposed at the forthcoming Annual General Meeting.

Investment Trust Status

The Company is registered as a public limited company (registered in Scotland No. SC000881) and is an investment company within the meaning of Section 833 of the Companies Act 2006. The Company has been approved by HM Revenue & Customs as an investment trust subject to it continuing to meet the relevant eligibility conditions of Section 1158 of the Corporation Tax Act 2010 and the ongoing requirements of Part 2 Chapter 3 Statutory Instrument 2011/2999 for all financial years commencing on or after 1 February 2012. The Directors are of the opinion that the Company has conducted its affairs for the year ended 31 January 2019 so as to enable it to comply with the ongoing requirements for investment trust status.

Individual Savings Accounts

The Company has conducted its affairs in such a way as to satisfy the requirements as a qualifying security for Individual Savings Accounts. The Directors intend that the Company will continue to conduct its affairs in this manner.

Capital Structure

The issued Ordinary share capital at 31 January 2019 consisted of 148,292,669 Ordinary shares of 25p and 5,385,266 Ordinary shares held in treasury. During the year, the Company purchased 1,387,018 Ordinary shares to be held in treasury. Since the end of the year, the Company has purchased a further 19,150 Ordinary shares to be held in treasury and, at the date of approval of this Report, there were 148,273,519 Ordinary shares of 25p in issue and 5,404,416 Ordinary shares held in treasury.

Voting Rights

Each Ordinary share holds one voting right and shareholders are entitled to vote on all resolutions which are proposed at general meetings of the Company. The Ordinary shares, excluding treasury shares, carry a right to receive dividends. On a winding up or other return of capital, after meeting the liabilities of the Company, the surplus assets will be paid to Ordinary shareholders in proportion to their shareholdings.

There are no restrictions on the transfer of Ordinary shares in the Company other than certain restrictions which may from time to time be imposed by law.

Management Agreement

The Company has appointed Aberdeen Standard Fund Managers Limited ("ASFML"), a wholly owned subsidiary of Standard Life Aberdeen plc, as its alternative investment fund manager. ASFML has been appointed to provide investment management, risk management, administration and company secretarial services and promotional activities to the Company. The Company's portfolio is managed by Aberdeen Asset Managers Limited ("AAML") by way of a group delegation agreement in place between ASFML and AAML. In addition, ASFML has sub-delegated administrative and secretarial services to Aberdeen Asset Management PLC and promotional activities to AAML. Details of the management fees and fees payable for promotional activities are shown in notes 4 and 5 to the financial statements.

The management agreement is terminable on not less than six months' notice. In the event of termination by the Company on less than the agreed notice period, compensation is payable to the Manager in lieu of the unexpired notice period.

Substantial Interests

As at 31 January 2019, the following interests in the issued Ordinary share capital of the Company had been disclosed in accordance with the requirements of the FCA's Disclosure Guidance and Transparency Rules:

Shareholder	Number of shares held	% held[B]
Aberdeen Asset Managers Limited Retail Plans[A]	35,335,931	23.8
1607 Capital Partners LLC	16,501,981	11.1
D C Thomson & Company Ltd	5,900,000	4.0

[A] Non-beneficial interest
[B] Based on 148,292,669 Ordinary shares in issue as at 31 January 2019

There have been no changes notified to the Company as at the date of approval of this Report.

Directors' Report continued

Corporate Governance

The Company is committed to high standards of corporate governance. The Board is accountable to the Company's shareholders for good governance and this statement describes how the Company has applied the principles identified in the UK Corporate Governance Code as published in April 2016 (the "2016 UK Code"), which is available on the Financial Reporting Council's (the "FRC") website: frc.org.uk.

The Board has also considered the principles and recommendations of the AIC Code of Corporate Governance as published in July 2016 (the "2016 AIC Code") by reference to the AIC Corporate Governance Guide for Investment Companies (the "2016 AIC Guide"). The 2016 AIC Code, as explained by the 2016 AIC Guide, addresses all the principles set out in the 2016 UK Code, as well as setting out additional principles and recommendations on issues that are of specific relevance to investment trusts. The 2016 AIC Code and 2016 AIC Guide are available on the AIC's website: theaic.co.uk.

The Board considers that reporting in accordance with the principles and recommendations of the 2016 AIC Code, and by reference to the 2016 AIC Guide (which incorporates the 2016 UK Code), will provide better information to shareholders.

The Board confirms that, during the year, the Company complied with the recommendations of the 2016 AIC Code and the relevant provisions of the 2016 UK Code, except as set out below.

The 2016 UK Code includes provisions relating to:

- the role of the chief executive (A.1.2);
- executive directors' remuneration (D.1.1 and D.1.2);
- the need for an internal audit function (C.3.6).

For the reasons set out in the 2016 AIC Guide, and as explained in the 2016 UK Code, the Board considers that these provisions are not relevant to the position of the Company, being an externally managed investment company. In particular, all of the Company's day-to-day management and administrative functions are outsourced to third parties. As a result, the Company has no executive directors, employees or internal operations. The Company has therefore not reported further in respect of these provisions.

The full text of the Company's Corporate Governance Statement can be found on its website.

The Board notes the content of the new UK Code of Corporate Governance published by the FRC in July 2018 (the "2018 UK Code"), which is applicable for accounting periods beginning on or after 1 January 2019, and the new AIC Code of Corporate Governance published in February 2019 (the "2019 AIC Code"). The Board expects the Company to be compliant with the relevant provisions of the 2018 UK Code and the 2019 AIC Code for the year ending 31 January 2020 and will report its compliance in next year's Annual Report.

Directors

Howard Williams was appointed as a Director on 1 April 2018 and John Carson retired as a Director on 24 May 2018. At the year-end, the Board comprised five non-executive Directors, each of which is considered by the Board to be independent of the Company and the Manager. David Barron is the Chairman.

The Directors attended scheduled Board and Committee meetings during the year ended 31 January 2019 as follows (with their eligibility to attend the relevant meetings in brackets):

	Scheduled Board Meetings	Audit Committee Meetings	Management Engagement Committee Meetings	Nomination and Remuneration Committee Meetings
David Barron	5 (5)	2 (2)	1 (1)	1 (1)
John Carson	2 (2)	1 (1)	- (-)	- (-)
Catherine Claydon	5 (5)	2 (2)	1 (1)	1 (1)
Jasper Judd	5 (5)	2 (2)	1 (1)	1 (1)
Elisabeth Scott	5 (5)	2 (2)	1 (1)	1 (1)
Howard Williams	4 (4)	1 (1)	1 (1)	1 (1)

The Board meets more frequently when business needs require.

Under the terms of the Company's Articles of Association, Directors are subject to election at the first Annual General Meeting after their appointment and are required to retire and be subject to re-election at least every three years thereafter. However, in light of the publication of the 2018 UK Code which stipulates that all directors of a Company with a premium listing should seek annual re-election, the Board has decided that all Directors will retire annually with effect from the Annual General Meeting in 2019. Accordingly, Jasper Judd, Catherine Claydon, Elisabeth Scott, Howard Williams and David Barron retire at the Annual General Meeting and, being eligible, offer themselves for re-election.

The Board believes that all the Directors seeking re-election remain independent of the Manager and free from any relationship which could materially interfere with the exercise of their judgement on issues of strategy, performance, resources and standards of conduct. The biographies of each of the Directors are shown on pages 30 to 32 and this indicates their range of skills and experience as well as length of service. The Board believes that each Director has the requisite high level and range of business, investment and financial experience which enables the Board to provide clear and effective leadership and proper governance of the Company. Following formal performance evaluations, each Director's performance continues to be effective and demonstrates commitment to the role, and their individual performances contribute to the long-term sustainable success of the Company. The Board therefore recommends the re-election of each of the Directors at the Annual General Meeting.

Directors' and Officers' Liability Insurance

The Company maintains insurance in respect of Directors' and Officers' liabilities in relation to their acts on behalf of the Company. Each Director is entitled to be indemnified out of the assets of the Company to the extent permitted by law against any loss or liability incurred by him or her in the execution of his or her duties in relation to the affairs of the Company. These rights are included in the Articles of Association of the Company.

Management of Conflicts of Interest

The Board has a procedure in place to deal with a situation where a Director has a conflict of interest. As part of this process, each Director prepares a list of other positions held and all other conflict situations that may need to be authorised either in relation to the Director concerned or his or her connected persons. The Board considers each Director's situation and decides whether to approve any conflict, taking into consideration what is in the best interests of the Company and whether the Director's ability to act in accordance with his or her wider duties is affected. Each Director is required to notify the Company Secretary of any potential, or actual, conflict situations that will need authorising by the Board. Authorisations given by the Board are reviewed at each Board meeting.

No Director has a service contract with the Company although all Directors are issued with letters of appointment. There were no contracts during, or at the end of the year, in which any Director was interested.

The Company has a policy of conducting its business in an honest and ethical manner. The Company takes a zero-tolerance approach to bribery and corruption and has procedures in place that are proportionate to the Company's circumstances to prevent them. The Manager also adopts a group-wide zero-tolerance approach and has its own detailed policy and procedures in place to prevent bribery and corruption. Copies of the Manager's anti-bribery and corruption policies are available on its website.

In relation to the corporate offence of failing to prevent tax evasion, it is the Company's policy to conduct all business in an honest and ethical manner. The Company takes a zero-tolerance approach to facilitation of tax evasion whether under UK law or under the law of any foreign country and is committed to acting professionally, fairly and with integrity in all its business dealings and relationships.

Board Committees

The Board has appointed a number of Committees, as set out below. Copies of their terms of reference, which clearly define the responsibilities and duties of each Committee, are available on the Company's website, or upon request from the Company. The terms of reference of each of the Committees are reviewed and re-assessed by the Board for their adequacy on an ongoing basis.

Audit Committee

The Audit Committee's Report is contained on pages 42 to 44.

Management Engagement Committee

The Management Engagement Committee consists of all the Directors and is chaired by Elisabeth Scott. The terms and conditions of the Manager's appointment, including an evaluation of performance and fees, are reviewed by the Committee on an annual basis. The Committee also keeps the resources of the Standard Life Aberdeen Group under review, together with its commitment to the Company and its investment trust business. In addition, the Committee conducts an annual review of the performance, terms and conditions of the Company's main third party suppliers.

The Board remains satisfied with the capability of the Standard Life Aberdeen Group to deliver satisfactory investment performance, that its investment screening processes are thorough and robust and that it employs a well-resourced team of skilled and experienced fund managers. In addition, the Board is satisfied that the Standard Life Aberdeen Group has the secretarial, administrative and promotional skills required for the effective operation and administration of the Company. Accordingly, the Board believes that the continuing appointment of the Manager on the terms agreed is in the interests of shareholders as a whole.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee consists of all the Directors and is chaired by Catherine Claydon. The Committee reviews the effectiveness of the Board, succession planning, Board appointments, appraisals, training and the Directors' remuneration policy. Further details of the remuneration policy are provided in the Directors' Remuneration Report on pages 39 to 41.

During the year, the Board engaged the services of an independent firm, Stephenson Executive Search, to facilitate the Board evaluation process. This included interviews with each of the Directors covering the performance of the Board as a whole, its Committees and individual Directors, including the Chairman.

As part of the engagement, Stephenson Executive Search was also asked to conduct a review of the level of Directors fees. The results of this review are included in the Directors' Remuneration Report.

It is the Board's intention that the Board evaluation process will be externally facilitated by an independent facilitator every three years, the next such review to be conducted in 2021.

Potential new Directors are identified against the requirements of the Company's business and the need to have a balance of skills, experience, independence, diversity and knowledge of the Company within the Board.

Going Concern

The Company's assets consist mainly of equity shares in companies listed on the London Stock Exchange and in most circumstances are realisable within a short timescale. The Board has set limits for borrowing and derivative contract positions and regularly reviews actual exposures, cash flow projections and compliance with loan covenants.

The repayment of the Company's £28.6 million 7 7/8% Debenture Stock is due on 30 April 2019 and has been pre-financed through the issue of £30 million 3.99% Loan Notes which are repayable in December 2045, the proceeds of which are invested in a portfolio of fixed interest securities which broadly match the duration of the Debenture and which will be realised to repay the Debenture Stock.

The Directors believe that the Company has adequate financial resources to continue in operational existence for the foreseeable future and for at least twelve months from the date of this Report. Accordingly, they continue to adopt the going concern basis of accounting in preparing the financial statements.

Accountability and Audit

The respective responsibilities of the Directors and the auditor in connection with the financial statements appear on pages 46 and 52.

Each Director confirms that, so far as he or she is aware, there is no relevant audit information of which the Company's auditor is unaware, and they have taken all the steps that they could reasonably be expected to have taken as Directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Independent Auditor

The Company's auditor, Deloitte LLP, has indicated its willingness to remain in office. The Board will propose resolutions at the Annual General Meeting to appoint Deloitte LLP as auditor for the ensuing year and to authorise the Directors to determine its remuneration.

Relations with Shareholders

The Directors place a great deal of importance on communications with shareholders. Shareholders and investors may obtain up to date information on the Company through its website and the Manager's information service.

The Board's policy is to communicate directly with shareholders and their representative bodies without the involvement of the management group (including the Company Secretary or the Manager) in situations where direct communication is required, and representatives from the Board meet with major shareholders on an annual basis in order to gauge their views. In addition, the Company Secretary only acts on behalf of the Board, not the Manager, and there is no filtering of communication. At each Board meeting the Board receives full details of any communication from shareholders to which the Chairman responds personally as appropriate.

The notice of the Annual General Meeting is sent out at least 20 working days in advance of the meeting. All shareholders have the opportunity to put questions to the Board and Manager at the meeting.

Global Greenhouse Gas Emissions

The Company has no greenhouse gas emissions to report from its operations, nor does it have responsibility for any other emissions producing sources under the Companies Act 2006 (Strategic Report and Directors' Reports) Regulations 2013.

Disclosures in Strategic Report

In accordance with Section 414 C (11) of the Companies Act 2006, the following information otherwise required to be set out in the Directors' Report has been included in the Strategic Report: risk management objectives and policies and likely future developments in the business.

Annual General Meeting

The Annual General Meeting will be held at Discovery Point, Discovery Quay, Dundee DD1 4XA on Thursday 23 May 2019 at 12 noon. The Notice of the Meeting is included on pages 91 to 94. Resolutions including the following business will be proposed:

Allotment of Shares

Resolution 11 will be proposed as an ordinary resolution to confer an authority on the Directors, in substitution for any existing authority, to allot up to 33.33% of the issued Ordinary share capital of the Company (excluding treasury shares) as at the date of the passing of the resolution (up to a maximum aggregate nominal amount of £12,354,890 based on the number of Ordinary shares in issue as at the date of this Report) in accordance with Section 551 of the Companies Act 2006. The authority conferred by this resolution will expire at the next Annual General Meeting of the Company or, if earlier, 31 July 2020 (unless previously revoked, varied or extended by the Company in general meeting).

The Directors consider that the authority proposed to be granted by resolution 11 is necessary to retain flexibility, although they do not at the present time have any intention of exercising such authority.

Limited Disapplication of Pre-emption Provisions

Resolution 12 will be proposed as a special resolution and seeks to give the Directors power to allot Ordinary shares and to sell Ordinary shares held in treasury (see below) (i) by way of a rights issue (subject to certain exclusions); (ii) by way of an open offer or other offer of securities (not being a rights issue) in favour of existing shareholders in proportion to their shareholdings (subject to certain exclusions); and (iii) to persons other than existing shareholders for cash up to a maximum aggregate nominal amount representing 5% of the Company's issued Ordinary share capital as at the date of the passing of the resolution (up to an aggregate nominal amount of £1,853,418 based on the number of Ordinary shares in issue as at the date of this Report), without first being required to offer such shares to existing shareholders pro rata to their existing shareholding.

This power will expire at the conclusion of the next Annual General Meeting of the Company or, if earlier, 31 July 2020 (unless previously revoked, varied or extended by the Company in general meeting).

The Company may buy back and hold shares in treasury and then sell them at a later date for cash rather than cancelling them. Such sales are required to be on a pre-emptive, pro rata basis to existing shareholders unless shareholders agree by special resolution to disapply such pre-emption rights. Accordingly, in addition to giving the Directors power to allot unissued Ordinary share capital on a non pre-emptive basis, resolution 12 will also give the Directors power to sell Ordinary shares held in treasury on a non pre-emptive basis, subject always in both cases to the limitations noted above. Pursuant to this power, Ordinary shares would only be issued for cash, and treasury shares would only be sold for cash, at a premium to the net asset value per share (calculated after the deduction of prior charges at market value). Treasury shares are explained in more detail under the heading "Market Purchase of the Company's own Ordinary Shares" below.

Market Purchase of the Company's own Ordinary Shares

Resolution 13 will be proposed as a special resolution to authorise the Company to make market purchases of its own Ordinary shares. The Company may do either of the following things in respect of its own Ordinary shares which it buys back and does not immediately cancel but, instead, holds in treasury:

- sell such shares (or any of them) for cash (or its equivalent); or
- ultimately cancel the shares (or any of them).

Treasury shares may be resold quickly and cost effectively. The Directors therefore intend to continue to take advantage of this flexibility as they deem appropriate. Treasury shares also enhance the Directors' ability to manage the Company's capital base.

No dividends will be paid on treasury shares and no voting rights attach to them.

The maximum aggregate number of Ordinary shares which may be purchased pursuant to the authority is 14.99% of the issued Ordinary share capital of the Company as at the date of the passing of the resolution (approximately 22.2 million Ordinary shares). The minimum price which may be paid for an Ordinary share is 25p (exclusive of expenses). The maximum price (exclusive of expenses) which may be paid for the shares is the higher of a) 5% above the average of the middle market quotations of the Ordinary shares (as derived from the Daily Official List of the London Stock Exchange) for the shares for the five business days immediately preceding the date of purchase; and b) the higher of the price of the last independent trade and the highest current independent bid on the main market for the Ordinary shares.

This authority, if conferred, will expire at the conclusion of the next Annual General Meeting of the Company or, if earlier, 31 July 2020 (unless previously revoked, varied or extended by the Company in general meeting) and will be exercised only if it would result in an increase in net asset value per Ordinary share for the remaining shareholders and if it is in the best interests of shareholders as a whole.

Recommendation

The Directors consider that the resolutions to be proposed at the Annual General Meeting are in the best interests of the Company and its shareholders and recommend that shareholders vote in favour of the resolutions as they intend to do in respect of their own beneficial shareholdings, amounting to 38,296 Ordinary shares, representing 0.03% of the issued share capital.

By order of the Board
Aberdeen Asset Management PLC
Company Secretary
40 Princes Street
Edinburgh EH2 2BY
27 March 2019

Directors' Remuneration Report

This Directors' Remuneration Report comprises three parts:

1. a Remuneration Policy which is subject to a binding shareholder vote every three years (or sooner if varied during this interval) – most recently voted on at the Annual General Meeting on 23 May 2017;
2. an Implementation Report which is subject to an advisory vote on the level of remuneration paid during the year; and
3. an Annual Statement.

Company law requires the Company's auditor to audit certain of the disclosures provided in the Directors' Remuneration Report. Where disclosures have been audited, they are indicated as such. The auditor's report is included on pages 47 to 54.

Remuneration Policy

The Directors' Remuneration Policy takes into consideration the principles of UK corporate governance and the AIC's recommendations regarding the application of those principles to investment companies. There were no changes to the Directors' Remuneration Policy during the year nor are there any proposals for changes in the foreseeable future.

No shareholder views were sought in setting the remuneration policy although any comments received from shareholders are considered.

Directors' remuneration is determined by the Nomination and Remuneration Committee, which is chaired by Catherine Claydon and comprises all of the Directors.

Directors' fees are set within the limits of the Company's Articles of Association which limit the aggregate fees payable to the Board of Directors per annum. The current limit is £200,000 per annum and may only be increased by shareholder resolution. The Board's policy is that the remuneration of non-executive Directors should be sufficient to attract Directors of the quality required to run the Company successfully. The remuneration should also reflect the nature of the Directors' duties, responsibilities, the value of their time spent and be fair and comparable to that of other investment trusts that are similar in size, and have similar capital structures and similar investment objectives.

The levels of fees at the year end are set out in the table below. Fees are reviewed annually and, if considered appropriate, increased accordingly.

	31 January 2019 £	31 January 2018 £
Chairman	33,750	33,000
Chairman of Audit Committee	26,000	25,500
Director	22,500	22,000

An additional fee of £2,000 per annum is payable to the Senior Independent Director.

Appointment

- The Company only intends to appoint non-executive Directors.
- All the Directors are non-executive and are appointed under the terms of letters of appointment.
- Directors are required to retire and be subject to election at the first Annual General Meeting after their appointment, and be subject to re-election at least every three years thereafter. However, given recent changes to the UK Code of Corporate Governance, the Board has decided that all Directors will retire annually.
- Any Director newly appointed to the Board will receive the fee applicable to each of the other Directors at the time of appointment together with any other fee then currently payable in respect of a specific role which the new Director is to undertake for the Company.
- No incentive or introductory fees will be paid to encourage a person to become a Director.
- Directors are not eligible for bonuses, pension benefits, share options, long term incentive schemes or other benefits.
- Directors are entitled to re-imbursement of out-of-pocket expenses incurred in connection with the performance of their duties, including travel expenses.
- The Company indemnifies its Directors for all costs, charges, losses, expenses and liabilities which may be incurred in the discharge of duties as a Director of the Company.

Performance, Service Contracts, Compensation and Loss of Office

- Directors' remuneration is not subject to any performance related fee.
- No Director has a service contract.
- No Director was interested in contracts with the Company during the period or subsequently.
- The terms of appointment provide that a Director may be removed without notice.
- Compensation will not be due upon leaving office.
- No Director is entitled to any other monetary payment or any assets of the Company.

Directors' Remuneration Report continued

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

It is the Board's intention that this Remuneration Policy will apply for the three year period ending 31 January 2020.

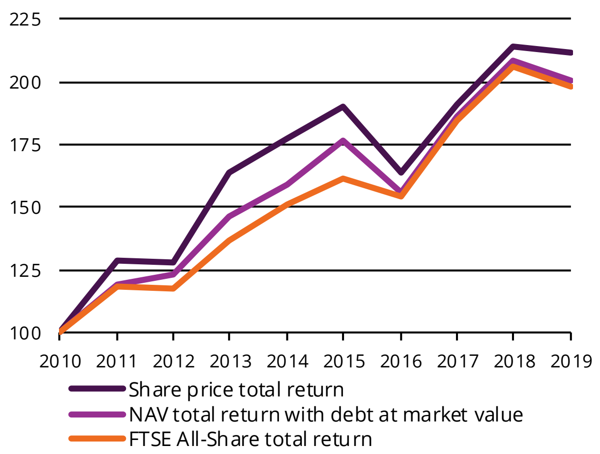
Implementation Report

Review of Directors' Fees

During the year, the Board engaged the services of an independent firm, Stephenson Executive Search, to conduct a review of the level of Directors' fees and, following this review, it was agreed that, with effect from 1 February 2019, fees should be increased to £35,000 for the Chairman, £27,000 for the Audit Committee Chairman and £23,000 for the other Directors. It was also agreed that an additional fee of £2,000 per annum should continue to be payable to the Senior Independent Director. There are no further fees to disclose as the Company has no employees, chief executive or executive directors.

Company Performance

The graph below shows the share price and NAV total return (assuming all dividends are reinvested) to Ordinary shareholders compared to the total return from the FTSE All-Share Index for the ten year period to 31 January 2019 (rebased to 100 at 31 January 2009). This Index was chosen for comparison purposes as it is the benchmark used for investment performance measurement purposes.



Statement of Voting at General Meeting

At the Company's last Annual General Meeting, held on 24 May 2018, shareholders approved the Directors' Remuneration Report (excluding the Directors' Remuneration Policy) in respect of the year ended 31 January 2018. 98.3% of proxy votes were in favour of the resolution, 1.1% were against and 0.6% abstained.

At the Annual General Meeting held on 23 May 2017, shareholders approved the Directors' Remuneration Policy. 97.8% of proxy votes were in favour of the resolution, 1.4% were against and 0.8% abstained. A resolution to approve the Directors' Remuneration Report (excluding the Directors' Remuneration Policy) in respect of the year ended 31 January 2019 will be proposed at the Annual General Meeting.

Spend on Pay

As the Company has no employees, the Directors do not consider it appropriate to present a table comparing remuneration paid to employees with distributions to shareholders. The total fees paid to Directors are shown below.

Audited Information

Fees Payable

The Directors who served during the year received the following fees, which exclude employers' National Insurance contributions.

Director	2019 £	2018 £
David Barron [A]	33,750	29,599
John Carson [B]	7,706	26,787
Catherine Claydon [C]	23,689	22,000
Jasper Judd	26,000	25,500
Elisabeth Scott	22,500	22,000
Howard Williams [D]	18,750	-
Total	**132,395**	**125,886**

[A] Appointed as Chairman on 23 May 2017
[B] Received a Chairman's fee from 20 December 2016 until 23 May 2017 in his capacity as Acting Chairman. Retired 24 May 2018
[C] Appointed Senior Independent Director on 27 June 2018
[D] Appointed 1 April 2018

Fees are pro-rated where a change takes place during a financial year. There were no payments to third parties included in the fees referred to in the table above.

Directors' Interests in the Company

The Directors are not required to have a shareholding in the Company. The Directors (including their connected persons) at 31 January 2019 and 31 January 2018 had no interest in the share capital of the Company other than those interests, all of which are beneficial, shown in the following table.

	31 January 2019 Ordinary shares	31 January 2018 Ordinary shares
David Barron	13,977	11,108
John Carson [A]	40,000	40,000
Catherine Claydon	4,000	4,000
Jasper Judd	5,000	4,000
Elisabeth Scott	4,800	4,800
Howard Williams	10,406	-

[A] As at date of retirement on 24 May 2018

Since the year end Howard Williams has acquired an additional 113 Ordinary shares. There have been no other changes to the Directors' interests in the share capital of the Company since the year end up to the date of approval of this Report.

Annual Statement

On behalf of the Board and in accordance with Part 2 of Schedule 8 of the Large and Medium-sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2013, it is confirmed that the above Remuneration Report summarises, as applicable, for the year to 31 January 2019:

- the major decisions on Directors' remuneration;
- any substantial changes relating to Directors' remuneration made during the year; and
- the context in which the changes occurred and decisions have been taken.

Catherine Claydon
Chairman of Nomination and Remuneration Committee
27 March 2019

Audit Committee's Report

The Audit Committee presents its Report for the year ended 31 January 2019.

Committee Composition

At the end of the year the Audit Committee consisted of all the Directors except for the Chairman of the Board, David Barron. Mr Barron stepped down from the Committee in September 2018 following the publication by the FRC in July 2018 of a new UK Code of Corporate Governance (the "2018 UK Code") which stipulates that the chairman of a board of a company with a premium listing should not be a member of the audit committee. The Audit Committee is chaired by Jasper Judd who is a Chartered Accountant and has recent and relevant financial experience. The Board is satisfied that the Committee as a whole has competence relevant to the investment trust sector.

Functions of the Audit Committee

The principal role of the Audit Committee is to assist the Board in relation to the reporting of financial information, the review of financial controls and the management of risk. The Committee has defined terms of reference which are reviewed and re-assessed for their adequacy on at least an annual basis. Copies of the terms of reference are published on the Company's website and are available from the Company on request.

The Committee's main functions are listed below:

- to review and monitor the internal control systems and risk management systems (including review of non financial risks) on which the Company is reliant (the Directors' statement on the Company's internal controls and risk management is set out below);
- to consider whether there is a need for the Company to have its own internal audit function;
- to monitor the integrity of the half-yearly and annual financial statements of the Company by reviewing, and challenging where necessary, the actions and judgements of the Manager;
- to review, and report to the Board on, the significant financial reporting issues and judgements made in connection with the preparation of the Company's financial statements, half-yearly financial reports, announcements and related formal statements;
- to review the content of the Annual Report and advise the Board on whether, taken as a whole, it is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy;
- to meet with the auditor to review the proposed audit programme of work and the findings of the auditor. The Committee shall also use this as an opportunity to assess the effectiveness of the audit process;
- to develop and implement policy on the engagement of the auditor to supply non-audit services. Non-audit fees paid to the auditor during the year under review amounted to £8,000 (2018: £7,000), comprising £6,000 (2018: £6,000) for the review of the Half-Yearly Financial Report and £2,000 (2018: £1,000) for the annual review of compliance with the debenture stock covenants. All non-audit services must be approved in advance by the Audit Committee and will be reviewed in the light of statutory requirements and the need to maintain the auditor's independence;
- to review a statement from the Standard Life Aberdeen Group detailing the arrangements in place within the group whereby staff may, in confidence, escalate concerns about possible improprieties in matters of financial reporting or other matters;
- to make recommendations in relation to the appointment of the auditor and to approve the remuneration and terms of engagement of the auditor; and
- to monitor and review the auditor's independence, objectivity, effectiveness, resources and qualification.

Activities During the Year

The Audit Committee met twice during the year when, amongst other things, it considered the Annual Report and the Half-Yearly Financial Report in detail. Representatives of the Standard Life Aberdeen Group's internal audit, risk and compliance departments reported to the Committee at these meetings on matters such as internal control systems, risk management and the conduct of the business in the context of its regulatory environment.

Internal Controls and Risk Management

There is an ongoing process for identifying, evaluating and managing the Company's significant business and operational risks, that has been in place for the year ended 31 January 2019 and up to the date of approval of the Annual Report, is regularly reviewed by the Board and accords with the FRC's guidance on internal controls.

The Board has overall responsibility for ensuring that there is a system of internal controls in place and a process for reviewing its effectiveness. Any system of internal control is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The design, implementation and maintenance of controls and procedures to safeguard the assets of the Company and to manage its affairs properly extends to operational and compliance controls and risk management. The Board, through the Audit Committee, has prepared its own risk register which lists potential risks as set out in the

Strategic Report on pages 10 to 13. The Board considers the potential cause and possible effect of these risks as well as reviewing the controls in place to mitigate them.

Clear lines of accountability have been established between the Board and the Manager. The Board receives regular reports covering key performance and risk indicators and considers control and compliance issues brought to its attention. In carrying out its review, the Board has had regard to the activities of the Standard Life Aberdeen Group, including its internal audit and compliance functions, and the auditor.

The Board has reviewed the Standard Life Aberdeen Group's process for identifying and evaluating the significant risks faced by the Company and the policies and procedures by which these risks are managed. The Board has also reviewed the effectiveness of the Standard Life Aberdeen Group's system of internal control including its annual internal controls report prepared in accordance with the International Auditing and Assurance Standards Board's International Standard on Assurances Engagements ("ISAE") 3402, "Assurance Reports on Controls at a Service Organization".

Risks are identified and documented through a risk management framework by each function within the Standard Life Aberdeen Group's activities. Risk is considered in the context of the FRC's guidance on internal controls and includes financial, regulatory, market, operational and reputational risk. This helps the internal audit risk assessment model identify those functions for review. Any weaknesses identified are reported to the Board and timetables are agreed for implementing improvements to systems. The implementation of any remedial action required is monitored and feedback provided to the Board.

The key components designed to provide effective internal control are outlined below:

- written agreements are in place which specifically define the roles and responsibilities of the Manager and other third party service providers;
- the Board and Manager have agreed clearly defined investment criteria, specified levels of authority and exposure limits. Reports on these issues, including performance statistics and investment valuations, are regularly submitted to the Board;
- the Manager prepares forecasts and management accounts which allow the Board to assess the Company's activities and review its performance; the emphasis is on obtaining the relevant degree of assurance and not merely reporting by exception;
- as a matter of course the Standard Life Aberdeen Group's compliance department continually reviews its operations; and
- at its meeting in March 2019, the Audit Committee carried out an annual assessment of internal controls for the year ended 31 January 2019 by considering documentation from the Standard Life Aberdeen Group, including the internal audit and compliance functions and taking account of events since 31 January 2019.

The Board has considered the need for an internal audit function. However, the Company has no employees and the day-to-day management of the Company's assets has been delegated to the Standard Life Aberdeen Group which has its own compliance and internal control systems. The Board has therefore decided to place reliance on those systems and internal audit procedures and has concluded that it is not necessary for the Company to have its own internal audit function.

Financial Statements and Significant Issues

During its review of the Company's financial statements for the year ended 31 January 2019, the Audit Committee considered the following significant issues, in particular those communicated by the auditor during its planning and reporting of the year end audit:

Valuation and Existence of Investments

How the issue was addressed - The Company's investments have been valued in accordance with the accounting policies, as disclosed in note 2 to the financial statements. All investments are in quoted securities in active markets, are considered to be liquid and have been categorised as Level 1 and 2 within the FRS102 fair value hierarchy. The portfolio holdings and their pricing is reviewed and verified by the Manager on a regular basis and management accounts, including a full portfolio listing, are prepared for each Board meeting. The Company uses the services of an independent Depositary (The Bank of New York Mellon (International) Limited) to hold the assets of the Company. The Depositary checks the consistency of its records with those of the Manager on a monthly basis and reports to the Board on an annual basis.

Recognition of Investment Income

How the issue was addressed - The recognition of investment income is undertaken in accordance with the stated accounting policies. In addition, the Directors review the Company's income, revenue forecasts and dividend comparisons at each Board meeting.

Audit Committee's Report continued

Maintenance of Investment Trust Status

How the issue was addressed - The Company has been approved as an investment trust under Sections 1158 and 1159 of the Corporation Tax Act 2010. Ongoing compliance with the eligibility criteria is monitored on a regular basis by the Manager and reported at each Board meeting.

Review of Auditor

The Audit Committee has reviewed the effectiveness of the auditor, Deloitte LLP ("Deloitte"), including:

- Independence - the auditor discusses with the Audit Committee, at least annually, the steps it takes to ensure its independence and objectivity and makes the Committee aware of any potential issues, explaining all relevant safeguards.

- Quality of audit work - including the ability to resolve issues in a timely manner (identified issues are satisfactorily and promptly resolved), its communications/presentation of outputs (the explanation of the audit plan, any deviations from it and the subsequent audit findings are comprehensive and comprehensible), and working relationship with management (the auditor has a constructive working relationship with the Manager).

- Quality of people and service - including continuity and succession plans (the audit team is made up of sufficient, suitably experienced staff with provision made for knowledge of the investment trust sector and retention on rotation of the audit partner).

In reviewing the auditor, the Committee also took into account the FRC's Audit Quality Inspection Report for Deloitte.

Tenure of the Auditor

Deloitte was initially appointed as the Company's auditor at the Annual General Meeting on 23 May 2017. In accordance with present professional guidelines the audit partner is rotated after no more than five years and the year ended 31 January 2019 is the second year for which the present audit partner, Andrew Partridge, has served.

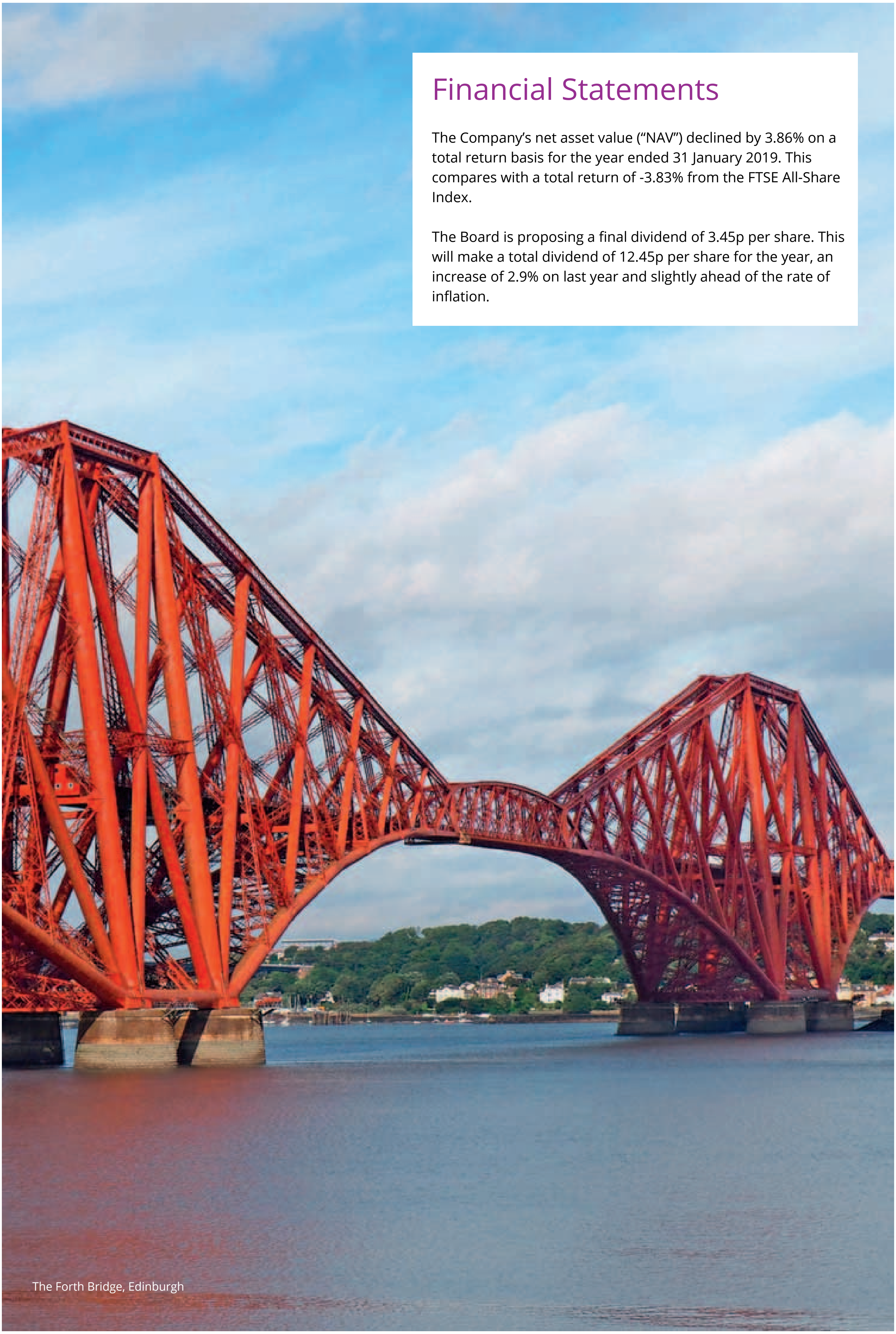
The Audit Committee is satisfied that Deloitte is independent and therefore supports the recommendation to the Board that the re-appointment of Deloitte be put to shareholders for approval at the Annual General Meeting.

Jasper Judd
Chairman of the Audit Committee
27 March 2019

Financial Statements

The Company's net asset value ("NAV") declined by 3.86% on a total return basis for the year ended 31 January 2019. This compares with a total return of -3.83% from the FTSE All-Share Index.

The Board is proposing a final dividend of 3.45p per share. This will make a total dividend of 12.45p per share for the year, an increase of 2.9% on last year and slightly ahead of the rate of inflation.



The Forth Bridge, Edinburgh

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations. Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with UK Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland'.

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

In preparing these financial statements, the Directors are required to:

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

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Under applicable law and regulations, the Directors are also responsible for preparing a Strategic Report, Directors' Report, Directors' Remuneration Report and Statement of Corporate Governance that comply with that law and those regulations.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website, but not for the content of any information included on the website that has been prepared or issued by third parties. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Directors confirm that to the best of their knowledge:

- the financial statements have been prepared in accordance with applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company; and
- in the opinion of the Directors, the Annual Report taken as a whole, is fair, balanced and understandable and it provides the information necessary to assess the Company's position and performance, business model and strategy; and
- the Strategic Report and Directors' Report include a fair review of the development and performance of the business and the position of the Company, together with a description of the principal risks and uncertainties that the Company faces.

On behalf of the Board
David Barron
Chairman
27 March 2019

Independent Auditor's Report to the Members of Dunedin Income Growth Investment Trust PLC

Report on the Audit of the Financial Statements

Opinion

In our opinion the financial statements of Dunedin Income Growth Investment Trust plc (the "Company"):

- **give a true and fair view of the state of the Company's affairs as at 31 January 2019 and of its return for the year then ended;**
- **have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Statement of Recommended Practice: 'Financial Statements of Investment Trust Companies and Venture Capital Trusts' ("AIC SORP") issued by the Association of Investment Companies in November 2014; and**
- **have been prepared in accordance with the requirements of the Companies Act 2006.**

We have audited the financial statements which comprise:

- the Statement of Comprehensive Income;
- the Statement of Financial Position;
- the Statement of Changes in Equity;
- the Statement of Cash Flows; and
- the related notes 1 to 20.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 (United Kingdom Generally Accepted Accounting Practice).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the "FRC's") Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We confirm that the non-audit services prohibited by the FRC's Ethical Standard were not provided to the Company.

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

Summary of Our Audit Approach

Key audit matters	The key audit matter that we identified in the current year was valuation and ownership of listed investments. Within this report, any new key audit matters are identified with and any key audit matters which are the same as the prior year identified with .
Materiality	The materiality that we used in the current year was £4.0 million which was determined on the basis of 1% of net assets at 31 January 2019.
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.

Independent Auditor's Report to the Members of Dunedin Income Growth Investment Trust PLC continued

Significant changes in our approach	No significant changes in our approach.

Conclusions Relating to Going Concern, Principal Risks and Viability Statement

Going Concern

We have reviewed the Directors' statement in note 1 (a) to the financial statements about whether they considered it appropriate to adopt the going concern basis of accounting in preparing them and their identification of any material uncertainties to the Company's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements.

We confirm that we have nothing material to report, add or draw attention to in respect of these matters.

We considered as part of our risk assessment the nature of the Company, its business model and related risks including where relevant the impact of Brexit, the requirements of the applicable financial reporting framework and the system of internal control. We evaluated the Directors' assessment of the Company's ability to continue as a going concern, including challenging the underlying data and key assumptions used to make the assessment, and evaluated the Directors' plans for future actions in relation to their going concern assessment.

We are required to state whether we have anything material to add or draw attention to in relation to that statement required by Listing Rule 9.8.6R(3) and report if the statement is materially inconsistent with our knowledge obtained in the audit.

Principal Risks and Viability Statement

Based solely on reading the Directors' statements and considering whether they were consistent with the knowledge we obtained in the course of the audit, including the knowledge obtained in the evaluation of the Directors' assessment of the Company's ability to continue as a going concern, we are required to state whether we have anything material to add or draw attention to in relation to:

We confirm that we have nothing material to report, add or draw attention to in respect of these matters.

- the disclosures on pages 10 to 13 that describe the principal risks and explain how they are being managed or mitigated;
- the Directors' confirmation on page 46 that they have carried out a robust assessment of the principal risks facing the Company, including those that would threaten its business model, future performance, solvency or liquidity; or
- the Directors' explanation on page 14 as to how they have assessed the prospects of the Company, over what period they have done so and why they consider that period to be appropriate, and their statement as to whether they have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

We are also required to report whether the Directors' statement relating to the prospects of the Company required by Listing Rule 9.8.6R(3) is materially inconsistent with our knowledge obtained in the audit.

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.

Valuation and Ownership of Listed Investments	
Key audit matter description	The quoted investments of the Company of £465.3 million (2018: £505.3 million) make up 116.0% (2018: 98.0%) of the total net assets as at the year end Please see note 10. Quoted investments are valued at the closing bid price at the year end. There is a risk that quoted investments may not be valued correctly or may not represent the property of the Company. Given the nature and size of the balance and its importance to the Company, we have considered that there is a potential risk of fraud in this area. See Accounting policy at note 2(c) and detailed disclosures at note 10. This key audit matter was included as a significant issue in the Audit Committee Report on page 43.
How the scope of our audit responded to the key audit matter	We have performed the following procedures to test the valuation and ownership of investments at 31 January 2019: • evaluated the design and implementation of controls at BNP Paribas ("BNP") over the ownership and valuation of quoted investments; • agreed 100% of the Company's quoted investment portfolio at the year end to confirmations received directly from the custodian and depositary; and • agreed 100% of the bid prices of quoted investments on the investment ledger at the year end to closing bid prices published by an independent pricing source. In addition we: • tested the recording of a sample of purchases and sales of quoted investments by agreeing the transactions to supporting documentation and tracing the cash movements to bank statements; and • assessed the completeness and appropriateness of disclosures in relation to fair value measurements and liquidity risk.
Key observations	No misstatements were identified which required reporting to those charged with governance.

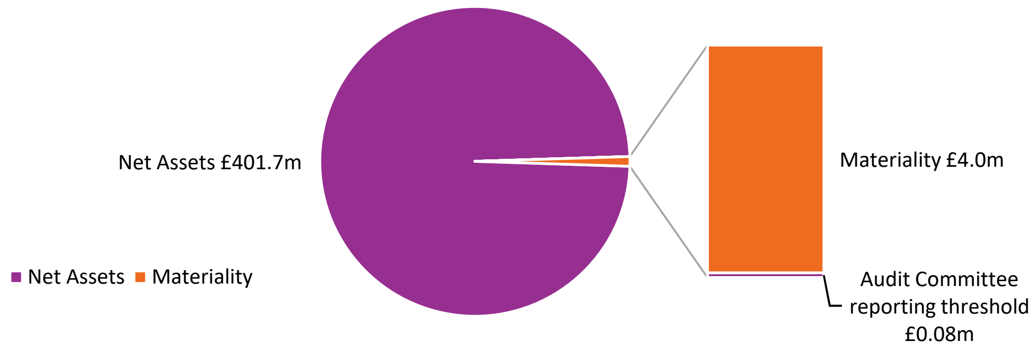
Independent Auditor's Report to the Members of Dunedin Income Growth Investment Trust PLC continued

Our Application of 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	£4.0 million (2018: £4.4 million)
Basis for determining materiality	1% of net assets as at the year end. This basis was also used in the prior year.
Rationale for the benchmark applied	Net assets has been chosen as a benchmark as it is considered the most relevant benchmark for investors and is a key driver of shareholder value.



We agreed with the Audit Committee that we would report to the Committee all audit differences in excess of £80,000 (2018: 88,400), 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.

An Overview of the Scope of our Audit

There were no changes to the scope of our audit since prior year. 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 designed to respond to the risks of material misstatement was performed directly by the audit engagement team.

As part of our audit we assessed the controls in place at the administrator, BNP, who prepares the financial statements of the Company by reviewing a controls report over their activities.

Other Information

The Directors are responsible for the other information. The other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon.

We have nothing to report in respect of these matters.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated.

If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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. In this context, matters that we are specifically required to report to you as uncorrected material misstatements of the other information include where we conclude that:

- *Fair, balanced and understandable* – the statement given by the Directors that they consider the Annual Report and financial statements taken as a whole is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy, is materially inconsistent with our knowledge obtained in the audit; or
- *Audit committee reporting* – the section describing the work of the audit committee does not appropriately address matters communicated by us to the Audit Committee; or
- *Directors' statement of compliance with the UK Corporate Governance Code* – the parts of the Directors' statement required under the Listing Rules relating to the Company's compliance with the UK Corporate Governance Code containing provisions specified for review by the auditor in accordance with Listing Rule 9.8.10R(2) do not properly disclose a departure from a relevant provision of the UK Corporate Governance Code.

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.

Independent Auditor's Report to the Members of Dunedin Income Growth Investment Trust PLC continued

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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud are set out below.

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

Extent to which the Audit was Considered Capable of Detecting Irregularities, Including Fraud

We identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and then design and perform audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

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, our procedures included the following:

- enquiring of management, the administrator and the Audit Committee, including obtaining and reviewing supporting documentation, concerning the Company's 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 related to fraud or non-compliance with laws and regulations;
- discussing among the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud. As part of this discussion, we identified potential for fraud in the following area: Completeness and allocation of investment income as there is a potential risk that if investment income is manipulated so it is incomplete it could have a material impact on the Company's net asset value; and
- obtaining an understanding of the legal and regulatory framework that the Company operates in, focusing on those laws and regulations that had a direct effect on the financial statements or that had a fundamental effect on the operations of the Company. The key laws and regulations we considered in this context included the Companies Act 2006 and UK Listing Rules, as well as the Company's qualification as an investment trust under UK tax legislation.

Audit responses to risks identified

As a result of performing the above, we identified valuation and ownership of investments as a key audit matter. 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 relevant laws and regulations discussed above;
- enquiring of management and the Audit Committee concerning actual and potential litigation and claims;

- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

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

Report on Other Legal and Regulatory Requirements

Opinions on Other Matters Prescribed by the Companies Act 2006

In our opinion the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Strategic Report or the Directors' Report.

Matters on Which we are Required to Report by Exception

Adequacy of explanations received and accounting records

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

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns.

We have nothing to report in respect of these matters.

Directors' remuneration

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

We have nothing to report in respect of these matters.

Other Matters

Auditor tenure

Following the recommendation of the Audit Committee, we were appointed by the shareholders at the Annual General Meeting on 23 May 2017 to audit the financial statements for the year ending 31 January 2018 and subsequent financial periods. The period of total uninterrupted engagement including previous renewals and reappointments of the firm is two years, covering the years ending 31 January 2018 to 31 January 2019.

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).

Use of our Report

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

Andrew Partridge (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
Glasgow, United Kingdom
27 March 2019

Statement of Comprehensive Income

	Notes	Year ended 31 January 2019 Revenue £'000	Capital £'000	Total £'000	Year ended 31 January 2018 Revenue £'000	Capital £'000	Total £'000
(Losses)/gains on investments	10	–	(33,446)	(33,446)	–	30,708	30,708
Currency losses		–	(40)	(40)	–	(217)	(217)
Income	3	22,263	–	22,263	22,317	–	22,317
Investment management fee	4	(668)	(1,001)	(1,669)	(687)	(1,030)	(1,717)
Administrative expenses	5	(942)	–	(942)	(954)	–	(954)
Net return before finance costs and taxation		20,653	(34,487)	(13,834)	20,676	29,461	50,137
Finance costs	6	(1,450)	(2,165)	(3,615)	(1,445)	(2,159)	(3,604)
Return before taxation		19,203	(36,652)	(17,449)	19,231	27,302	46,533
Taxation	7	(332)	–	(332)	(262)	–	(262)
Return after taxation		**18,871**	**(36,652)**	**(17,781)**	**18,969**	**27,302**	**46,271**
Return per Ordinary share (pence)	9	**12.68**	**(24.63)**	**(11.95)**	**12.64**	**18.19**	**30.83**

The column of this statement headed "Total" represents the profit and loss account of the Company.

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

The accompanying notes are an integral part of the financial statements.

Statement of Financial Position

	Notes	As at 31 January 2019 £'000	As at 31 January 2018 £'000
Non-current assets			
Equity securities		437,108	477,015
Fixed interest securities		28,214	28,246
Investments at fair value through profit or loss	10	465,322	505,261
Current assets			
Debtors	11	3,708	2,022
Cash and cash equivalents		3,548	5,983
		7,256	8,005
Creditors: amounts falling due within one year			
Bank loan	12	(11,427)	(11,476)
Debenture Stock	12	(28,597)	–
Other creditors	12	(1,098)	(1,107)
		(41,122)	(12,583)
Net current liabilities		(33,866)	(4,578)
Total assets less current liabilities		431,456	500,683
Creditors: amounts falling due after more than one year	13	(29,725)	(58,299)
Net assets		**401,731**	**442,384**
Capital and reserves			
Called-up share capital	14	38,419	38,419
Share premium account		4,619	4,619
Capital redemption reserve		1,606	1,606
Capital reserve		330,402	370,634
Revenue reserve		26,685	27,106
Equity shareholders' funds		**401,731**	**442,384**
Net asset value per Ordinary share (pence)	16	**270.90**	**295.55**

The financial statements were approved and authorised for issue by the Board of Directors on 27 March 2019 and were signed on its behalf by:

David Barron
Director

The accompanying notes are an integral part of the financial statements.

Statement of Changes in Equity

For the year ended 31 January 2019

	Notes	Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
Balance at 31 January 2018		38,419	4,619	1,606	370,634	27,106	442,384
Return after taxation		–	–	–	(36,652)	18,871	(17,781)
Dividends paid	8	–	–	–	–	(19,292)	(19,292)
Buyback of Ordinary shares for treasury		–	–	–	(3,580)	–	(3,580)
Balance at 31 January 2019		**38,419**	**4,619**	**1,606**	**330,402**	**26,685**	**401,731**

For the year ended 31 January 2018

	Notes	Share capital £'000	Share premium account £'000	Capital redemption reserve £'000	Capital reserve £'000	Revenue reserve £'000	Total £'000
Balance at 31 January 2017		38,419	4,619	1,606	345,486	25,680	415,810
Return after taxation		–	–	–	27,302	18,969	46,271
Dividends paid	8	–	–	–	–	(17,543)	(17,543)
Buyback of Ordinary shares for treasury		–	–	–	(2,154)	–	(2,154)
Balance at 31 January 2018		**38,419**	**4,619**	**1,606**	**370,634**	**27,106**	**442,384**

The Revenue reserve and the part of the Capital reserve represented by realised capital gains represent the amount of the Company's reserves distributable by way of dividend.

The accompanying notes are an integral part of the financial statements.

Statement of Cash Flows

	Notes	Year ended 31 January 2019 £'000	Year ended 31 January 2018 £'000
Operating activities			
Net return before finance costs and taxation		(13,834)	50,137
Adjustment for:			
Losses/(gains) on investments		33,446	(30,708)
Currency losses		40	217
Increase in accrued dividend income		(243)	(316)
Increase in accrued interest income		(253)	(33)
Stock dividends included in dividend income		(956)	(1,009)
Amortisation of fixed income book cost		633	362
Decrease/(increase) in other debtors excluding tax		6	(8)
Increase/(decrease) in other creditors		220	(127)
Net tax paid		(438)	(424)
Net cash flow from operating activities		18,621	18,091
Investing activities			
Purchases of investments		(198,438)	(80,500)
Sales of investments		203,936	83,013
Net cash from investing activities		5,498	2,513
Financing activities			
Interest paid		(3,593)	(3,578)
Dividends paid	8	(19,292)	(17,543)
Buyback of Ordinary shares for treasury		(3,580)	(2,154)
Net cash used in financing activities		(26,465)	(23,275)
Decrease in cash and cash equivalents		**(2,346)**	**(2,671)**
Analysis of changes in cash and cash equivalents during the year			
Opening balance		5,983	8,648
Effect of exchange rate fluctuations on cash held		(89)	6
Decrease in cash as above		(2,346)	(2,671)
Closing balance		**3,548**	**5,983**

The accompanying notes are an integral part of the financial statements.

Notes to the Financial Statements

For the year ended 31 January 2019

1. Principal activity

The Company is a closed-end investment company, registered in Scotland No. SC000881, with its Ordinary shares being listed on the London Stock Exchange.

2. Accounting policies

(a) Basis of preparation and going concern

The financial statements have been prepared in accordance with Financial Reporting Standard 102 and with the Statement of Recommended Practice 'Financial Statements of Investment Trust Companies and Venture Capital Trusts' issued in November 2014 and updated in February 2018 with consequential amendments. The financial statements are prepared in sterling which is the functional currency of the Company and rounded to the nearest £'000. They have also been prepared on a going concern basis and on the assumption that approval as an investment trust will continue to be granted.

The Directors have, at the time of approving the financial statements, a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements. Further detail is included in the Directors' Report (unaudited) on page 36.

Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements requires the use of certain significant accounting judgements, estimates and assumptions which requires management to exercise its judgement in the process of applying the accounting policies and are continually evaluated. The Board considers that there are no accounting judgements, estimates and assumptions which would significantly impact the financial statements.

(b) Revenue, expenses and interest payable

Income from equity investments (other than special dividends), including taxes deducted at source, is included in revenue by reference to the date on which the investment is quoted ex-dividend. Special dividends are credited to revenue or capital according to the circumstances. Foreign income is converted at the exchange rate applicable at the time of receipt. Interest receivable on short term deposits and expenses are accounted for on an accruals basis. Income from underwriting commission is recognised as earned. Interest payable is calculated on an effective yield basis. Stock lending income is recognised on an accruals basis.

The fixed returns on debt securities are recognised on a time apportionment basis so as to reflect the effective yield on the debt securities.

Underwriting commission is taken to revenue, unless any shares underwritten are required to be taken up, in which case the proportionate commission received is deducted from the cost of the investment.

Expenses are charged to capital when they are incurred in connection with the maintenance or enhancement of the value of investments. In this respect, the investment management fee and relevant finance costs including the amortisation of expenses and premium related to the debenture issue and loan note placement are allocated between revenue and capital in line with the Board's expectation of returns from the Company's investments over the long-term of 40% to revenue and 60% to capital.

(c) Investments

Investments have been designated upon initial recognition as fair value through profit or loss. Investments are recognised and de-recognised at trade date where a purchase or sale is under a contract whose terms require delivery within the timeframe established by the market concerned, and are measured initially at fair value. Subsequent to initial recognition, investments are recognised at fair value through profit or loss. For listed investments, this is deemed to be bid market prices or closing prices for SETS stocks sourced from the London Stock Exchange. SETS is the London Stock Exchange electronic trading service covering most of the market including all FTSE All-Share and the most liquid AIM constituents. Gains or losses arising from changes in fair value are included in net profit or loss for the period as a capital item in the Statement of Comprehensive Income.

(d) Dividends payable

Dividends payable to equity shareholders are recognised in the financial statements when they have been approved by Shareholders and become a liability of the Company. Interim dividends are recognised in the financial statements in the period in which they are paid.

(e) Nature and purpose of reserves

Called-up share capital

The Ordinary share capital on the Statement of Financial Position relates to the number of shares in issue and in treasury. Only when the shares are cancelled, either from treasury or directly, is a transfer made to the capital redemption reserve.

Share premium account

The balance classified as share premium includes the premium above nominal value from the proceeds on issue of any equity share capital comprising Ordinary shares of 25p.

Capital redemption reserve

The capital redemption reserve is used to record the amount equivalent to the nominal value of any of the Company's own shares purchased and cancelled in order to maintain the Company's capital.

Capital reserve

Gains or losses on disposal of investments and changes in fair values of investments are transferred to the capital reserve. The capital element of the management fee and relevant finance costs are charged to this reserve. Any associated tax relief is also credited to this reserve. The part of this reserve represented by realised capital gains is available for distribution by way of dividend.

The costs of share buybacks to be held in treasury are also deducted from this reserve.

Revenue reserve

Income and expenses which are recognised in the revenue column of the Statement of Comprehensive Income are transferred to the revenue reserve. The revenue reserve is available for distribution by way of dividend.

(f) Taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

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

(g) Foreign currency

Monetary assets and liabilities and non-monetary assets held at fair value denominated in foreign currencies are converted into sterling at the rate of exchange ruling at the reporting date. Transactions during the year involving foreign currencies are converted at the rate of exchange ruling at the transaction date. Gains or losses arising from a change in exchange rates subsequent to the date of a transaction are included as a currency gain or loss in revenue or capital in the Statement of Comprehensive Income, depending on whether the gain or loss is of a revenue or capital nature. The Company receives a proportion of its investment income in foreign currency. These amounts are translated at the rate ruling on the date of receipt.

(h) Traded options

The Company may enter into certain derivative contracts (e.g. options). Option contracts are accounted for as separate derivative contracts and are therefore shown in other assets or other liabilities at their fair value. The initial fair value is based on the initial premium, which is recognised upfront. The premium received and fair value changes in the open position which occur due to the movement in underlying securities are recognised in the revenue column, losses realised on the exercise of the contracts are recorded in the capital column of the Statement of Comprehensive Income.

In addition, the Company may enter into derivative contracts to manage market risk and gains or losses arising on such contracts are recorded in the capital column of the Statement of Comprehensive Income.

(i) Borrowings

Borrowings are measured initially at the fair value of the consideration received, net of any issue expenses, and subsequently at amortised cost using the effective interest method. The finance costs of such borrowings are accounted for on an accruals basis using the effective interest rate method and are charged 40% to revenue and 60% to capital in the Statement of Comprehensive Income to reflect the Company's investment policy and prospective income and capital growth.

3. Income

Income	2019 £'000	2018 £'000
Income from investments		
UK dividend income	15,706	15,383
Overseas dividends	3,160	3,203
Fixed income	946	1,290
Stock dividends	956	1,009
	20,768	20,885
Other income		
Income on derivatives	1,495	1,413
Underwriting commission	–	5
Income from stock lending	–	14
	1,495	1,432
Total income	**22,263**	**22,317**

During the year, the Company earned premiums totalling £1,495,000 (2018 – £1,413,000) in exchange for entering into derivative transactions. The Company had no open positions in derivative contracts at 31 January 2019 (2018 – no open positions). Losses realised on the exercise of derivative transactions are disclosed in note 10.

4. Management fee	2019 Revenue £'000	2019 Capital £'000	2019 Total £'000	2018 Revenue £'000	2018 Capital £'000	2018 Total £'000
Management fee	668	1,001	1,669	687	1,030	1,717

The Company has an agreement with Aberdeen Standard Fund Managers Limited ("ASFML") for the provision of investment management, risk management, accounting, administrative and secretarial services. The management fee is calculated and charged, on a monthly basis, at 0.45% per annum on the first £225 million, 0.35% per annum on the next £200 million and 0.25% per annum on amounts over £425 million of the net assets of the Company, with debt at par and excluding commonly managed funds. The balance due at the year end was £128,000 (2018 – £nil). The management fee is allocated 40% to revenue and 60% to capital. There were no commonly managed funds held in the portfolio during the year to 31 January 2019 (2018 – none).

The management agreement may be terminated by either party on six months' written notice.

5. Administrative expenses	2019 £'000	2018 £'000
Directors' fees	132	126
Auditor's remuneration (excluding irrecoverable VAT):		
· fees payable to the Company's auditor for the audit of the Company's annual accounts	20	19
· fees payable to the Company's auditor for other services		
– interim review	6	6
– other services	2	1
Promotional activities	372	372
Registrar's fees	47	45
Share plan fees	87	72
Printing and postage	48	49
Other expenses	228	264
	942	**954**

Expenses of £372,000 (2018 – £372,000) were paid to ASFML in respect of the promotion of the Company. The balance outstanding at the year end was £124,000 (2018 – £31,000).

All of the expenses above, with the exception of auditor's remuneration, include irrecoverable VAT where applicable. The VAT charged on the auditor's remuneration is disclosed within other expenses.

6. Finance costs	2019 Revenue £'000	2019 Capital £'000	2019 Total £'000	2018 Revenue £'000	2018 Capital £'000	2018 Total £'000
Bank loan	54	82	136	50	75	125
Debenture Stock	901	1,351	2,252	901	1,352	2,253
Amortised Debenture Stock premium and issue expenses	5	8	13	5	8	13
Loan Notes – repayable after more than 5 years	479	718	1,197	479	718	1,197
Amortised Loan Notes issue expenses	4	6	10	4	6	10
Bank overdraft	7	–	7	6	–	6
	1,450	**2,165**	**3,615**	**1,445**	**2,159**	**3,604**

Finance costs (excluding bank overdraft interest) are allocated 40% to revenue and 60% to capital.

7. Taxation	2019 Revenue £'000	2019 Capital £'000	2019 Total £'000	2018 Revenue £'000	2018 Capital £'000	2018 Total £'000
(a) Analysis of charge for the year						
Overseas tax suffered	551	–	551	498	–	498
Overseas tax reclaimable	(219)	–	(219)	(236)	–	(236)
Total tax charge for the year	**332**	**–**	**332**	**262**	**–**	**262**

(b) Factors affecting the tax charge for the year

The UK corporation tax rate is 19% (2018 – effective rate of 19.17%). The tax assessed for the year is lower than the rate of corporation tax. The differences are explained below:

	2019 Revenue £'000	2019 Capital £'000	2019 Total £'000	2018 Revenue £'000	2018 Capital £'000	2018 Total £'000
Return before taxation	19,203	(36,652)	(17,449)	19,231	27,302	46,533
Corporation tax at 19% (2018 – 19.17%)	3,649	(6,964)	(3,315)	3,687	5,234	8,921
Effects of:						
Non-taxable UK dividend income	(2,925)	–	(2,925)	(2,948)	–	(2,948)
Non-taxable stock dividends	(182)	–	(182)	(194)	–	(194)
Capital losses/(gains) on investments not taxable	–	6,355	6,355	–	(5,887)	(5,887)
Expenses not deductible for tax purposes	1	–	1	–	–	–
Currency losses not taxable	–	8	8	–	42	42
Overseas taxes	332	–	332	262	–	262
Non-taxable overseas dividends	(558)	–	(558)	(551)	–	(551)
Corporate interest restriction	–	–	–	123	184	307
Excess management expenses	15	601	616	(117)	427	310
Total tax charge	**332**	**–**	**332**	**262**	**–**	**262**

(c) Factors that may affect future tax charges

At the year end, the Company has, for taxation purposes only, accumulated unrelieved management expenses and loan relationship deficits of £126,416,000 (2018 – £121,573,000). A deferred tax asset in respect of this has not been recognised and these unrelieved expenses will only be utilised if the Company has profits chargeable to corporation tax in the future.

		2019	2018
8.	**Ordinary dividends on equity shares**	**£'000**	**£'000**
	Amounts recognised as distributions paid during the year:		
	Third interim dividend for 2018 – 2.575p (2017 – 2.575p)	3,854	3,876
	Final dividend for 2018 – 4.375p (2017 – 3.975p)	6,540	5,969
	First interim dividend for 2019 – 3.000p (2018 – 2.575p)	4,464	3,865
	Second interim dividend for 2019 – 3.000p (2018 – 2.575p)	4,449	3,865
	Return of unclaimed dividends	(15)	(32)
		19,292	**17,543**

A third interim dividend of 3.000p per Ordinary share was declared on 6 December 2018, payable on 22 February 2019 to shareholders on the register on 1 February 2019 and has not been included as a liability in these financial statements.

The proposed final dividend is subject to approval by shareholders at the Annual General Meeting and has not been included as a liability in these financial statements.

The table below sets out the total dividends paid and proposed in respect of the financial year, which is the basis upon which the requirements of Sections 1158–1159 of the Corporation Tax Act 2010 are considered. The net revenue available for distribution by way of dividend for the year is £18,871,000 (2018 – £18,969,000).

	2019	2018
	£'000	**£'000**
First interim dividend for 2019 – 3.000p (2018 – 2.575p)	4,464	3,865
Second interim dividend for 2019 – 3.000p (2018 – 2.575p)	4,449	3,865
Third interim dividend for 2019 – 3.000p (2018 – 2.575p)	4,449	3,857
Proposed final dividend for 2019 – 3.450p (2018 – 4.375p)	5,115	6,540
	18,477	**18,127**

19,150 Ordinary shares have been bought back since the year end and the proposed final dividend is based on the latest share capital of 148,273,519 Ordinary shares.

		2019		2018	
9.	**Return per Ordinary share**	**£'000**	**p**	**£'000**	**p**
	Revenue return	18,871	12.68	18,969	12.64
	Capital return	(36,652)	(24.63)	27,302	18.19
	Total return	**(17,781)**	**(11.95)**	**46,271**	**30.83**
	Weighted average number of Ordinary shares in issue		**148,838,510**		**150,103,822**

	Listed 2019 £'000	Listed 2018 £'000
10. Investments: listed at fair value through profit or loss		
Opening fair value	505,261	470,664
Opening investment holding gains	(126,163)	(101,391)
Opening book cost	379,098	369,273
Purchases at cost	198,533	81,375
Sales – proceeds	(205,026)	(77,486)
Sales – realised gains[A]	36,030	5,936
Closing book cost	408,635	379,098
Closing investment holdings gains	56,687	126,163
Closing fair value	**465,322**	**505,261**

(Losses)/gains on investments	2019 £'000	2018 £'000
Realised gains on sales[A]	36,030	5,936
Change in investment holdings gains	(69,476)	24,772
	(33,446)	**30,708**

[A] Includes losses realised on the exercise of traded options of £356,000 (2018 – £198,000). Premiums received of £1,495,000 (2018 – £1,413,000) are included within income per note 3.

Transaction costs

During the year expenses were incurred in acquiring or disposing of investments classified as fair value through profit or loss. These have been expensed through capital and are included within gains on investments in the Statement of Comprehensive Income. The total costs were as follows:

	2019 £'000	2018 £'000
Purchases	837	215
Sales	59	28
	896	**243**

The above transaction costs are calculated in line with the AIC SORP. The transaction costs in the Company's Key Information Document are calculated on a different basis and in line with the PRIIPs regulations.

Stock lending	2019 £'000	2018 £'000
Maximum aggregate value of securities on loan during the year	–	4,640
Fee income from stock lending	–	14

Stock lending is the temporary transfer of securities by a lender to a borrower, with an agreement by the borrower to return equivalent securities to the lender at an agreed date. Fee income is received for making the investments available to the borrower. The principal risks and rewards of holding the investments, namely the market movements in share prices and dividend income, are retained by the Company. In all cases the securities lent continue to be recognised on the Statement of Financial Position.

All stocks lent under these arrangements are fully secured by collateral. The value of the collateral held at 31 January 2019 was £nil (2018 – £nil).

11. Debtors: amounts falling due within one year	2019 £'000	2018 £'000
Net dividends and interest receivable	1,882	1,386
Tax recoverable	714	607
Amounts due from brokers	1,090	–
Other loans and receivables	22	29
	3,708	**2,022**

12. Creditors: amounts falling due within one year

(a) Bank loan	2019 £'000	2018 £'000
EUR 13,100,000 – 13 February 2018	–	11,476
EUR 13,100,000 – 14 February 2019	11,427	–
	11,427	**11,476**

The Company has a multi–currency revolving credit facility agreement (which expires 13 July 2021) with Scotiabank for £15,000,000, with the ability to increase to £30,000,000. At 31 January 2019 €13,100,000 had been drawn down at a rate of 0.9% (2018 – €13,100,000 at a rate of 0.8%), which matured on 14 February 2019. At the date this Report was approved €13,100,000 had been drawn down at a rate of 0.9%, maturing on 15 April 2019. The terms of the loan facility contain covenants that the adjusted asset coverage is not be less than 4.00 to 1.00 and that the minimum net assets of the Company are £200 million.

(b) Debenture Stock	2019 £'000	2018 £'000
7⅞% Debenture Stock 2019	28,600	–
Unamortised Debenture Stock premium and issue expenses	(3)	–
Amortised cost of Debenture Stock	**28,597**	**–**

The 7⅞% Debenture Stock was issued in 1997 and is due to be redeemed at par on 30 April 2019. Interest is payable in half-yearly instalments in April and October. The Debenture Stock is secured by a floating charge over the whole of the assets of the Company. The Company has complied with the Debenture Stock Trust Deed covenant that total borrowings should not be greater than adjusted capital and reserves throughout the year and up to the date this Report was signed.

The fair value of the Debenture Stock as at 31 January 2019 was £28,969,000 (2018 – £30,684,000), the value being calculated per the disclosure in note 17. The effect on the net asset value of deducting the Debenture Stock at fair value rather than at par is disclosed in note 16.

(c) Other creditors	2019 £'000	2018 £'000
Debenture Stock, Loan Notes and bank loan interest	751	753
Amounts due to stockbrokers	–	228
Sundry creditors	347	126
	1,098	**1,107**

13. Creditors: amounts falling due after more than one year	2019 £'000	2018 £'000
7⅞% Debenture Stock 2019	–	28,600
Unamortised Debenture Stock premium and issue expenses	–	(16)
Amortised cost of Debenture Stock	–	28,584
3.99% Loan Notes 2045	30,000	30,000
Unamortised Loan Note issue expenses	(275)	(285)
Amortised cost of Loan Notes	29,725	29,715
Total	**29,725**	**58,299**

The 3.99% Loan Notes were issued in December 2015 and are due to be redeemed at par on 8 December 2045. Interest is payable in half-yearly instalments in June and December. The Loan Notes are secured by a floating charge over the whole of the assets of the Company. The Company has complied with the Loan Note Trust Deed covenant that total net borrowings (ie. after the deduction of cash balances) should not exceed 33% of the Company's net asset value and that the Company's net asset value should not be less than £200 million.

The fair value of the Loan Notes as at 31 January 2019 was £35,391,000 (2018 – £35,069,000), the value being calculated per the disclosure in note 17. The effect on the net asset value of deducting the Loan Notes at fair value rather than at par is disclosed in note 16.

14. Called-up share capital	2019 £'000	2018 £'000
Allotted, called up and fully paid:		
148,292,669 (2018 – 149,679,687) Ordinary shares of 25p each – equity	37,073	37,420
Treasury shares:		
5,385,266 (2018 – 3,998,248) Ordinary shares of 25p each – equity	1,346	999
	38,419	**38,419**

The Ordinary share capital on the Statement of Financial Position relates to the number of shares in issue and in treasury. Only when the shares are cancelled, either from treasury or directly, is a transfer made to the capital redemption reserve.

During the year the Company repurchased 1,387,018 Ordinary shares (2018 – 833,000) at a cost of £3,580,000 including expenses (2018 – £2,154,000). All of these shares were placed in treasury.

Since the year end a further 19,150 Ordinary shares of 25p each have been purchased by the Company at a total cost of £49,000. These are held in treasury.

15. Analysis of changes in financing during the year	2019 Equity share capital (including premium) £'000	2019 Loan Notes £'000	2019 Debenture stock £'000	2018 Equity share capital (including premium) £'000	2018 Loan Notes £'000	2018 Debenture stock £'000
Opening balance at 31 January 2018	43,038	29,715	28,584	43,038	29,705	28,571
Movement in unamortised Debenture Stock discount and issue expenses	–	–	13	–	–	13
Movement in unamortised Loan Notes issue expenses	–	10	–	–	10	–
Closing balance at 31 January 2019	**43,038**	**29,725**	**28,597**	**43,038**	**29,715**	**28,584**

16. Net asset value per share

Equity shareholders' funds have been calculated in accordance with the provisions of FRS 102. The analysis of equity shareholders' funds on the face of the Statement of Financial Position does not reflect the rights under the Articles of Association of the Ordinary shareholders on a return of assets. These rights are reflected in the net asset value and the net asset value per share attributable to Ordinary shareholders at the year end, adjusted to reflect the deduction of the Debenture Stock and Loan Notes at par. A reconciliation between the two sets of figures is as follows:

	2019	2018
Net assets attributable (£'000)	401,731	442,384
Number of Ordinary shares in issue at year end[A]	148,292,669	149,679,687
Net asset value per Ordinary share	270.90p	295.55p

[A] Excluding shares held in treasury.

Adjusted net assets	2019	2018
Net assets attributable (£'000) as above	401,731	442,384
Unamortised Debenture Stock premium and issue expenses (note 12)	(3)	(16)
Unamortised Loan Note issue expenses (note 13)	(275)	(285)
Adjusted net assets attributable (£'000)	**401,453**	**442,083**
Number of Ordinary shares in issue at year end[A]	**148,292,669**	**149,679,687**
Adjusted net asset value per Ordinary share	**270.72p**	**295.35p**

[A] Excluding shares held in treasury.

Net assets – debt at fair value	£'000	£'000
Net assets attributable	401,731	442,384
Amortised cost Debenture Stock	28,597	28,584
Amortised cost Loan Notes	29,725	29,715
Market value Debenture Stock	(28,969)	(30,684)
Market value Loan Notes	(35,391)	(35,069)
Net assets attributable	**395,693**	**434,930**
Number of Ordinary shares in issue at the period end[A]	**148,292,669**	**149,679,687**
Net asset value per Ordinary share (debt at fair value)	**266.83p**	**290.57p**

[A] Excluding shares held in treasury.

Net assets – debt at fair value – adjusted[A]	£'000	£'000
Net assets attributable	401,731	442,384
Amortised cost Debenture Stock	28,597	28,584
Amortised cost Loan Notes	29,725	29,715
Market value Debenture Stock	(28,969)	(30,684)
Market value Loan Notes	(35,391)	(35,069)
Net assets attributable	**395,693**	**434,930**
Number of Ordinary shares in issue at the period end[B]	**148,292,669**	**149,679,687**
Net asset value per Ordinary share (debt at fair value)	**266.83p**	**290.57p**
Less: 3rd interim dividend 2019	**(3.00)p**	**–**
Net asset value per Ordinary share (debt at fair value) – adjusted	**263.83p**	**290.57p**

[A] Cum-income NAV with debt at fair value, adjusted to exclude the third interim dividend for the year ended 31 January 2019 which went ex-dividend on 31 January 2019 but was not paid until 22 February 2019 due to the difference in recognition of dividends payable on an ex-dividend date basis under AIC reporting guidelines and upon payment under accounting standards.
[B] Excluding shares held in treasury.

Net assets – debt at fair value (capital basis)	£'000	£'000
Net assets attributable	395,693	434,930
Less: revenue return for the period	(18,871)	(18,969)
Add: interim dividends paid	8,913	7,730
Less: refund of unclaimed dividends	(15)	(32)
Net assets attributable	**385,720**	**423,659**
Number of Ordinary shares in issue at the period end[A]	**148,292,669**	**149,679,687**
Net asset value per Ordinary share (debt at fair value)	**260.11p**	**283.04p**

[A] Excluding shares held in treasury.

17. Financial instruments and risk management

The Company's investment activities expose it to various types of financial risk associated with the financial instruments and markets in which it invests. The Company's financial instruments comprise securities and other investments, cash balances, loans and debtors and creditors that arise directly from its operations; for example, in respect of sales and purchases awaiting settlement, and debtors for accrued income. The Company also has the ability to enter into derivative transactions in the form of option contracts for the purpose of generating income and futures/options for hedging market exposures.

During the year, the Company entered into certain options contracts for the purpose of generating income. Positions closed during the year realised a loss of £356,000 (2018 – £198,000). As disclosed in note 3, the premium received and fair value changes in respect of options written in the year was £1,495,000 (2018 – £1,413,000). The largest position in derivative contracts held during the year at any given time was £955,000 (2018 – £510,000). The Company had no open positions in derivative contracts at 31 January 2019 (2018 – none).

The Board relies on Aberdeen Standard Fund Managers Limited ("ASFML" or the "Manager") for the provision of risk management activities under the terms of its management agreement with ASFML (further details of which are included under note 4). The Board regularly reviews and agrees policies for managing each of the key financial risks identified with the Manager. The types of risk and the Manager's approach to the management of each type of risk, are summarised below. Such approach has been applied throughout the year and has not changed since the previous accounting period. The numerical disclosures exclude short-term debtors and creditors on the grounds that they are not considered to be material.

The Company's Manager has an independent Investment Risk department for reviewing the investment risk parameters of all core equity, fixed income and alternative asset classes on a regular basis. The department reports to the Manager's Performance Review Committee which is chaired by the Manager's Chief Investment Officer. The department's responsibility is to review and monitor ex-ante (predicted) portfolio risk and style characteristics using best practice, industry standard multi-factor models.

Risk management framework

The directors of ASFML collectively assume responsibility for ASFML's obligations under the AIFMD including reviewing investment performance and monitoring the Company's risk profile during the year.

ASFML is a fully integrated member of the Standard Life Aberdeen Group (the "Group") which provides a variety of services and support to ASFML in the conduct of its business activities, including in the oversight of the risk management framework for the Company. ASFML has delegated the day to day administration of the investment policy to Aberdeen Asset Managers Limited, which is responsible for ensuring that the Company is managed within the terms of its investment guidelines and the limits set out in its pre-investment disclosures to investors (details of which can be found on the Company's website). ASFML has retained responsibility for monitoring and oversight of investment performance, product risk and regulatory and operational risk for the Company.

The Manager conducts its risk oversight function through the operation of the Group's risk management processes and systems which are embedded within the Group's operations. The Group's Risk Division supports management in the identification and mitigation of risks and provides independent monitoring of the business. The Division includes Compliance, Business Risk, Market Risk, Risk Management and Legal. The team is headed up by the Group's Head of Risk, who reports to the co-Chief Executive Officers of the Group. The Risk Division achieves its objective through embedding the Risk Management Framework throughout the organisation using the Group's operational risk management system ("SHIELD").

The Group's Internal Audit Department is independent of the Risk Division and reports directly to the Group's co-Chief Executive Officers and to the Audit Committee of the Group's Board of Directors. The Internal Audit Department is responsible for providing an independent assessment of the Group's control environment.

The Group's corporate governance structure is supported by several committees to assist the board of directors of Aberdeen, its subsidiaries and the Company to fulfil their roles and responsibilities. The Group's Risk Division is represented on all committees, with the exception of those committees that deal with investment recommendations. The specific goals and guidelines on the functioning of those committees are described on the committees' terms of reference.

Risk Management

The main risks the Company faces from its financial instruments are (i) market risk (comprising interest rate risk, currency risk and other price risk), (ii) liquidity risk and (iii) credit risk.

The Board regularly reviews and agrees policies for managing each of these risks. The Group's policies for managing these risks are summarised below and have been applied throughout the year. The numerical disclosures exclude short-term debtors and creditors, other than for currency disclosures.

(i) Market risk

Market risk comprises three elements – interest rate risk, currency risk and price risk.

Interest rate risk

Interest rate movements may affect:

– the fair value of the investments in fixed interest rate securities;

– the level of income receivable on cash deposits; and

– interest payable on the Company's variable rate borrowings.

Management of the risk

The possible effects on fair value and cash flows that could arise as a result of changes in interest rates are taken into account when making investment and borrowing decisions.

The Board imposes borrowing limits to ensure gearing levels are appropriate to market conditions and reviews these on a regular basis. Borrowings comprise fixed rate, revolving, and uncommitted facilities. Details of borrowings at 31 January 2019 are shown in notes 12 and 13.

Interest risk profile

The interest rate risk profile of the portfolio of financial assets and liabilities at the Statement of Financial Position date was as follows:

At 31 January 2019	Weighted average period for which rate is fixed Years	Weighted average interest rate %	Fixed rate £'000	Floating rate £'000
Assets				
Sterling	8.57	5.38	28,214	3,548
Total assets	–	–	**28,214**	**3,548**
Liabilities				
Bank loans	0.08	0.90	(11,427)	–
Loan Notes	26.87	3.99	(29,725)	–
Debenture Stock	0.25	7.87	(28,597)	–
Total liabilities	–	–	**(69,749)**	–

The weighted average period for which interest rates are fixed in relation to the Company's fixed interest portfolio at 8.57 years, extends significantly beyond the maturity date of the 7⅞% Debenture Stock, which matures on 30 April 2019. This is due to the large number of perpetual holdings within that portfolio which have call dates around the time of the maturity of the Debenture.

At 31 January 2018	Weighted average period for which rate is fixed Years	Weighted average interest rate %	Fixed rate £'000	Floating rate £'000
Assets				
Sterling	11.62	6.36	28,246	5,983
Total assets	**–**	**–**	**28,246**	**5,983**

	Weighted average period for which rate is fixed Years	Weighted average interest rate %	Fixed rate £'000	Floating rate £'000
Liabilities				
Bank loans	0.08	0.80	(11,476)	–
Loan Notes	27.87	3.99	(29,715)	–
Debenture Stock	1.25	7.87	(28,584)	–
Total liabilities	**–**	**–**	**(69,775)**	**–**

The weighted average interest rate is based on the current yield of each asset, weighted by its market value. The weighted average interest rate on bank loans is based on the interest rate payable, weighted by the total value of the loans. The maturity dates of the Company's borrowings are shown in notes 12 and 13 to the financial statements.

The floating rate assets consist of cash deposits all earning interest at prevailing market rates.

The Company's equity portfolio and short-term debtors and creditors (excluding bank loans) have been excluded from the above tables. All financial liabilities are measured at amortised cost.

Interest rate sensitivity

Movements in interest rates would not significantly affect net assets attributable to the Company's shareholders and total profit.

Foreign currency risk

A proportion of the Company's investment portfolio is invested in overseas securities whose values are subject to fluctuation due to changes in exchange rates. In addition, the impact of changes in foreign exchange rates upon the profits of investee companies can result, indirectly, in changes in their valuations. Consequently the Statement of Financial Position can be affected by movements in exchange rates.

Management of the risk

It is not the Company's policy to hedge this risk on a continuing basis but the Company may, from time to time, match specific overseas investment with foreign currency borrowings. A proportion of the Company's borrowings, as detailed in note 12, is in foreign currency as at 31 January 2019. The revenue account is subject to currency fluctuations arising on dividends received in foreign currencies and, indirectly, due to the impact of foreign exchange rates upon the profits of investee companies. The Company does not hedge this currency risk.

Foreign currency risk exposure by currency of denomination:

	31 January 2019			31 January 2018		
	Investments £'000	Net monetary assets £'000	Total currency exposure £'000	Investments £'000	Net monetary assets £'000	Total currency exposure £'000
Euro	60,068	(11,289)	48,779	58,864	(11,074)	47,790
Swiss Francs	9,979	573	10,552	27,603	719	28,322
Danish Krone	8,308	47	8,355	9,200	193	9,393
Sterling	386,967	(52,922)	334,045	409,594	(52,715)	356,879
Total	**465,322**	**(63,591)**	**401,731**	**505,261**	**(62,877)**	**442,384**

The asset allocation between specific markets can vary from time to time based on the Manager's opinion of the attractiveness of the individual stocks in these markets.

Foreign currency sensitivity

There is no sensitivity analysis included as the Board believes the amount exposed to foreign currency denominated monetary assets to be immaterial. Where the Company's equity investments (which are non-monetary items) are priced in a foreign currency, they have been included within the other price risk sensitivity analysis so as to show the overall level of exposure.

Price risk

Price risks (i.e. changes in market prices other than those arising from interest rate or currency risk) may affect the value of the quoted investments and traded options.

Management of the risk

It is the Board's policy to hold an appropriate spread of investments in the portfolio in order to reduce the risk arising from factors specific to a particular company or sector. Both the allocation of assets and the stock selection process, as detailed on page 79, act to reduce market risk. The Manager actively monitors market prices throughout the year and reports to the Board, which meets regularly in order to review investment strategy. The investments held by the Company are listed on various stock exchanges in the UK and Europe.

Price risk sensitivity

If market prices at the Statement of Financial Position date had been 10% higher while all other variables remained constant, the return attributable to Ordinary shareholders for the year ended 31 January 2019 would have increased by £46,532,000 (2018 – increase of £50,526,000) and equity reserves would have increased by the same amount. Had market prices been 10% lower the converse would apply.

(ii) Liquidity risk

This is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities as they fall due in line with the maturity profile analysed below.

At 31 January 2019	Within 1 year £'000	Within 1-2 years £'000	Within 2-3 years £'000	Within 3-4 years £'000	Within 4-5 years £'000	More than 5 years £'000	Total £'000
Bank loans	11,427	–	–	–	–	–	11,427
Debenture Stock	28,600	–	–	–	–	–	28,600
Loan Notes	–	–	–	–	–	30,000	30,000
Interest cash flows on bank loans, debentures and loan notes	1,769	1,197	1,197	1,197	1,197	26,334	32,891
Cash flows on other creditors	347	–	–	–	–	–	347
	42,143	**1,197**	**1,197**	**1,197**	**1,197**	**56,334**	**103,265**

At 31 January 2018	Within 1 year £'000	Within 1-2 years £'000	Within 2-3 years £'000	Within 3-4 years £'000	Within 4-5 years £'000	More than 5 years £'000	Total £'000
Bank loans	11,476	–	–	–	–	–	11,476
Debenture Stock	–	28,600	–	–	–	–	28,600
Loan Notes	–	–	–	–	–	30,000	30,000
Interest cash flows on bank loans, debentures and loan notes	3,457	2,323	1,197	1,197	1,197	27,531	36,902
Cash flows on other creditors	354	–	–	–	–	–	354
	15,287	**30,923**	**1,197**	**1,197**	**1,197**	**57,531**	**107,332**

Management of the risk

The Board imposes borrowing limits to ensure gearing levels are appropriate to market conditions and reviews these on a regular basis. Borrowings comprise Debenture Stock, Loan Notes and a revolving facility. The Debenture Stock and Loan Notes provide secure long-term funding while short term flexibility is achieved through the borrowing facility. It is the Board's policy to maintain a gearing level, measured on the most stringent basis of calculation after netting off cash equivalents, of less than 30% at all times. Details of borrowings at 31 January 2019 are shown in notes 12 and 13.

Liquidity risk is not considered to be significant as the Company's assets comprise mainly cash and listed securities, which can be sold to meet funding commitments if necessary. Short-term flexibility is achieved through the use of loan and overdraft facilities, details of which can be found in note 12. Under the terms of the loan facility, the Manager provides the lender with loan covenant reports on a monthly basis, to provide the lender with assurance that the terms of the facility are not being breached. The Manager will also review the credit rating of a lender on a regular basis. Details of the Board's policy on gearing are shown in the interest rate risk section of this note.

Liquidity risk exposure

At 31 January 2019 and 31 January 2018 the amortised cost of the Company's Debenture Stock was £28,597,000 and £28,584,000 respectively. This is due to be redeemed at par on 30 April 2019. At 31 January 2019 and 31 January 2018 the amortised cost of the Company's Loan Notes was £29,725,000 and £29,715,000 respectively. At 31 January 2019 and 31 January 2018 the Company's bank loans amounted to £11,427,000 and £11,476,000 respectively. The facility is committed until 13 July 2021.

(iii) Credit risk

This is failure of the counterparty to a transaction to discharge its obligations under that transaction that could result in the Company suffering a loss.

Management of the risk

- investment transactions are carried out with a large number of brokers, whose credit standing is reviewed periodically by the Manager, and limits are set on the amount that may be due from any one broker;
- the risk of counterparty exposure due to failed trades causing a loss to the Company is mitigated by the review of failed trade reports on a daily basis. In addition, both stock and cash reconciliations to the custodians' records are performed on a daily basis to ensure discrepancies are investigated on a timely basis. The Group's Compliance department carries out periodic reviews of the custodian's operations and reports its finding to the Aberdeen Group's Risk Management Committee. This review will also include checks on the maintenance and security of investments held;
- cash is held only with reputable banks whose credit ratings are monitored on a regular basis.

There are internal exposure limits to cash balances placed with counterparties. The credit worthiness of counterparties is also reviewed on a regular basis.

With the exception of securities on loan referred to in note 13, none of the Company's financial assets are secured by collateral or other credit enhancements.

Credit risk exposure

In summary, compared to the amounts in the Statement of Financial Position, the maximum exposure to credit risk at 31 January was as follows:

	2019		2018	
	Balance Sheet £'000	Maximum exposure £'000	Balance Sheet £'000	Maximum exposure £'000
Non-current assets				
Investments at fair value through profit or loss	465,322	28,214	505,261	28,246
Current assets				
Cash and short term deposits	3,548	3,548	5,983	5,983
	468,870	**31,762**	**511,244**	**34,229**

None of the Company's financial assets is past due or impaired.

Credit ratings

The table below provides a credit rating profile using Standard & Poors credit ratings for the quoted bonds at 31 January 2019 and 31 January 2018:

	2019 £'000	2018 £'000
A+	–	1,393
A	1,981	1,239
A–	5,892	3,081
BB+	–	2,359
BB	–	2,595
BBB+	4,683	5,252
BBB	7,894	9,156
BBB–	3,637	3,171
Non-rated[A]	4,127	–
	28,214	**28,246**

[A] Porterbrook Rail Finance 5.5% 20/04/19 does not have a rating from Standard & Poors but has been rated Baa2 by Moody's.

Fair values of financial assets and financial liabilities

The fair value of borrowings has been calculated at £75,787,000 as at 31 January 2019 (2018 – £77,229,000) compared to an accounts value in the financial statements of £69,749,000 (2018 – £69,775,000) (notes 12 and 13). The fair value of each loan is determined by aggregating the expected future cash flows for that loan discounted at a rate comprising the borrower's margin plus an average of market rates applicable to loans of a similar period of time and currency. All other assets and liabilities of the Company are included in the Statement of Financial Position at fair value.

18. Fair value hierarchy

FRS 102 requires an entity to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following classifications:

Level 1: unadjusted quoted prices in an active market for identical assets or liabilities that the entity can access at the measurement date.

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

Level 3: inputs are unobservable (ie for which market data is unavailable) for the asset or liability.

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

As at 31 January 2019	Note	Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Financial assets at fair value through profit or loss					
Quoted equities	a)	437,108	–	–	437,108
Quoted bonds	b)	–	28,214	–	28,214
Total		**437,108**	**28,214**	**–**	**465,322**

As at 31 January 2018		Level 1 £'000	Level 2 £'000	Level 3 £'000	Total £'000
Financial assets at fair value through profit or loss					
Quoted equities	a)	477,015	–	–	477,015
Quoted bonds	b)	–	28,246	–	28,246
Total		**477,015**	**28,246**	**–**	**505,261**

a) Quoted equities

The fair value of the Company's investments in quoted equities has been determined by reference to their quoted bid prices at the reporting date. Quoted equities included in Fair Value Level 1 are actively traded on recognised stock exchanges.

b) Quoted bonds

The fair value of the Company's investments in quoted bonds has been determined by reference to their quoted bid prices at the reporting date. Bonds included in Fair Value Levels 2 are Corporate Bonds. Investments categorised as Level 2 are not considered to trade in active markets.

19. Capital management policies and procedures

The Company's capital management objectives are:

- to ensure that the Company will be able to continue as a going concern; and
- to maximise the return to its equity shareholders through an appropriate balance of equity capital and debt.

The capital of the Company consists of equity, comprising issued capital, reserves and retained earnings.

The Board monitors and reviews the broad structure of the Company's capital. This review includes the nature and planned level of gearing, which takes account of the Manager's views on future expected returns and the extent to which revenue in excess of that which is required to be distributed should be retained. The Company is not subject to any externally imposed capital requirements.

20. Related party transactions and transactions with the Manager

Directors' fees and interests

Fees payable during the year to the Directors and their interest in shares of the Company are disclosed within the Directors' Remuneration Report on page 40.

Transactions with the Manager

The Company has an agreement with the Standard Life Aberdeen Group for the provision of management, secretarial, accounting and administration services and also for the provision of promotional activities. Details of transactions during the year and balances outstanding at the year end are disclosed in notes 4 and 5.

Corporate Information

The Investment Manager is a subsidiary of Standard Life Aberdeen plc. Assets under the management of the group's investment division, Aberdeen Standard Investments, were £505.1 billion as at 31 December 2018.

Victoria Street, Edinburgh

Information about the Investment Manager

Aberdeen Asset Managers Limited

The Company's Investment Manager is Aberdeen Asset Managers Limited which is a wholly-owned subsidiary of Standard Life Aberdeen plc.

Assets under the management of the group's investment division, Aberdeen Standard Investments, were £505.1 billion at 31 December 2018.

The Investment Team Senior Managers

Ben Ritchie

Deputy Head of European Equities

Ben is Deputy Head of European Equities and originally joined Aberdeen Asset Management in 2002 as a graduate trainee. Ben has a BA (Hons) in Modern History and Politics from Pembroke College, University of Oxford, and is a CFA Charterholder.

Louise Kernohan

Investment Director

Louise is an Investment Director in the UK Equities team. She joined Aberdeen Asset Management via the acquisition of the Deutsche Asset Management businesses in 2005. Louise graduated with a BSc (Hons) in Mathematics, Physics and Philosophy and an MA in Management from the University of Durham and is a CFA Charterholder.

The Investment Process

Philosophy and Style

The Investment Manager believes that company fundamentals ultimately drive stock prices but are often priced inefficiently. We believe that in-depth company research delivers insights that can be used to exploit these market inefficiencies. We focus on investing in high quality companies, with the market often systematically underestimating the sustainability of their returns. Quality companies tend to produce more resilient earnings streams with fewer tail risks, allowing them to better navigate challenging market conditions whilst also capitalising on opportunities to create value. This makes our approach well suited to identifying companies with sustainable and growing income generation. Investment insights are generated by the extensive equity research platform at Aberdeen Standard Investments. Ideas are generated through frequent direct company contact, deep fundamental analysis and integrated ESG analysis with rigorous team debate strengthening analytical conclusions. We have a long term approach, aiming to buy and hold companies for a multi-year time horizon although we have the ability to react quickly if necessary. We are willing to take sizeable deviations to the benchmark based on the companies where we find the highest quality and most attractive valuations.

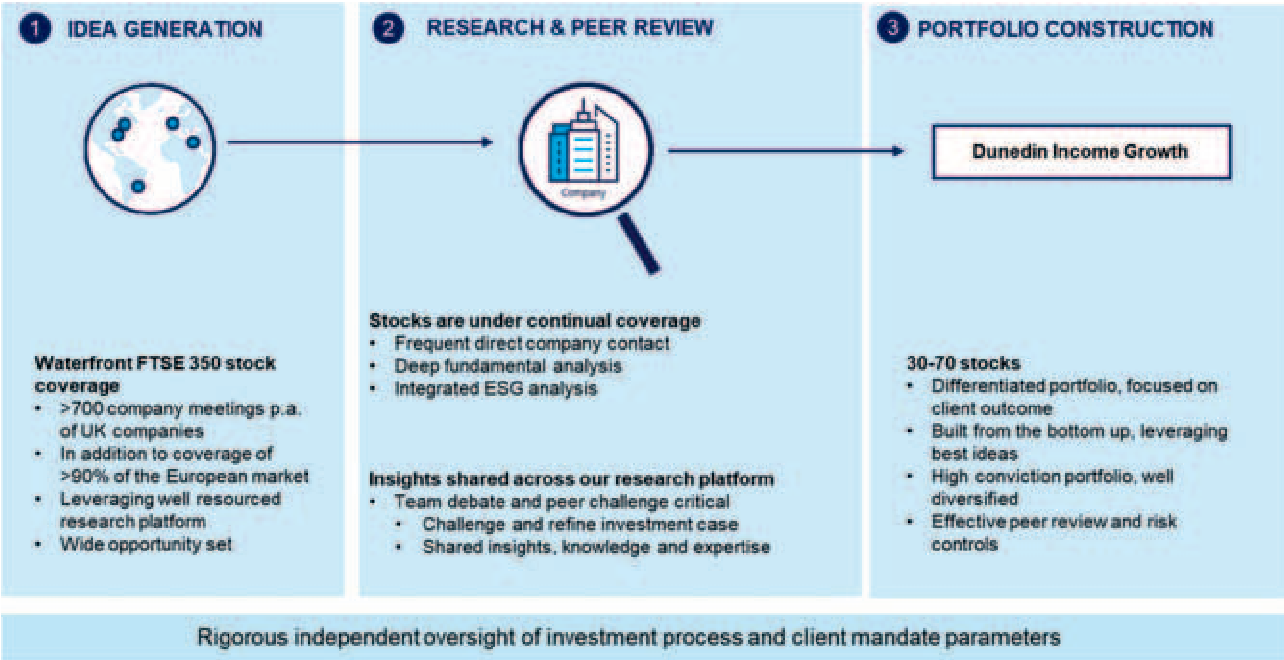
Risk Controls

We seek to minimise risk by our in depth research. We do not view divergence from a benchmark as risk – we view investment in poorly run expensive companies that we do not understand as risk. In fact where risk parameters are expressed in benchmark relative terms, asset – including sector – allocation constitutes a significant constraint on stock selection. Hence diversification of stocks provides our main control.

The Investment Manager's Performance and Investment Risk unit independently monitors portfolio positions, and reports monthly. As well as attributing performance it also produces statistical analysis, which is used by the Investment Manager primarily to check the portfolio is behaving as expected, not as a predictive tool.

Information about the Investment Manager continued

The Investment Process – Harnessing Fundamental Research Insights to Exploit Market Inefficiencies



Investor Information

Alternative Investment Fund Managers Directive ("AIFMD") and Pre-Investment Disclosure Document ("PIDD")

The Company has appointed Aberdeen Standard Fund Managers Limited as its alternative investment fund manager and The Bank of New York Mellon (International) Limited as its depositary under the AIFMD.

The AIFMD requires Aberdeen Standard Fund Managers Limited, as the Company's AIFM, to make available to investors certain information prior to such investors' investment in the Company. Details of the leverage and risk policies which the Company is required to have in place under the AIFMD are published in the Company's PIDD which can be found on its website: dunedinincomegrowth.co.uk. The periodic disclosures required to be made by the AIFM under the AIFMD are set out on page 88.

Investor Warning: Be alert to share fraud and boiler room scams

Aberdeen Standard Investments has been contacted by investors informing us that they have received telephone calls and emails from people who have offered to buy their investment company shares, purporting to work for Aberdeen Standard Investments or for third party firms. Aberdeen Standard Investments has also been notified of emails claiming that certain investment companies under our management have issued claims in the courts against individuals. These may be scams which attempt to gain your personal information with which to commit identity fraud or could be 'boiler room' scams where a payment from you is required to release the supposed payment for your shares. These callers/senders do not work for Aberdeen Standard Investments and any third party making such offers/claims has no link with Aberdeen Standard Investments.

Aberdeen Standard Investments does not 'cold-call' investors in this way. If you have any doubt over the veracity of a caller, do not offer any personal information, end the call and contact our Customer Services Department.

The Financial Conduct Authority provides advice with respect to share fraud and boiler room scams at: fca.org.uk/consumers/scams

Shareholder Enquiries

For queries regarding shareholdings, lost certificates, dividend payments, registered details and related matters, shareholders holding their shares directly in the Company are advised to contact the Registrars (see Contact Addresses). Changes of address must be notified to the Registrars in writing.

If you have any general questions about your Company, the Manager or performance, please telephone the Aberdeen Standard Investments Customer Services Department, send an email to inv.trusts@aberdeenstandard.com or write to:

Aberdeen Standard Investment Trusts
PO Box 11020
Chelmsford
Essex CM99 2DB

Dividend Tax Allowance

The annual tax-free personal allowance for dividend income for UK investors is £2,000 for the 2019/20 tax year. Above this amount, individuals pay tax on their dividend income at a rate dependent on their income tax bracket and personal circumstances. The Company provides registered shareholders with a confirmation of dividends paid and this should be included with any other dividend income received when calculating and reporting to HMRC total dividend income received. It is the shareholder's responsibility to include all dividend income when calculating any tax liability.

How to Invest

Investors can buy and sell shares in the Company directly through a stockbroker or indirectly through a lawyer, accountant or other professional adviser. Alternatively, for retail clients, shares can be bought directly through the Aberdeen Standard Investment Plan for Children, Investment Trust Share Plan or Investment Trust Individual Savings Account ("ISA").

Aberdeen Standard Investment Plan for Children

Aberdeen Standard Investments operates an Investment Plan for Children (the "Children's Plan") which covers a number of investment companies under its management, including the Company. Anyone can invest in the Children's Plan (subject to the eligibility criteria as stated within the terms and conditions), including parents, grandparents and family friends. All investments are free of dealing charges on the initial purchase of shares, although investors will suffer the bid-offer spread, which can, on some occasions, be a significant amount. Lump sum investments start at £150 per trust, while regular savers may invest from £30 per month. Investors simply pay Government Stamp Duty (currently 0.5%) on entry where applicable. Selling costs are £10 + VAT. There is no restriction on how long an investor need invest in the Children's Plan, and regular savers can stop or suspend participation by instructing Aberdeen Standard Investments in writing at any time.

Aberdeen Standard Investment Trust Share Plan

Aberdeen Standard Investments operates an Investment Trust Share Plan (the "Plan") through which shares in the Company can be purchased. There are no dealing charges on the initial purchase of shares, although investors will suffer the bid-offer spread, which can, on some occasions, be a significant amount. Lump sum investments start at £250, while regular savers may invest from £100 per month. Investors simply pay Government Stamp Duty (currently 0.5%) on entry where applicable. Selling costs are £10 + VAT. There is no restriction on how long an investor need invest in a Plan, and regular savers can stop or suspend participation by instructing Aberdeen Standard Investments in writing at any time.

Aberdeen Standard Investment Trust ISA

Aberdeen Standard Investments operates an Investment Trust ISA ("ISA") through which an investment may be made of up to £20,000 in the 2019/20 tax year.

There are no brokerage or initial charges for the ISA, although investors will suffer the bid-offer spread, which can be a significant amount. Investors only pay Government Stamp Duty (currently 0.5%) on purchases where applicable. Selling costs are £15 + VAT. The annual ISA administration charge is £24 + VAT, calculated annually and applied on 31 March (or the last business day in March) and collected soon thereafter either by direct debit or, if there is no valid direct debit mandate in place, from the available cash in the ISA prior to the distribution or reinvestment of any income, or, where there is insufficient cash in the ISA, from the sale of investments held in the ISA. Under current legislation, investments in ISAs can grow free of capital gains tax.

ISA Transfer

Investors can choose to transfer previous tax year investments to Aberdeen Standard Investments, which can be invested in the Company while retaining their ISA wrapper. The minimum lump sum for an ISA transfer is £1,000 and is subject to a minimum per trust of £250.

Nominee Accounts and Voting Rights

All investments in the Aberdeen Standard Investments Children's Plan, Investment Trust Share Plan and Investment Trust ISA are held in nominee accounts and investors have full voting and other rights of share ownership.

Keeping You Informed

Further information about the Company may be found on its dedicated website: dunedinincomegrowth.co.uk. This provides access to information on the Company's share price performance, capital structure, London Stock Exchange announcements, current and historic Annual and Half-Yearly Reports, and the latest monthly factsheet on the Company issued by the Manager.

The Company's Ordinary share price appears under the heading 'Investment Companies' in the Financial Times.

Alternatively, please call 0808 500 0040 (Freephone) or email inv.trusts@aberdeenstandard.com or write to the address for Aberdeen Standard Investment Trusts stated above.

Details are also available at: invtrusts.co.uk.

Key Information Document ("KID")

The KID relating to the Company and published by the Manager can be found on the Manager's website at: invtrusts.co.uk/en/investmenttrusts/literature-library.

Literature Request Service

For literature and application forms for Aberdeen Standard Investment's investment trust products, please contact us through: invtrusts.co.uk.

Or telephone: 0808 500 4000

Or write to:-

Aberdeen Standard Investment Trusts
PO Box 11020
Chelmsford
Essex CM99 2DB

Terms and Conditions

Terms and conditions for Aberdeen Standard Investments managed savings products can also be found under the Literature section of our website at: invtrusts.co.uk.

Suitable for Retail/NMPI Status

The Company's shares are intended for investors, primarily in the UK, including retail investors, professionally-advised private clients and institutional investors who are seeking growth of income and capital from a portfolio invested mainly in companies listed or quoted in the United Kingdom, and who understand and are willing to accept the risks of exposure to equities. Investors should consider consulting a financial adviser who specialises in advising on the acquisition of shares and other securities before acquiring shares. Investors should be capable of evaluating the risks and merits of such an investment and should have sufficient resources to bear any loss that may result.

The Company currently conducts its affairs so that the securities issued by the Company can be recommended by a financial adviser to ordinary retail investors in accordance with the Financial Conduct Authority's rules in relation to non-mainstream pooled investments ("NMPIs") and intends to continue to do so for the foreseeable future. The Company's securities are excluded from the Financial Conduct Authority's restrictions which apply to NMPIs because they are securities issued by an investment trust.

Online Dealing

There are a number of online dealing platforms for private investors that offer share dealing, ISAs and other means to invest in the Company. Real-time execution-only stockbroking services allow you to trade online, manage your portfolio and buy UK listed shares. These sites do not give advice. Some comparison websites also look at dealing rates and terms.

Discretionary Private Client Stockbrokers

If you have a large sum to invest, you may wish to contact a discretionary private client stockbroker. They can manage your entire portfolio of shares and will advise you on your investments. To find a private client stockbroker visit The Personal Investment Management & Financial Advice Association at: pimfa.co.uk.

Financial Advisers

To find an adviser who recommends on investment trusts, visit: unbiased.co.uk.

Regulation of Stockbrokers

Before approaching a stockbroker, always check that they are regulated by the Financial Conduct Authority:
Tel: 0800 111 6768 or at fca.org.uk/firms/financial-services-register
Email: consumer.queries@fca.org.uk

Note

Please remember that past performance is not a guide to the future. Stock market and currency movements may cause the value of shares and the income from them to fall as well as rise and investors may not get back the amount they originally invested.

As with all equity investments, the value of investment trusts purchased will immediately be reduced by the difference between the buying and selling prices of the shares, the market maker's spread.

Investors should further bear in mind that the value of any tax relief will depend on the individual circumstances of the investor and that tax rates and reliefs, as well as the tax treatment of ISAs, may be changed by future legislation.

The information on pages 81 to 83 has been approved for the purposes of Section 21 of the Financial Services and Markets Act 2000 (as amended by the Financial Services Act 2012) by Aberdeen Asset Managers Limited which is authorised and regulated by the Financial Conduct Authority in the United Kingdom.

Glossary of Terms and Definitions

AIC	The Association of Investment Companies.
AIFMD	The Alternative Investment Fund Managers Directive. The AIFMD is European legislation which created a European-wide framework for regulating managers of 'alternative investment funds' ("AIFs"). It is designed to regulate any fund which is not a UCITS fund and which is managed and/or marketed in the EU. The Company has been designated as an AIF.
Benchmark	This is a measure against which an Investment Trust's performance is compared. The Company's benchmark is the FTSE All-Share Index. The index averages the performance of a defined selection of listed companies over specific time periods.
Call Option	An option contract which gives the buyer the right, but not the obligation, to purchase a specified amount of an asset at the strike price by a future specified date.
Closed-End Fund	A collective investment scheme which has a fixed number of shares which are not redeemable from the fund itself. Unlike open-ended funds, new shares/units are not created by managers to meet demand from investors; instead, shares are purchased (or sold) only in the market. Closed-end funds are normally listed on a recognised stock exchange, such as the London Stock Exchange, and shares can be bought and sold on that exchange.
Discount	The amount by which the market price per share of an Investment Trust is lower than the Net Asset Value per share. The discount is normally expressed as a percentage of the Net Asset Value per share.
Dividend Cover	Earnings per share divided by dividends per share expressed as a ratio.
Dividend Yield	The annual dividend expressed as a percentage of the share price.
FCA	Financial Conduct Authority.
Gearing	Net gearing is calculated by dividing total borrowings less cash and cash equivalents by shareholders' funds, expressed as a percentage. Equity gearing is calculated as the amount by which the total value of equity securities exceeds shareholders' funds, expressed as a percentage of shareholder funds.
Investment Manager or AAML	Aberdeen Asset Managers Limited is a wholly owned subsidiary of Standard Life Aberdeen plc and acts as the Company's investment manager. It is authorised and regulated by the FCA.
Investment Trust	A type of Closed-End Fund which invests in other securities, allowing shareholders to share the risks, and returns, of collective investment.
Key Information Document or KID	The Packaged Retail and Insurance-based Investment Products ("PRIIPS") Regulation requires the Manager, as the Company's PRIIP 'manufacturer', to prepare a Key Information Document ("KID") in respect of the Company. This KID must be made available by the Manager to retail investors prior to them making any investment decision and is available via the Company's website. The Company is not responsible for the information contained in the KID and investors should note that the procedures for calculating the risks, costs and potential returns are prescribed by law. The figures in the KID may not reflect the expected returns for the Company and anticipated performance returns cannot be guaranteed.
Leverage	For the purposes of the Alternative Investment Fund Managers Directive, leverage is any method which increases the Company's exposure, including the borrowing of cash and the use of derivatives. It is expressed as a ratio between the Company's exposure and its Net Asset Value and can be calculated on a gross and a commitment method. Under the gross method, exposure represents the sum of the Company's positions after the deduction of sterling cash balances, without taking into account any hedging and netting arrangements. Under the commitment method, exposure is calculated without the deduction of sterling cash balances and after certain hedging and netting positions are offset against each other.

Manager, AIFM or ASFML	Aberdeen Standard Fund Managers Limited is a wholly owned subsidiary of Standard Life Aberdeen plc and acts as the Alternative Investment Fund Manager for the Company. It is authorised and regulated by the FCA.
Net Asset Value or NAV	The value of total assets less liabilities. Liabilities for this purpose include current and long-term liabilities. The Net Asset Value divided by the number of shares in issue produces the Net Asset Value per Ordinary share.
NAV with debt at fair value	The Net Asset Value with debt valued divided by the number of shares in issue where Debenture Stock is valued at the quoted market rate and Loan Notes are valued using the discounted cash flow basis.
Ongoing Charges	Ratio of expenses as a percentage of average daily shareholders' funds calculated as per the AIC's industry standard method.
Pre-Investment Disclosure Document ("PIDD")	The AIFM and the Company are required to make certain disclosures available to investors in accordance with the AIFMD. Those disclosures that are required to be made pre-investment are included within a PIDD, which can be found on the Company's website.
Premium	The amount by which the market price per share of an Investment Trust exceeds the Net Asset Value per share. The premium is normally expressed as a percentage of the Net Asset Value per share.
Price/Earnings Ratio	This is calculated by dividing the market price per share by the earnings per share. The calculation assumes no change in earnings but in practice the multiple reflects the stock market's view of a company's prospects and profit growth potential.
Prior Charges	The name given to all borrowings including debentures, loans and overdrafts that are to be used for investment purposes, reciprocal foreign currency loans, currency facilities to the extent that they are drawn down, index-linked securities, and all types of preference or preferred capital and the income shares of split capital trusts, irrespective of the time until repayment.
Standard Life Aberdeen Group	The Standard Life Aberdeen plc group of companies.
Total Assets	Total assets less current liabilities (before deducting Prior Charge as defined above), as per the Statement of Financial Position.
Total Return	Total Return involves reinvesting the net dividend in the month that the share price goes ex-dividend. The NAV Total Return involves investing the same net dividend in the NAV of the Company on the date to which that dividend was earned.

Your Company's History

Dunedin Income Growth Investment Trust PLC – a History

The provenance of Dunedin Income Growth Investment Trust PLC goes back to 1873 and to the origins of the investment trust industry in Scotland. In 1873, a 28 year old Robert Fleming (sometimes dubbed the "father of the investment trust industry"), persuaded a group of Dundee's wealthiest investors to back his idea of forming "the first Association in Scotland for investments in American railroad bonds, carefully selected and widely distributed, and where investments would not exceed one-tenth of the capital in any one security". Fleming, who was later founder of the merchant bank that bore this name, showed extraordinary commercial acumen at a very young age. He was born in modest circumstances in Dundee and was first apprenticed as office boy at 13, then rose to become, at 21, book-keeper with the exporting arm of Dundee's largest textile merchant, Edward Baxter & Son.

In 1870, the elderly Mr Baxter sent Robert Fleming to the United States to represent him on business. Fleming returned enthused about the investment opportunities offered by the States, despite the country still suffering from the aftermath of the American Civil War. The "association" proved to be an attractive means for investors to pool their resources, spread risk and put their investments under full-time management. The new fund, then known as The Scottish American Investment Trust, was launched on 1 February 1873. The Scottish American Investment Trust was partly modelled on the Foreign & Colonial Government Trust that was launched in 1868. Unlike Foreign & Colonial, which purchased overseas government stocks, the new trust would invest in "The Bonds of States, cities, railroads and other corporations in the US, but chiefly in the mortgage bonds of railroads". John Guild, one of the chairmen, reported "while in this country you could not lend money on first-class railway debentures at over 4% or 4.5%, in America you could get 7% with the best security of this description". Coupled with the fact that railway infrastructure development in the UK had by then become relatively mature, it was for this reason that the United States was an attractive destination for Scottish funds.

The original prospectus described the intended issue of £150,000 in certificates of £100 each, paying interest of 6% per annum. Such was the level of demand that the original prospectus was withdrawn and a new one was printed with a capital issue of £300,000. The trust started out with 30 stocks, each comprising no more than 10% of the portfolio. Confusingly, a similar sounding investment trust company, launched in Edinburgh, The Scottish American Investment Company was formed in April 1873, just a few months after Fleming's launch in February 1873. In Dundee, two almost identical issues were made in the following two years, described as the "Second Issue" and "Third Issue". The three issues became three separate trust companies, under the Joint Stock Companies Act, in 1879 – the First, Second and Third Scottish American Trust Companies Ltd, but merged into a single trust company in 1969 as The First Scottish American Trust Company Ltd.

In 1984, The First Scottish American Trust Company Ltd became part of the Dunedin Fund Managers' stable of trusts and was subsequently renamed in 1990 as Dunedin Income Growth Investment Trust. Dunedin Fund Managers merged with Edinburgh Fund Managers in 1996, which was then acquired by Aberdeen Asset Management in 2003.

The book entitled "The History of Dunedin Income Growth Investment Trust PLC" is available on the Company's website.

Share Capital History

Issued Share Capital at 31 January 2019

148,292,669	Ordinary shares of 25p (153,677,935 including treasury shares)

Treasury Shares at 31 January 2019

5,385,266	Ordinary shares

Name Change

April 1990	Company name changed from "The First Scottish American Trust PLC" to Dunedin Income Growth Investment Trust PLC

Share Capital History

April 1997	Capitalisation issue of four Ordinary shares of 25p issued for each existing Ordinary share
April 1999	Reduction of share capital by way of repayment of £840,000 of 3 ½% Preference stock
Year ended 31 January 2004	50,000 Ordinary shares purchased for cancellation
Year ended 31 January 2005	1,950,000 Ordinary shares purchased for cancellation
Year ended 31 January 2006	450,000 Ordinary shares purchased for cancellation and 450,000 Ordinary shares purchased to hold in treasury
Year ended 31 January 2007	3,231,101 Ordinary shares purchased to hold in treasury
Year ended 31 January 2008	2,237,440 Ordinary shares purchased to hold in treasury, 1,972,800 treasury shares cancelled
Year ended 31 January 2009	1,026,007 Ordinary shares purchased to hold in treasury, 2,000,000 treasury shares cancelled
Year ended 31 January 2010	No shares purchased, cancelled or issued
Year ended 31 January 2011	No shares purchased, cancelled or issued
Year ended 31 January 2012	No shares purchased, cancelled or issued
Year ended 31 January 2013	No shares purchased, cancelled or issued
Year ended 31 January 2014	300,000 shares sold from treasury
Year ended 31 January 2015	No shares purchased, cancelled or issued
Year ended 31 January 2016	No shares purchased, cancelled or issued
Year ended 31 January 2017	493,500 Ordinary shares purchased to hold in treasury
Year ended 31 January 2018	833,000 Ordinary shares purchased to hold in treasury
Year ended 31 January 2019	1,387,018 Ordinary shares purchased to hold in treasury

AIFMD Disclosures (Unaudited)

Aberdeen Standard Fund Managers Limited and the Company are required to make certain disclosures available to investors in accordance with the Alternative Investment Fund Managers Directive ("AIFMD"). Those disclosures that are required to be made pre-investment are included within a pre-investment disclosure document ("PIDD") which can be found on the Company's website.

There have been no material changes to the disclosures contained within the PIDD since its most recent update in December 2018.

The periodic disclosures as required under the AIFMD to investors are made below:

- information on the investment strategy, geographic and sector investment focus and principal stock exposures is included in the Strategic Report;
- none of the Company's assets are subject to special arrangements arising from their illiquid nature;
- the Strategic Report, note 17 to the financial statements and the PIDD together set out the risk profile and risk management systems in place. There have been no changes to the risk management systems in place in the period under review and no breaches of any of the risk limits set, with no breach expected;
- there are no new arrangements for managing the liquidity of the Company or any material changes to the liquidity management systems and procedures employed by ASFML; and
- all authorised Alternative Investment Fund Managers are required to comply with the AIFMD Remuneration Code. In accordance with the Remuneration Code, the AIFM's remuneration policy is available from the Company Secretary, Aberdeen Asset Management PLC, on request, and the remuneration disclosures in respect of the AIFM's reporting period for the year ended 31 December 2018 are available on the Company's website.

Leverage

The table below sets out the current maximum permitted limit and actual level of leverage for the Company:

	Gross Method	Commitment Method
Maximum level of leverage	2.50:1	2.00:1
Actual level at 31 January 2019	1.16:1	1.17:1

There have been no breaches of the maximum level during the period and no changes to the maximum level of leverage employed by the Company. There have been no changes to the circumstances in which the Company may be required to post assets as collateral and no guarantees granted under the leveraging arrangement. Changes to the information contained either within this Annual Report or the PIDD in relation to any special arrangements in place, the maximum level of leverage which ASFML may employ on behalf of the Company, the right of use of collateral or any guarantee granted under any leveraging arrangement, or any change to the position in relation to any discharge of liability by the Depositary will be notified via a regulatory news service without undue delay in accordance with the AIFMD.

The information on this page has been approved for the purposes of Section 21 of the Financial Services and Markets Act 2000 (as amended by the Financial Services Act 2012) by Aberdeen Standard Fund Managers Limited which is authorised and regulated by the Financial Conduct Authority in the United Kingdom.

Alternative Performance Measures

Alternative Performance Measures

Alternative performance measures are numerical measures of the Company's current, historical or future performance, financial position or cash flows, other than financial measures defined or specified in the applicable financial framework. The Company's applicable financial framework includes FRS 102 and the AIC SORP. The Directors assess the Company's performance against a range of criteria which are viewed as particularly relevant for closed-end investment companies.

Total return

Total return is considered to be an alternative performance measure. NAV total return involves investing the same net dividend in the NAV of the Company with debt at fair value on the date on which that dividend was earned. Share price total return involves reinvesting the net dividend in the month that the share price goes ex-dividend.

The tables below provide information relating to the NAVs and share prices of the Company on the dividend reinvestment dates during the years ended 31 January 2019 and 31 January 2018.

2019	Dividend rate	NAV[A]	Share price
31 January 2018	N/A	290.57p	243.50p
1 February 2018	2.575p	285.03p	256.00p
3 May 2018	4.375p	282.72p	253.00p
2 August 2018	3.000p	290.12p	257.00p
1 November 2018	3.000p	265.44p	242.00p
31 January 2019	3.000p	263.83p	242.00p
Total return		**(3.86)%**	**(0.83)%**

2018	Dividend rate	NAV[A]	Share price
31 January 2017	N/A	270.34p	220.00p
2 February 2017	2.575p	269.01p	210.00p
4 May 2017	3.975p	285.04p	211.50p
3 August 2017	2.575p	290.39p	244.75p
2 November 2017	2.575p	291.81p	232.25p
31 January 2018	N/A	290.57p	243.50p
Total return		**+11.98%**	**+11.74%**

[A] 2019 Cum-income NAV with debt at fair value, adjusted to exclude the third interim dividend for the year ended 31 January 2019 which went ex-dividend on 31 January 2019 but was not paid until 22 February 2019 due to the difference in recognition of dividends payable on an ex-dividend date basis under AIC reporting guidleines and upon payment under accounting standards.

Discount to net asset value per share with debt at fair value

The discount is the amount by which the share price of 242.00p (2018 – 260.00p) is lower than the net asset value per share with debt at fair value of 260.11p (2018 – 283.04p), expressed as a percentage of the net asset value with debt at fair value.

Dividend cover

Revenue return per share of 12.68p (2018 – 12.64p) divided by dividends per share of 12.45p (2018 – 12.10p) expressed as a ratio.

Net gearing

Net gearing measures the total borrowings of £69,749,000 (31 January 2018 – £69,775,000) less cash and cash equivalents of £4,635,000 (31 January 2018 – £5,755,000) divided by shareholders' funds of £401,731,000 (31 January 2018 – £442,384,000), expressed as a percentage.

Alternative Performance Measures continued

Equity gearing

Equity gearing is calculated as the amount by which the total value of equity securities of £437,108,000 (2018 – £477,015,000) exceeds shareholders' funds of £401,731,000 (2018 – £442,384,000), expressed as a percentage of shareholder funds.

Ongoing charges

Ongoing charges is considered to be an alternative performance measure. The ongoing charges ratio has been calculated in accordance with guidance issued by the AIC as the total of investment management fees and administrative expenses and expressed as a percentage of the average net asset values with debt at fair value throughout the year.

	2019	2018
Investment management fees (£'000)	1,669	1,717
Administrative expenses (£'000)	942	954
Less: non-recurring charges (£'000)	(11)	(30)
Ongoing charges (£'000)	**2,600**	**2,641**
Average net assets (£'000)	**412,064**	**433,055**
Ongoing charges ratio	**0.63%**	**0.61%**

The ongoing charges ratio provided in the Company's Key Information Document is calculated in line with the PRIIPs regulations.

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of Dunedin Income Growth Investment Trust PLC (the "Company") will be held at Discovery Point, Discovery Quay, Dundee DD1 4XA on Thursday 23 May 2019 at 12 noon, for the following purposes:

Ordinary Business

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

1. To receive the reports of the Directors and auditor and the financial statements for the year ended 31 January 2019.
2. To receive and adopt the Directors' Remuneration Report (excluding the Directors' Remuneration Policy) for the year ended 31 January 2019.
3. To approve a final dividend of 3.45p per Ordinary share.
4. To re-elect Mr Jasper Judd as a Director of the Company.
5. To re-elect Ms Catherine Claydon as a Director of the Company.
6. To re-elect Ms Elisabeth Scott as a Director of the Company.
7. To re-elect Mr Howard Williams as a Director of the Company.
8. To re-elect Mr David Barron as a Director of the Company.
9. To re-appoint Deloitte LLP as auditor of the Company.
10. To authorise the Directors to determine the remuneration of the auditor for the year to 31 January 2020.
11. That, in substitution for any existing authority under Section 551 of the Companies Act 2006 (the "Act"), but without prejudice to the exercise of any such authority prior to the passing of this resolution, the Directors be and are hereby generally and unconditionally authorised, pursuant to and in accordance with Section 551 of the Act, to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for or to convert any security into shares in the Company (such shares and rights together being "relevant securities") up to an aggregate nominal amount of £12,354,890 or, if less, the number representing 33.33% of the issued Ordinary share capital of the Company as at the date of the passing of this resolution provided that such authorisation expires (unless previously renewed, varied or revoked by the Company in general meeting) at the conclusion of the next Annual General Meeting of the Company or on 31 July 2020 (whichever is earlier) save that the Company may, at any time prior to the expiry of such authority, make offers or agreements which would or might require such relevant securities to be allotted after such expiry and the Directors may make such offers or agreements as if such expiry had not occurred.

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

12. That, subject to the passing of resolution number 11 set out above and in substitution for any existing power under Sections 570 and 573 of the Companies Act 2006 (the "Act") but without prejudice to the exercise of any such authority prior to the passing of this resolution, the Directors be and are hereby generally empowered, pursuant to Sections 570 and 573 of the Act, to allot equity securities (as defined in Section 560 of the Act) pursuant to the authority conferred on them by resolution number 11 or by way of a sale of treasury shares (within the meaning of Section 560(3) of the Act), in each case for cash and as if Section 561(1) of the Act did not apply to any such allotment or sale provided that this power shall be limited to:
    (i) the allotment of equity securities or sale of treasury shares (otherwise than pursuant to sub-paragraph (ii) below) up to an aggregate nominal value of £1,853,418 or, if less, the number representing 5% of the issued Ordinary share capital of the Company (excluding treasury shares) as at the date of the passing of this resolution, at a price representing a premium to the net asset value per share at allotment or sale, as determined by the Directors; and
    (ii) the allotment of equity securities by way of rights issue, open offer or other pre-emptive offer in favour of all holders of Ordinary shares where the equity securities respectively attributable to the interests of all such holders are either proportionate (as nearly as may be) to the respective number of Ordinary shares held by them on a record date fixed by the Directors (subject to such exclusions, limitations, restrictions or other arrangements as the Directors consider necessary or appropriate to deal with treasury shares, fractional entitlements, record dates, legal, regulatory or practical problems in or under the laws of, or requirements of, any regulatory body or any stock exchange in any territory or otherwise howsoever);

    and shall expire (unless previously renewed, varied or revoked by the Company in general meeting) at the conclusion of the next Annual General Meeting of the Company or on 31 July 2020 (whichever is earlier), save that the Company may, at any time prior to the expiry of such authority, make offers or agreements before such expiry which would or might require equity securities to be allotted after such expiry and the Directors may make such offers or agreements as if such expiry had not occurred.

13. That, in substitution for any existing authority under Section 701 of the Companies Act 2006 (the "Act"), but without prejudice to the exercise of any such authority prior to the passing of this resolution, the Company be and is hereby generally and unconditionally authorised, for the purposes of Section 701 of the Act, to make one or more market purchases (within the meaning of Section 693(4) of the Act) of fully paid Ordinary shares of 25p each in the capital of the Company ("Ordinary shares") on such terms as the Directors of the Company think fit and to cancel or hold in treasury such shares provided that:
    - (i) the maximum aggregate number of Ordinary shares hereby authorised to be purchased shall be 22,226,200 Ordinary shares or, if less, the number representing 14.99% of the issued Ordinary share capital of the Company as at the date of the passing of this resolution;
    - (ii) the minimum price which may be paid for an Ordinary share shall be 25p (exclusive of expenses);
    - (iii) the maximum price (exclusive of expenses) which may be paid for an Ordinary share shall be the higher of:
        - (a) 5% above the average of the middle market quotations of the Ordinary shares (as derived from the Daily Official List of the London Stock Exchange) for the five business days immediately preceding the date of purchase; and
        - (b) the higher of the price of the last independent trade in Ordinary shares and the highest current independent bid for Ordinary shares on the London Stock Exchange; and
    - (iv) unless previously varied, revoked or renewed, the authority hereby conferred shall expire at the conclusion of the next Annual General Meeting of the Company or on 31 July 2020 (whichever is the earlier) save that the Company may at any time prior to such expiry, enter into a contract or arrangement to purchase Ordinary shares under this authority which will or might be completed or executed wholly or partly after the expiration of this authority and may make a purchase of shares pursuant to any such contract or arrangement.

By order of the Board
Aberdeen Asset Management PLC
Company Secretary
40 Princes Street
Edinburgh EH2 2BY
27 March 2019

Registered Office
40 Princes Street
Edinburgh EH2 2BY

Notes:

(i) A member entitled to attend and vote at the meeting may appoint a proxy or proxies to exercise all or any of his/her rights to attend, speak and vote on his/her behalf at the meeting. A proxy need not be a member of the Company. A member may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. A member may not appoint more than one proxy to exercise the rights attached to any one share. If you wish your proxy to speak on your behalf at the meeting you will need to appoint your own choice of proxy (not the Chairman of the meeting) and give your instructions directly to them. A proxy form which may be used to make such appointment and give proxy instructions accompanies this notice. If you do not have a proxy form and believe that you should have one, or if you require additional forms or would like to appoint more than one proxy, please contact the Company's Registrars, Equiniti Limited on 0371 384 2441 (charges for calling this number are determined by the caller's service provider. Lines open 8.30 a.m. to 5.30 p.m., Monday to Friday, excluding bank holidays in England and Wales), tel international +44 (0)121 415 7047. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's Register of Members in respect of the joint holding (the first-named being the most senior). A member present in person or by proxy shall have one vote on a show of hands and on a poll every member present in person or by proxy shall have one vote for every Ordinary share of which he/she is the holder.

(ii) A form of proxy is enclosed. To be valid, any proxy form or other instrument of proxy and any power of attorney or other authority, if any, under which they are signed or a notarially certified copy of that power of attorney or authority should be sent to the Company's Registrars, Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA so as to arrive not less than 48 hours (excluding non-working days) before the time fixed for the meeting.

(iii) The return of a completed proxy form or other such instrument of proxy will not prevent a member attending the Annual General Meeting and voting in person if he/she wishes to do so.

(iv) CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) thereof by using the procedures described in the CREST Manual and by logging on to the website euroclear.com. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

(v) In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications, and must contain the information required for such instruction, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by the Company's Registrar (ID RA19) no later than 48 hours (excluding non-working days) before the time of the meeting or any adjournment. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Application Host) from which the Company's Registrar is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

(vi) CREST members and, where applicable, their CREST sponsors, or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

(vii) The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

(viii) The "vote withheld" option on the proxy form is provided to enable a member to abstain on any particular resolution. It should be noted that an abstention is not a vote in law and will not be counted in the calculation of the proportion of votes "for" or "against" a particular resolution.

(ix) The right to vote at the meeting is determined by reference to the Company's register of members as at 6.30 p.m on 21 May 2019 or, if the meeting is adjourned, at 6.30 p.m. on the day two days (excluding non-working days) prior to the adjourned meeting. Changes to entries on that register after that time shall be disregarded in determining the rights of any member to attend and vote at the meeting.

(x) As at 27 March 2019 (being the latest practicable date prior to the publication of this document) the Company's issued share capital comprised 148,273,519 Ordinary shares of 25p each and 5,404,416 treasury shares. Each Ordinary share carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at 27 March 2019 was 148,273,519.

(xi) Any person holding 3% or more of the total voting rights of the Company who appoints a person other than the Chairman of the meeting as his/her proxy will need to ensure that both he/she and his/her proxy complies with their respective disclosure obligations under the UK Disclosure Guidance and Transparency Rules.

(xii) A person to whom this notice is sent who is a person nominated under Section 146 of the Companies Act 2006 to enjoy information rights (a "Nominated Person") may, under an agreement between him/her and the shareholder by whom he/she was nominated, have a right to be appointed (or to have someone else appointed) as a proxy for the meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may, under any such agreement, have a right to give instructions to the shareholder as to the exercise of voting rights. The statements of the rights of members in relation to the appointment of proxies in notes (i) to (iii) above do not apply to a Nominated Person. The rights described in those notes can only be exercised by registered members of the Company.

(xiii) Biographical details of the Directors standing for election and re-election are set out on pages 30 to 32 of this report.

(xiv) Members who have general queries about the Annual General Meeting should contact the Company Secretary in writing. Members are advised that any telephone number, website or email address which may be set out in this notice of Annual General Meeting or in any related documents (including the proxy form) is not to be used for the purposes of serving information or documents on, or otherwise communicating with, the Company for any purposes other than those expressly stated.

(xv) Members should note that, it is possible that, pursuant to requests made by members of the Company under Section 527 of the Companies Act 2006, the Company may be required to publish on a website a statement setting out any matter relating to the audit of the Company's accounts (including the auditor's report and the conduct of the audit) that are to be laid before the meeting or any circumstances connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with Section 437 of the Companies Act 2006. The Company may not require the members requesting any such website publication to pay its expenses in complying with Sections 527 or 528 of the Companies Act 2006. Where the Company is required to place a statement on a website under Section 527 of the Companies Act 2006, it must forward the statement to the Company's auditor no later than the time when it makes the statement available on the website. The business which may be dealt with at the meeting includes any statement that the Company has been required under Section 527 of the Companies Act 2006 to publish on a website.

(xvi) No Director has a service contract with the Company. Copies of the Directors' letters of appointment are available for inspection on any day (except Saturdays, Sundays and bank holidays in England and Wales) from the date of this notice until the date of the meeting during usual business hours at the Company's registered office and for 15 minutes prior to, and at, the meeting.

(xvii) Information regarding the Annual General Meeting is available from the Company's website, dunedinincomegrowth.co.uk.

(xviii) Pursuant to Section 319A of the Companies Act 2006, any shareholder has the right to put questions at the meeting relating to business being dealt with at the meeting.

Contact Addresses

Directors

David Barron
Catherine Claydon
Jasper Judd
Elisabeth Scott
Howard Williams

Registered Office & Company Secretary

Aberdeen Asset Management PLC
40 Princes Street
Edinburgh EH2 2BY

Alternative Investment Fund Manager

Aberdeen Standard Fund Managers Limited
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1 Bread Street
London EC4M 9HH

Investment Manager

Aberdeen Asset Managers Limited
Bow Bells House
1 Bread Street
London EC4M 9HH

Customer Services Department, Children's Plan, Share Plan and ISA Enquiries

Aberdeen Standard Investment Trusts
PO Box 11020
Chelmsford
Essex CM99 2DB

Freephone: 0808 500 0040
(open Monday to Friday, 9.00 a.m. to 5.00 p.m.)
Email: inv.trusts@aberdeenstandard.com

Company Registration Number

SC000881 (Scotland)

Website

dunedinincomegrowth.co.uk

Registrar

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

Shareholder Helpline: 0371 384 2441*

(*Lines open 8.30 a.m. to 5.30 p.m., Monday to Friday excluding bank holidays in England and Wales. Charges for calling telephone numbers starting with '03' are determined by the caller's service provider.)

Overseas helpline number: +44 (0)121 415 7047

Depositary

The Bank of New York Mellon (International) Limited
1 Canada Square
London E14 5AL

Stockbroker

JPMorgan Cazenove
25 Bank Street
Canary Wharf
London E14 5JP

Auditor

Deloitte LLP
Saltire Court
20 Castle Terrace
Edinburgh EH1 2DB

United States Internal Revenue Service FATCA Registration Number ("GIIN")

CJ1DH9.99999.SL.826

Legal Entity Identifier ("LEI")

549300PPXLZPR5JTL763

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