

BMO Managed Portfolio Trust PLC

Interim Report for the
six months ended
30 November 2019

BMO



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Forward-looking statements

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



Company Overview

BMO Managed Portfolio Trust PLC (the “Company”) is an investment trust and launched on 16 April 2008. Its shares are listed on the premium segment of the Official List of the UK Listing Authority and traded on the London Stock Exchange.

Our aim

The Company’s shares provide investors with access to a broad spread of investment companies, covering a variety of geographies, sectors and investment managers, with the objective of providing both income and growth, while spreading investment risk.

This is intended to appeal, in particular, to investors with smaller investment portfolios and to regular savers.

Share classes

The Company has two classes of shares with two separate investment portfolios:

- the Income shares, where the investment focus is to provide an attractive level of income, together with some capital growth; and
- the Growth shares, where the investment focus is to achieve capital growth.

The ability to switch between the two share classes, annually, in a tax efficient manner offers flexibility to those investors whose requirements may change over time.

As at 30 November 2019, the Income shares had a dividend yield of 4.4% and since launch on 16 April 2008 had achieved a net asset value total return of +137.3% while the net asset value of the Growth shares had risen by +119.0%. Over this period the FTSE All-Share Index total return was +102.8%.

The benchmark index for both the Income portfolio and the Growth portfolio is the FTSE All-Share Index total return.

Visit our website at [bmomangedportfolio.com](https://www.bmomangedportfolio.com)

The Company is registered in Scotland with company registration number SC338196
Legal Entity Identifier: 213800ZA6TW45NM9YY31

Income Shares – Financial Highlights and Performance Summary for the six months

4.4%

Dividend yield⁽¹⁾

Dividend yield of 4.4% at 30 November 2019, compared to the yield on the FTSE All-Share Index of 4.2%. Dividends are paid quarterly. First two interim dividends increased by 3.7% compared to the prior year.

+6.3%

NAV total return⁽²⁾

Net asset value total return per Income share of +6.3% for the six months, outperforming the FTSE All-Share Index total return (+5.8%) by +0.5%.

Total return ⁽²⁾			
	Six months to 30 November 2019	Six months to 30 November 2018	Year to 31 May 2019
Net asset value per Income share	+6.3%	-2.3%	+2.5%
Income share price	+4.7%	-3.4%	+2.5%
FTSE All-Share Index	+5.8%	-7.7%	-3.2%

Other financial highlights			
	30 November 2019	31 May 2019	% Change
Net asset value per Income share	136.75p	131.81p	+3.7%
Income share price	137.50p	134.50p	+2.2%
FTSE All-Share Index	4,066.73	3,923.87	+3.6%
Dividend yield ⁽¹⁾	4.4%	4.4%	
Premium ⁽³⁾	+0.5%	+2.0%	
Net gearing ⁽⁴⁾	-5.2%	-6.5%	

Notes

⁽¹⁾ Dividend yield – see Alternative Performance Measures on page 34. Based on dividends at the expected minimum annual rate of 6.1 pence per Income share for the financial year to 31 May 2020 (31 May 2019: 5.95 pence) and the Income share price at the above dates.

⁽²⁾ Total return – see Alternative Performance Measures on pages 33 and 34.

⁽³⁾ Premium – see Alternative Performance Measures on page 33.

⁽⁴⁾ Net gearing = (borrowings less cash) expressed as a percentage of shareholders' funds.

Sources: BMO Global Asset Management ("BMO GAM") and Refinitiv Eikon

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

Growth Shares – Financial Highlights and Performance Summary for the six months

+4.6%

NAV total return⁽¹⁾

Net asset value total return per Growth share of +4.6% for the six months, underperforming the FTSE All-Share Index total return (+5.8%) by -1.2%.

+10.3%
CAGR

Long-term growth record

NAV total return Compound Annual Growth Rate of +10.3% over 10 years compared with a return of +8.2% from the FTSE All-Share Index.

Total return ⁽¹⁾			
	Six months to 30 November 2019	Six months to 30 November 2018	Year to 31 May 2019
Net asset value per Growth share	+4.6%	-3.5%	-0.5%
Growth share price	+3.4%	-4.8%	-1.4%
FTSE All-Share Index	+5.8%	-7.7%	-3.2%

Other financial highlights			
	30 November 2019	31 May 2019	% Change
Net asset value per Growth share	214.62p	205.17p	+4.6%
Growth share price	213.00p	206.00p	+3.4%
FTSE All-Share Index	4,066.73	3,923.87	+3.6%
-Discount/+premium ⁽²⁾	-0.8%	+0.4%	
Net cash ⁽³⁾	6.0%	6.3%	

Notes

⁽¹⁾ Total return – see Alternative Performance Measures on pages 33 and 34.

⁽²⁾ -Discount/+premium – see Alternative Performance Measures on page 33.

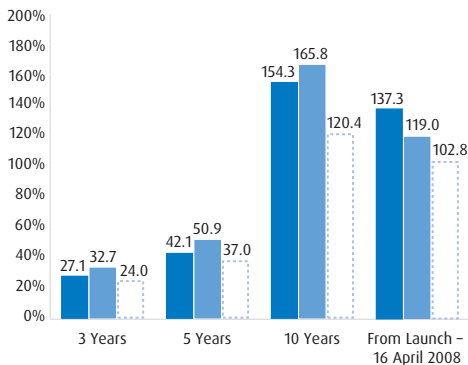
⁽³⁾ Net cash = (cash and cash equivalents after any offset against gearing) expressed as a percentage of shareholders' funds.

Sources: BMO GAM and Refinitiv Eikon.

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

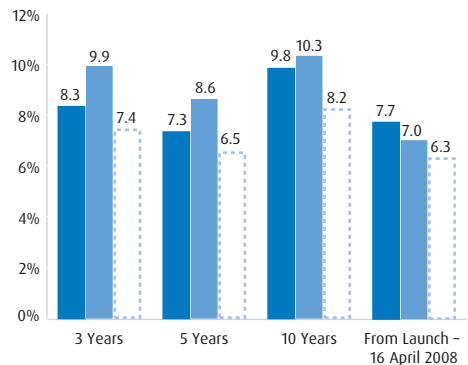
Long-term Summary

Cumulative Performance to 30 November 2019



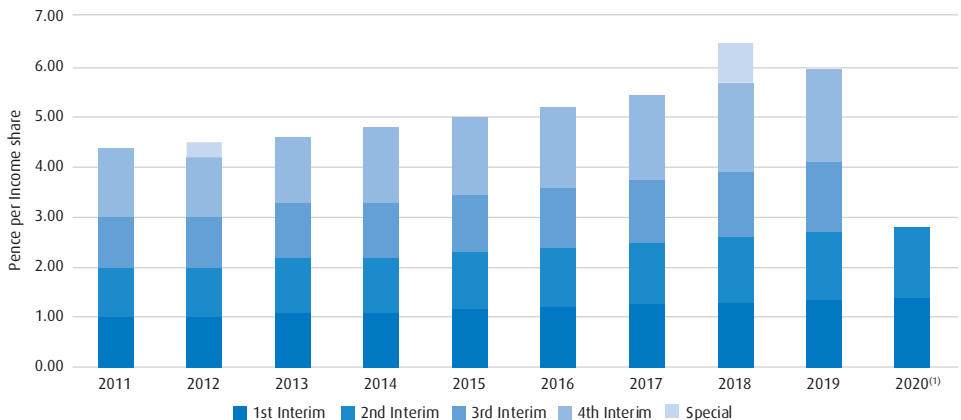
■ BMO Managed Portfolio Trust - Income shares NAV total return
■ BMO Managed Portfolio Trust - Growth shares NAV total return
■ Benchmark FTSE All-Share Index total return

Compound Annual Returns to 30 November 2019



■ BMO Managed Portfolio Trust - Income shares NAV total return
■ BMO Managed Portfolio Trust - Growth shares NAV total return
■ Benchmark FTSE All-Share Index total return

Ten year dividend history for financial year to 31 May



⁽¹⁾ First two interim dividends paid to date for 2020 financial year

Chairman's Statement



Colin S McGill, Chairman

Highlights

- Net asset value total return of +6.3% for the Income shares and +4.6% for the Growth shares compared to the FTSE All-Share Index total return of +5.8%
- NAV total return compound annual growth rate over 10 years of +9.8% for the Income shares and +10.3% for the Growth shares compared with a return of +8.2% from the FTSE All-Share Index
- First two interim dividends increased from 1.35 pence to 1.4 pence per Income share
- Income share dividend yield of 4.4% at 30 November 2019

Investment performance

For the six months to 30 November 2019, the net asset value (NAV) total return was +6.3% for the Income shares and +4.6% for the Growth shares. The total return for the benchmark index for both portfolios, the FTSE All-Share Index, was +5.8%. The long-term track record continues to show the NAV total return for both portfolios outperforming the benchmark index over 3, 5 and 10 years to 30 November 2019, with NAV total return growth over 10 years achieving a compound annual return of +9.8% for the Income shares and +10.3% for the Growth shares.

In line with our stated objectives we have again been able to increase our interim dividends. At

30 November 2019 the dividend yield of the Income shares was 4.4% (based on the expected minimum annual dividend of 6.1 pence per Income share for the current financial year) as compared to the yield on the FTSE All-Share Index of 4.2%.

The period under review saw a decent positive return from the UK equity market however this masked some significant volatility caused by massive political uncertainty in the UK, particularly in the latter few months. A feature was sterling, which had been weak for a prolonged period, but then began to rise sharply in October as the likelihood of a “no deal Brexit” diminished. It ended the six months gaining 2.6% and 3.7% against the dollar and euro respectively, a marked change of trend for the currency.

Globally, concerns over prospects for growth led to three cuts in interest rates by the US Federal Reserve, a modest return to the policy of Quantitative Easing by the European Central Bank and a further stimulus package from the Bank of Japan.

Equity markets responded positively to these measures, although due to strength of the UK currency the returns from overseas markets were diluted when translated back into sterling. Against this background both portfolios made gains over the period with the Income portfolio slightly ahead and the Growth portfolio slightly behind the total return of the FTSE All-Share Index.

Chairman's Statement (continued)

Once again, a theme amongst the top contributors to performance from individual holdings in the Growth portfolio was technology with **HgCapital Trust** and long-time holding **Polar Capital Technology Trust** experiencing share price gains of 19% and 16% respectively. The secular growth theme of healthcare saw the best performance with **Biotech Growth Trust** gaining 20% and **Worldwide Healthcare Trust** ahead by 17%.

In the Income portfolio the healthcare theme was also evident amongst the best performers with Swiss based **HBM Healthcare Investments** achieving a 21% rise in share price. Other top contributors were specialist healthcare property REIT **Assura** which rose 21% and consistent long-term outperformer **Invesco Perpetual UK Smaller Companies Investment Trust** whose share price gained 18%.

(All share prices are total return)

Revenue and dividends

The Company's net revenue for the six months was £1.50 million which is equivalent to 3.40p per Income share (compared to 3.27p per Income share for the corresponding period in 2018). Income shares are entitled to all the dividends paid by the Company.

In line with our objective of increasing dividends over time, the Company has declared a first and second interim dividend in respect of the year to 31 May 2020, each of 1.4p per Income share (1.35p per Income share in the corresponding period in the year to 31 May 2019).

In the absence of unforeseen circumstances, the Board intends to pay three interim dividends, each of 1.4p per Income share and the aggregate dividends for the current financial year to 31 May 2020 will be at least 6.1p per Income share (2019:

5.95p per Income share). The amount of the fourth interim dividend will be determined when a clearer view of income for the year emerges. A minimum expected annual rate of 6.1p per Income share represents a yield on the Income share price at 30 November 2019 of 4.4%.

Borrowing

At 30 November 2019 the Income portfolio had total borrowings of £5 million (7.6% of gross assets) the investment of which helps to boost net income after allowing for the interest cost. The Growth portfolio had no borrowings.

Discount to NAV and share buy-backs

In normal circumstances we aim to maintain our discount at not more than 5%, by buying back shares from time to time if necessary. In practice over the years the shares have generally traded close to NAV. During the six months to 30 November 2019 the average premium to NAV for the Income shares and for the Growth shares was 0.9% and 0.0% respectively. At 30 November 2019, the Income shares stood at a premium to NAV of 0.5% and the Growth shares at a discount of 0.8% to NAV.

Share conversion facility

Shareholders have the opportunity to convert their Income shares into Growth shares or their Growth shares into Income shares annually subject to minimum and maximum conversion thresholds which may be reduced or increased at the discretion of the Board. At the start of November 2019 the conversion proceeded, for those shareholders who had elected to do so. The ability to convert without incurring capital gains tax should be an attractive facility for shareholders and the next conversion date (subject to minimum and maximum thresholds) will be in October 2020. Details will be provided when the Company's annual report is published in late July 2020.

Outlook

It appears the actions taken by the US Federal Reserve and other central banks has had the desired effect and prospects for growth in 2020 have modestly improved such that the economic cycle appears likely to be extended and the chances of a recession pushed out until 2021 at the earliest. Whilst for most developed countries growth remains moderate by historic standards, inflation is subdued and interest rates will remain low. This is an encouraging backdrop for equity markets. Since the end of the period under review much has changed for the UK and following a decisive general election it appears the uncertainty caused by Brexit is likely to wane. Post the Brexit Referendum in 2016 the UK equity market has been out of favour with global institutions and has underperformed most other major markets. The UK equity market offers very attractive value not only relative to other global equity markets but also in a historical context. In this regard smaller companies or those with mainly domestic revenues could benefit most from a reduction of uncertainty and perhaps slightly better growth from the UK economy. Since the end of the period under review both new and existing holdings which have significant exposure in the areas identified above have either been introduced or increased.

Looking forward there are certain factors which could unsettle markets: China/US trade tensions being unresolved, or an EU/UK trade deal not being concluded. However, should the policy adopted by monetary authorities continue in the same vein, then that provides a positive background for equity markets to make modest progress.

Colin S McGill

Chairman

24 January 2020

Income Shares – Investment Portfolio

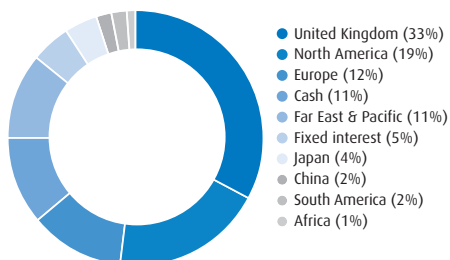
At 30 November 2019			
Investment	Sector	Valuation £'000	% of Net assets of income portfolio
BB Healthcare Trust	Biotechnology & Healthcare	2,168	3.6
Invesco Perpetual UK Smaller Companies Investment Trust	UK Smaller Companies	2,153	3.5
Law Debenture Corporation	Global	2,114	3.5
Secure Income REIT	Property Specialist	2,095	3.4
BB Biotech	Biotechnology & Healthcare	2,005	3.3
Scottish American Investment Company	Global Equity Income	1,976	3.2
NB Private Equity Partners	Private Equity	1,951	3.2
JPMorgan Global Growth & Income	Global Equity Income	1,949	3.2
3i Infrastructure	Infrastructure	1,932	3.2
Murray International Trust	Global Equity Income	1,923	3.1
Ten largest investments		20,266	33.2%
Henderson International Income Trust	Global Equity Income	1,883	3.1
Temple Bar Investment Trust	UK Equity Income	1,850	3.0
City of London Investment Trust	UK Equity Income	1,806	3.0
Hipgnosis Songs Fund	Tech Media & Telecomm	1,767	2.9
Troy Income & Growth Trust	UK Equity Income	1,760	2.9
Princess Private Equity Holding	Private Equity	1,756	2.9
Schroder Oriental Income Fund	Asia Pacific – Exc Japan	1,750	2.9
CC Japan Income & Growth Trust	Japan	1,742	2.9
Monks Investment Trust	Global	1,730	2.8
HBM Healthcare Investments	Biotechnology & Healthcare	1,659	2.7
Twenty largest investments		37,969	62.3%
The Bankers Investment Trust	Global	1,653	2.7
Henderson Far East Income	Asia Pacific – Exc Japan	1,584	2.6
GCP Asset Backed Income Fund	Debt	1,579	2.6
Jupiter Emerging & Frontier Income Trust	Global Emerging Markets	1,545	2.5
European Assets Trust†	European Smaller Companies	1,525	2.5
CQS New City High Yield Fund	UK Equity & Bond Income	1,508	2.5
Assura	Property Specialist	1,478	2.4
Perpetual Income & Growth Investment Trust	UK Equity Income	1,476	2.4
Invesco Perpetual Enhanced Income	Global High Income	1,474	2.4
The Renewables Infrastructure Group	Infrastructure – Renewable Energy	1,458	2.4
Thirty largest investments		53,249	87.3%

At 30 November 2019

Investment	Sector	Valuation £'000	% of Net assets of Income portfolio
Tetragon Financial Management	Flexible Investment	1,425	2.3
Henderson High Income Trust	UK Equity & Bond Income	1,346	2.2
Lowland Investment Company	UK Equity Income	1,315	2.2
Civitas Social Housing REIT	Property Specialist	1,299	2.1
Impact Healthcare REIT	Property Specialist	1,296	2.1
JP Morgan Global Emerging Markets Income Trust	Global Emerging Markets	1,280	2.1
Utilico Emerging Markets Trust	Global Emerging Markets	1,100	1.8
Aberdeen Asian Income Fund	Asia Pacific – Exc Japan	1,035	1.7
Aberforth Split Level Income Trust	UK Smaller Companies	825	1.4
Total investments		64,170	105.2%
Net current assets		1,801	3.0%
Fixed term bank loan		(5,000)	(8.2)%
Net assets of Income portfolio		60,971	100.0%

† Investment managed by the Manager, BMO GAM

Analysis of the investment areas of the Income portfolio's Investments on a 'look-through' basis



Note: This analysis is gross of any gearing in the underlying investee companies. Source: AIC (underlying data at 30 November 2019)

Growth Shares – Investment Portfolio

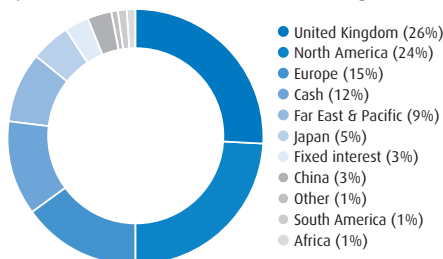
At 30 November 2019			
Investment	Sector	Valuation £'000	% of Net assets of Growth portfolio
Monks Investment Trust	Global	3,272	4.3
Allianz Technology Trust	Tech Media & Telecomm	2,627	3.5
HgCapital Trust	Private Equity	2,515	3.3
Polar Capital Technology Trust	Tech Media & Telecomm	2,397	3.1
Worldwide Healthcare Trust	Biotechnology & Healthcare	2,388	3.1
RIT Capital Partners	Flexible Investment	2,278	3.0
Mid Wynd International Investment Trust	Global	2,234	2.9
BH Macro	Hedge Funds	2,210	2.9
Impax Environmental Markets	Environmental	2,174	2.9
TR Property Investment Trust ^f	Property Securities	2,133	2.8
Ten largest investments		24,228	31.8%
Personal Assets Trust	Flexible Investment	2,110	2.8
Capital Gearing Trust	Flexible Investment	2,040	2.7
Finsbury Growth & Income Trust	UK Equity Income	2,009	2.6
Syncona	Biotechnology & Healthcare	1,996	2.6
Herald Investment Trust	Small Media, Comms & IT Cos	1,966	2.6
Baillie Gifford Japan Trust	Japan	1,953	2.6
European Opportunities Trust	Europe	1,856	2.4
Scottish Mortgage Investment Trust	Global	1,852	2.4
Ruffer Investment Company	Flexible Investment	1,845	2.4
ICG Enterprise Trust	Private Equity	1,813	2.4
Twenty largest investments		43,668	57.3%
Fidelity Special Values	UK All Companies	1,745	2.3
Merian Chrysalis Investment Company	Growth Capital	1,680	2.2
Edinburgh Worldwide Investment Trust	Global	1,629	2.1
Templeton Emerging Markets Investment Trust	Global Emerging Markets	1,582	2.1
Biotech Growth Trust	Biotechnology & Healthcare	1,474	1.9
Henderson Opportunities Trust	UK All Companies	1,473	1.9
Henderson Smaller Companies Investment Trust	UK Smaller Companies	1,463	1.9
Murray International Trust	Global Equity Income	1,442	1.9
Schroder Asian Total Return Investment Company	Asia Pacific – Exc Japan	1,436	1.9
JPMorgan American Investment Trust	North America	1,428	1.9
Thirty largest investments		59,020	77.4%

At 30 November 2019

Investment	Sector	Valuation £'000	% of Net assets of Growth portfolio
Aurora Investment Trust	UK All Companies	1,308	1.7
Diverse Income Trust	UK Equity Income	1,297	1.7
Henderson European Focus Trust	Europe	1,285	1.7
AVI Global Trust	Global	1,272	1.7
Fidelity Asian Values	Asia Pacific – Exc Japan	1,267	1.7
Baillie Gifford UK Growth Fund	UK All Companies	1,199	1.6
Lowland Investment Company	UK Equity Income	1,118	1.5
Law Debenture Corporation	Global	1,027	1.4
BlackRock Frontiers Investment Trust	Global Emerging Markets	940	1.2
Mobius Investment Trust	Global Emerging Markets	824	1.1
Forty largest investments		70,557	92.7%
Miton UK MicroCap Trust	UK Smaller Companies	782	1.0
Woodford Patient Capital Trust	Growth Capital	600	0.8
Total investments		71,939	94.5%
Net current assets		4,171	5.5%
Net assets of Growth portfolio		76,110	100.0%

† Investment managed by the Manager, BMO GAM

Analysis of the investment areas of the Growth portfolio's investments on a 'look-through' basis



Note: This analysis is gross of any gearing in the underlying investee companies. Source: AIC (underlying data at 30 November 2019)

Unaudited Condensed Income Statement

Six months to 30 November 2019			
Notes	Revenue £'000	Capital £'000	Total £'000
	-	5,852	5,852
	-	(1)	(1)
2 Income	1,927	-	1,927
3 Investment management and performance fees	(130)	(342)	(472)
Other expenses	(272)	-	(272)
Return on ordinary activities before finance costs and tax	1,525	5,509	7,034
Finance costs	(22)	(33)	(55)
Return on ordinary activities before tax	1,503	5,476	6,979
Tax on ordinary activities	-	-	-
Return attributable to shareholders	1,503	5,476	6,979
5 Return per Income share (pence)	3.40p	4.80p	8.20p
5 Return per Growth share (pence)	-	9.44p	9.44p

The total column of this statement is the Profit and Loss Account of the Company.
The supplementary revenue and capital columns are prepared under guidance published by The Association of Investment Companies.
All revenue and capital items in the Income Statement derive from continuing operations.

Previous Periods

Six months to 30 November 2018			Year to 31 May 2019 [‡]		
Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
-	(4,747)	(4,747)	-	(880)	(880)
-	(2)	(2)	-	(8)	(8)
1,822	-	1,822	3,655	-	3,655
(124)	(492)	(616)	(252)	(940)	(1,192)
(260)	-	(260)	(495)	-	(495)
1,438	(5,241)	(3,803)	2,908	(1,828)	1,080
(22)	(33)	(55)	(44)	(65)	(109)
1,416	(5,274)	(3,858)	2,864	(1,893)	971
(7)	-	(7)	(24)	-	(24)
1,409	(5,274)	(3,865)	2,840	(1,893)	947
3.27p	(6.32p)	(3.05p)	6.59p	(3.47p)	3.12p
-	(7.20p)	(7.20p)	-	(1.12p)	(1.12p)

[‡] These figures are audited.

Unaudited Condensed Balance Sheet

		As at 30 November 2019		
Notes		Income shares £'000	Growth shares £'000	Total £'000
	Fixed assets			
4	Investments	64,170	71,939	136,109
	Current assets			
	Debtors	252	81	333
	Cash at bank and on deposit	1,860	4,543	6,403
		2,112	4,624	6,736
	Creditors			
	Amounts falling due within one year	(311)	(453)	(764)
	Net current assets	1,801	4,171	5,972
	Creditors			
12	Amounts falling due in more than one year	(5,000)	-	(5,000)
	Net assets	60,971	76,110	137,081
	Capital and reserves			
7	Called-up share capital	4,457	3,558	8,015
	Share premium	25,082	21,726	46,808
	Capital redemption reserve	54	206	260
	Special reserve	18,745	16,435	35,180
	Capital reserves	10,040	34,185	44,225
	Revenue reserve	2,593	-	2,593
	Shareholders' funds	60,971	76,110	137,081
8	Net asset value per share (pence)	136.75	214.62	

Approved by the Board and authorised for issue on 24 January 2020 and signed on its behalf by:

Colin S McGill, Director
24 January 2020

		Previous Periods					
		As at 30 November 2018			As at 31 May 2019 [†]		
		Income shares £'000	Growth shares £'000	Total £'000	Income shares £'000	Growth shares £'000	Total £'000
		58,295	67,693	125,988	61,321	68,943	130,264
		245	83	328	292	47	339
		1,750	3,481	5,231	1,256	4,571	5,827
		1,995	3,564	5,559	1,548	4,618	6,166
		(220)	(307)	(527)	(241)	(191)	(432)
		1,775	3,257	5,032	1,307	4,427	5,734
		(5,000)	-	(5,000)	(5,000)	(257)	(5,257)
		55,070	70,950	126,020	57,628	73,113	130,741
		4,298	3,564	7,862	4,372	3,563	7,935
		22,718	21,409	44,127	23,703	21,417	45,120
		24	185	209	30	186	216
		19,066	17,117	36,183	19,066	17,117	36,183
		6,693	28,675	35,368	7,919	30,830	38,749
		2,271	-	2,271	2,538	-	2,538
		55,070	70,950	126,020	57,628	73,113	130,741
		128.31p	199.11p		131.81p	205.17p	

[†] These figures are audited.

Unaudited Condensed Statement of Cash Flows

		Six months to 30 November 2019		
Notes		Income shares £'000	Growth shares £'000	Total £'000
9	Net cash outflow from operations before dividends and interest	(387)	(388)	(775)
	Dividends received	1,431	474	1,905
	Interest received	4	12	16
	Interest paid	(51)	-	(51)
	Net cash inflow/(outflow) from operating activities	997	98	1,095
	Investing activities			
	Purchases of investments	(1,606)	(301)	(1,907)
	Sales of investments	1,494	533	2,027
	Cash flows from investing activities	(112)	232	120
	Cash flows before financing activities	885	330	1,215
	Financing activities			
6	Equity dividends paid	(1,448)	-	(1,448)
	Net proceeds from issuance of new shares	1,081	-	1,081
	Sale of shares from treasury	-	150	150
	Shares purchased to be held in treasury	-	(422)	(422)
	Share conversion	86	(86)	-
	Cash flows from financing activities	(281)	(358)	(639)
	Net movement in cash and cash equivalents	604	(28)	576
	Cash and cash equivalents at the beginning of the period	1,256	4,571	5,827
	Cash and cash equivalents at the end of the period	1,860	4,543	6,403
	Represented by:			
	Cash at bank and short-term deposits	1,860	4,543	6,403

		Six months to 30 November 2018			Year to 31 May 2019 [‡]		
		Income shares £'000	Growth shares £'000	Total £'000	Income shares £'000	Growth shares £'000	Total £'000
		(313)	(634)	(947)	(624)	(984)	(1,608)
		1,289	493	1,782	2,574	1,002	3,576
		3	5	8	9	20	29
		(52)	-	(52)	(102)	-	(102)
		927	(136)	791	1,857	38	1,895
		(2,324)	(5,819)	(8,143)	(5,607)	(7,408)	(13,015)
		3,110	5,261	8,371	5,068	7,758	12,826
		786	(558)	228	(539)	350	(189)
		1,713	(694)	1,019	1,318	388	1,706
		(1,700)	-	(1,700)	(2,864)	-	(2,864)
		64	746	810	1,129	746	1,875
		-	-	-	-	157	157
		-	-	-	-	(149)	(149)
		(232)	232	-	(232)	232	-
		(1,868)	978	(890)	(1,967)	986	(981)
		(155)	284	129	(649)	1,374	725
		1,905	3,197	5,102	1,905	3,197	5,102
		1,750	3,481	5,231	1,256	4,571	5,827
		1,750	3,481	5,231	1,256	4,571	5,827

[‡] These figures are audited.

Unaudited Condensed Statement of Changes in Equity

Six months to 30 November 2019

Notes	Income shares						
	Share capital £000	Share premium account £000	Capital redemption reserve £000	Special reserve £000	Capital reserves £000	Revenue reserve £000	Total shareholders' funds £000
As at 31 May 2019	4,372	23,703	30	19,066	7,919	2,538	57,628
7 Increase in share capital in issue, net of issuance expenses	80	1,001	-	-	-	-	1,081
7 Share conversion	5	378	24	(321)	-	-	86
Transfer of net income from Growth to Income portfolio	-	-	-	-	-	321	321
Transfer of capital from Income to Growth portfolio	-	-	-	-	(321)	-	(321)
6 Dividends paid	-	-	-	-	-	(1,448)	(1,448)
Return attributable to shareholders	-	-	-	-	2,442	1,182	3,624
As at 30 November 2019	4,457	25,082	54	18,745	10,040	2,593	60,971
Notes	Growth shares						
	Share capital £000	Share premium account £000	Capital redemption reserve £000	Special reserve £000	Capital reserves £000	Revenue reserve £000	Total shareholders' funds £000
As at 31 May 2019	3,563	21,417	186	17,117	30,830	-	73,113
7 Shares sold from treasury	-	3	-	147	-	-	150
7 Shares purchased for treasury	-	-	-	(422)	-	-	(422)
7 Share conversion	(5)	306	20	(407)	-	-	(86)
Transfer of net income from Growth to Income portfolio	-	-	-	-	-	(321)	(321)
Transfer of capital from Income to Growth portfolio	-	-	-	-	321	-	321
Return attributable to shareholders	-	-	-	-	3,034	321	3,355
As at 30 November 2019	3,558	21,726	206	16,435	34,185	-	76,110
Notes	Total						
	Share capital £000	Share premium account £000	Capital redemption reserve £000	Special reserve £000	Capital reserves £000	Revenue reserve £000	Total shareholders' funds £000
As at 31 May 2019	7,935	45,120	216	36,183	38,749	2,538	130,741
7 Increase in share capital in issue, net of share issuance expenses	80	1,001	-	-	-	-	1,081
7 Shares sold from treasury	-	3	-	147	-	-	150
7 Shares purchased for treasury	-	-	-	(422)	-	-	(422)
7 Share conversion	-	684	44	(728)	-	-	-
6 Dividends paid	-	-	-	-	-	(1,448)	(1,448)
Return attributable to shareholders	-	-	-	-	5,476	1,503	6,979
Total Company as at 30 November 2019	8,015	46,808	260	35,180	44,225	2,593	137,081

Six months to 30 November 2018

Notes	Income shares						
	Share capital £000	Share premium account £000	Capital redemption reserve £000	Special reserve £000	Capital reserves £000	Revenue reserve £000	Total shareholders' funds £000
As at 31 May 2018	4,306	22,597	-	19,371	9,414	2,562	58,250
7 Increase in share capital in issue, net of issuance expenses	5	59	-	-	-	-	64
Share conversion	(13)	62	24	(305)	-	-	(232)
Transfer of net income from Growth to Income portfolio	-	-	-	-	-	333	333
Transfer of capital from Income to Growth portfolio	-	-	-	-	(333)	-	(333)
6 Dividends paid	-	-	-	-	-	(1,700)	(1,700)
Return attributable to shareholders	-	-	-	-	(2,388)	1,076	(1,312)
As at 30 November 2018	4,298	22,718	24	19,066	6,693	2,271	55,070
Notes	Growth shares						
	Share capital £000	Share premium account £000	Capital redemption reserve £000	Special reserve £000	Capital reserves £000	Revenue reserve £000	Total shareholders' funds £000
As at 31 May 2018	3,517	20,408	182	17,190	31,228	-	72,525
7 Increase in share capital in issue, net of share issuance expenses	34	712	-	-	-	-	746
Share conversion	13	289	3	(73)	-	-	232
Transfer of net income from Growth to Income portfolio	-	-	-	-	-	(333)	(333)
Transfer of capital from Income to Growth portfolio	-	-	-	-	333	-	333
Return attributable to shareholders	-	-	-	-	(2,886)	333	(2,553)
As at 30 November 2018	3,564	21,409	185	17,117	28,675	-	70,950
Notes	Total						
	Share capital £000	Share premium account £000	Capital redemption reserve £000	Special reserve £000	Capital reserves £000	Revenue reserve £000	Total shareholders' funds £000
As at 31 May 2018	7,823	43,005	182	36,561	40,642	2,562	130,775
Share conversion	-	351	27	(378)	-	-	-
Increase in share capital in issue, net of share issuance expenses	39	771	-	-	-	-	810
6 Dividends paid	-	-	-	-	-	(1,700)	(1,700)
Return attributable to shareholders	-	-	-	-	(5,274)	1,409	(3,865)
Total Company as at 30 November 2018	7,862	44,127	209	36,183	35,368	2,271	126,020

Unaudited Condensed Statement of Changes in Equity (continued)

Year to 31 May 2019†

		Income shares						
Notes	Share capital £000	Share premium account £000	Capital redemption reserve £000	Special reserve £000	Capital reserves £000	Revenue reserve £000	Total shareholders' funds £000	
	As at 31 May 2018	4,306	22,597	-	19,371	9,414	2,562	58,250
	Increase in share capital in issue, net of share issuance expenses	85	1,044	-	-	-	-	1,129
	Share conversion	(13)	62	24	(305)	-	-	(232)
	Cancellation of deferred shares	(6)	-	6	-	-	-	-
	Transfer of net income from Growth to Income portfolio	-	-	-	-	646	-	646
	Transfer of capital from Income to Growth portfolio	-	-	-	-	(646)	-	(646)
6	Dividends paid	-	-	-	-	-	(2,864)	(2,864)
	Return attributable to shareholders	-	-	-	-	(849)	2,194	1,345
	As at 31 May 2019	4,372	23,703	30	19,066	7,919	2,538	57,628
		Growth shares						
	Share capital £000	Share premium account £000	Capital redemption reserve £000	Special reserve £000	Capital reserves £000	Revenue reserve £000	Total shareholders' funds £000	
	As at 31 May 2018	3,517	20,408	182	17,190	31,228	-	72,525
	Increase in share capital in issue, net of share issuance expenses	34	712	-	-	-	-	746
	Shares sold from treasury	-	8	-	149	-	-	157
	Shares purchased for treasury	-	-	-	(149)	-	-	(149)
	Share conversion	13	289	3	(73)	-	-	232
	Cancellation of deferred shares	(1)	-	1	-	-	-	-
	Transfer of net income from Growth to Income portfolio	-	-	-	-	(646)	-	(646)
	Transfer of capital from Income to Growth portfolio	-	-	-	-	646	-	646
	Return attributable to shareholders	-	-	-	-	(1,044)	646	(398)
	As at 31 May 2019	3,563	21,417	186	17,117	30,830	-	73,113
		Total						
	Share capital £000	Share premium account £000	Capital redemption reserve £000	Special reserve £000	Capital reserves £000	Revenue reserve £000	Total shareholders' funds £000	
	As at 31 May 2018	7,823	43,005	182	36,561	40,642	2,562	130,775
	Increase in share capital in issue, net of share issuance expenses	119	1,756	-	-	-	-	1,875
	Shares sold from treasury	-	8	-	149	-	-	157
	Shares purchased for treasury	-	-	-	(149)	-	-	(149)
	Share conversion	-	351	27	(378)	-	-	-
	Cancellation of deferred shares	(7)	-	7	-	-	-	-
6	Dividends paid	-	-	-	-	-	(2,864)	(2,864)
	Return attributable to shareholders	-	-	-	-	(1,893)	2,840	947
	Total Company as at 31 May 2019	7,935	45,120	216	36,183	38,749	2,538	130,741

† These figures are audited.

Notes to the Condensed Financial Statements (unaudited)

1. Accounting policies

These condensed financial statements have been prepared on a going concern basis in accordance with the Disclosure Guidance and Transparency Rules of the Financial Conduct Authority, FRS 102, FRS 104 Interim Financial Reporting and the Statement of Recommended Practice (“SORP”) “Financial Statements of Investment Trust Companies and Venture Capital Trusts” issued by The Association of Investment Companies (“AIC”).

The accounting policies applied for the condensed set of financial statements are set out in the Company’s annual report for the year ended 31 May 2019.

2. Income

	Six months to 30 November 2019 £’000	Six months to 30 November 2018 £’000	Year to 31 May 2019 £’000
UK dividends	1,285	1,174	2,401
Overseas dividends	626	640	1,225
Deposit income	16	8	29
Total income	1,927	1,822	3,655

3. Investment management and performance fees

During the period, the Company incurred investment management fees of £447,000 (30 November 2018: £443,000; 31 May 2019: £862,000), of which £222,000 was payable to BMO Investment Business Limited at the period end.

At 30 November 2019 the adjusted total return of the Income portfolio for the period since 31 May 2019 (being the date a performance fee was last payable) exceeded that of the FTSE All-Share Index and a performance fee of £25,000 was accrued in the Income portfolio at 30 November 2019 (30 November 2018: £60,000; 31 May 2019: £73,000).

At 30 November 2019 the adjusted total return of the Growth portfolio since 31 May 2019 (being the date a performance fee was last accrued) did not exceed that of the FTSE All-Share Index and no performance fee has been recognised (30 November 2018: £113,000; 31 May 2019: £257,000).

As the NAV per Growth share at 31 May 2019 was less than the Watermark NAV at 31 May 2018 (the date a performance fee was last payable in the Growth portfolio) payment of the performance fee of £257,000 which was accrued in the Growth portfolio at 31 May 2019 is deferred until the end of the next financial year when the NAV per share for the Growth portfolio is in excess of the Watermark NAV. If the Watermark NAV is not reached by the end of the fourth financial year subsequently, it will no longer be payable.

Notes to the Condensed Financial Statements (unaudited) (continued)

4. Investments

	Income shares Level 1* £'000	Growth shares Level 1* £'000	Total £'000
Cost at 31 May 2019	48,418	44,584	93,002
Gains at 31 May 2019	12,903	24,359	37,262
Valuation at 31 May 2019	61,321	68,943	130,264
Movement in the period:			
Purchases at cost	1,720	301	2,021
Sales proceeds	(1,494)	(533)	(2,027)
Gains on investments sold in period	133	227	360
Gains on investments held at period end	2,490	3,001	5,491
Valuation of investments held at 30 November 2019	64,170	71,939	136,109

	Income shares Level 1* £'000	Growth shares Level 1* £'000	Total £'000
Cost at 30 November 2019	48,777	44,579	93,356
Gains at 30 November 2019	15,393	27,360	42,753
Valuation at 30 November 2019	64,170	71,939	136,109

*Fair value hierarchy

The Company's Investments as disclosed in the balance sheet are valued at fair value. The fair value as at the reporting date has been estimated using the following fair value hierarchy:

- Level 1 – quoted prices (unadjusted) in active markets for identical assets;
- Level 2 – investments whose value is evidenced by comparison with other observable current market transactions in the same instrument or based on a valuation technique whose variables includes only data from observable markets; and
- Level 3 – investments whose value is not based on observable market data.

There were no investments held which are valued in accordance with levels 2 or 3.

5. Return per share

The return per share for the six months to 30 November 2019 is as follows:

	Income shares			Growth shares		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Return attributable to portfolios	1,182	2,442	3,624	321	3,034	3,355
Transfer of net income from Growth to Income portfolio	321	-	321	(321)	-	(321)
Transfer of capital from Income to Growth portfolio	-	(321)	(321)	-	321	321
Return attributable to shareholders	1,503	2,121	3,624	-	3,355	3,355
Return per share	3.40p	4.80p	8.20p	-	9.44p	9.44p
Weighted average number of shares in issue during the period	44,164,590			35,522,627		

The return per share for the comparative six months to 30 November 2018 is as follows:

	Income shares			Growth shares		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Return attributable to portfolios	1,076	(2,388)	(1,312)	333	(2,886)	(2,553)
Transfer of net income from Growth to Income portfolio	333	-	333	(333)	-	(333)
Transfer of capital from Income to Growth portfolio	-	(333)	(333)	-	333	333
Return attributable to shareholders	1,409	(2,721)	(1,312)	-	(2,553)	(2,553)
Return per share	3.27p	(6.32p)	(3.05p)	-	(7.20p)	(7.20p)
Weighted average number of shares in issue during the period	43,025,637			35,465,599		

Notes to the Condensed Financial Statements (unaudited) (continued)

5. Return per share (continued)

The return per share for the comparative year to 31 May 2019 is as follows:

	Income shares			Growth shares		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Return attributable to portfolios	2,194	(849)	1,345	646	(1,044)	(398)
Transfer of net income from Growth to Income portfolio	646	-	646	(646)	-	(646)
Transfer of capital from Income to Growth portfolio	-	(646)	(646)	-	646	646
Return attributable to shareholders	2,840	(1,495)	1,345	-	(398)	(398)
Return per share	6.59p	(3.47p)	3.12p	-	(1.12p)	(1.12p)
Weighted average number of shares in issue during the period		43,089,136			35,541,265	

6. Dividends

	Payment date	Six months to 30 November 2019 £'000	Six months to 30 November 2018 £'000	Year to 31 May 2019 £'000
Dividends on Income shares				
Amounts recognised as distributions during the period:				
In respect of the previous financial year:				
- fourth interim of 1.90p (prior period: 1.80p) per share	12-Jul-2019	831	775	775
- special dividend of nil (prior period: 0.8p) per share		-	344	344
In respect of the period under review:				
- first interim of 1.40p (prior period: 1.35p) per share	11-Oct-2019	617	581	581
- second interim (prior period: 1.35p per share)	-	-	-	580
- third interim (prior period: 1.35p per share)	-	-	-	584
		1,448	1,700	2,864

A second interim dividend in respect of the year to 31 May 2020 of 1.4p per Income share was paid on 10 January 2020 to shareholders on the register on 20 December 2019. This amount has not been accrued in the results for the six months to 30 November 2019.

For the financial year to 31 May 2019 interim dividends totalled 5.95p per Income share.

The Growth shares do not carry an entitlement to receive dividends.

7. Share capital

	Listed		Held in treasury		In issue	
	Number	£'000	Number	£'000	Number	£'000
Income shares						
Balance at 1 June 2019 of 10p each	43,720,705	4,372	-	-	43,720,705	4,372
Issued	800,000	80	-	-	800,000	80
Share conversion:						
- Income to Growth	(240,482)	(24)	-	-	(240,482)	(24)
- Growth to Income	305,314	29	-	-	305,314	29
- Change in nominal value†	-	(222)	-	-	-	(222)
Balance at 30 November 2019†	44,585,537	4,235	-	-	44,585,537	4,235
	Deferred shares – Income					
	Number	£'000				
Deferred shares – Income						
Balance at 1 June 2019	-	-				
Issue of 44,280,223 shares*	44,280,223	222				
Balance at 30 November 2019*	44,280,223	222				
Total called-up share capital		4,457				

† As part of the conversion process which was carried out during the period in accordance with the Company's Articles, the nominal value of each Income share changed from £0.1 to £0.094976101 per Income share.

* The nominal value of a deferred share is £0.005023899 per share.

During the period, the Company issued 800,000 Income shares from the block listing facilities receiving net proceeds of £1,081,000. At 30 November 2019, the Company held no Income shares in treasury.

During the period, valid conversion notices were received to convert 240,482 Income shares (which represented a value of £321,000). These were converted into 154,747 Growth shares in accordance with the Company's Articles and by reference to the ratio of the relative underlying net asset values of the Growth shares and Income shares on the conversion date.

The Company's Articles allow for Deferred shares to be allotted as part of the share conversion to ensure that the conversion does not result in a reduction of the aggregate par value of the Company's issued share capital. The Deferred shares issued as part of the share conversion in the current period are set out above. The Deferred shares will be repurchased by the Company from time to time as authorised by shareholders at the September 2019 AGM.

Notes to the Condensed Financial Statements (unaudited) (continued)

7. Share capital (continued)

	Listed		Held in treasury		In issue	
	Number	£'000	Number	£'000	Number	£'000
Growth shares						
Balance at 1 June 2019 of 10p each	35,634,929	3,563	-	-	35,634,929	3,563
Purchased for treasury	-	-	(200,000)	(20)	(200,000)	(20)
Resold from treasury	-	-	70,000	7	70,000	7
Share conversion:						
- Growth to Income	(196,466)	(20)	-	-	(196,466)	(20)
- Income to Growth	154,747	15	-	-	154,747	15
- Change in nominal value [†]	-	(178)	-	1	-	(177)
Balance at 30 November 2019[†]	35,593,210	3,380	(130,000)	(12)	35,463,210	3,368
	Deferred shares - Growth					
	Number	£'000				
Deferred shares - Growth						
Balance at 1 June 2019	-	-				
Issue of 35,438,463 shares*	35,438,463	178				
Balance at 30 November 2019*	35,438,463	178				
Total called-up share capital		3,558				

[†] As part of the conversion process which was carried out during the period in accordance with the Company's Articles, the nominal value of each Growth share changed from £0.1 to £0.094976101 per Growth share.

* The nominal value of a deferred share is £0.005023899 per share.

During the period the Company bought back 200,000 (30 November 2018: nil; 31 May 2019: 75,000) Growth shares to be held in treasury and resold out of treasury 70,000 (30 November 2018: nil; 31 May 2019: 75,000) Growth shares. At 30 November 2019, the Company held 130,000 Growth shares in treasury.

During the period, valid conversions were received to convert 196,466 Growth shares (which represented a value of £407,000). These were converted into 305,314 Income shares in accordance with the Company's Articles and by reference to the ratio of the relative underlying net asset values of the Growth shares and Income shares on the conversion date.

The Company's Articles allow for Deferred shares to be allotted as part of the share conversion to ensure that the conversion does not result in a reduction of the aggregate par value of the Company's issued share capital. The Deferred shares issued as part of the share conversion in the current period are set out above. The Deferred shares will be repurchased by the Company from time to time as authorised by shareholders at the September 2019 AGM.

8. Net asset value per share

	30 November 2019	30 November 2018	31 May 2019
Income shares			
Net asset value per share – pence	136.75p	128.31p	131.81p
Net assets attributable at end of period – £'000s	60,971	55,070	57,628
Shares in issue at end of period – number	44,585,537	42,920,705	43,720,705
Growth shares			
Net asset value per share – pence	214.62p	199.11p	205.17p
Net assets attributable at end of period – £'000s	76,110	70,950	73,113
Shares in issue at end of period – number	35,463,210	35,634,929	35,634,929

9. Reconciliation of return on ordinary activities before tax to net cash flows from operating activities

	Income shares £'000	Growth shares £'000	Total £'000
Six months to 30 November 2019			
Return on ordinary activities before tax	3,624	3,355	6,979
Adjust for returns from non-operating activities:			
Gains on investments	(2,624)	(3,228)	(5,852)
Exchange losses	1	-	1
Return from operating activities	1,001	127	1,128
Increase in prepayments	-	(4)	(4)
(Decrease)/increase in creditors	(45)	5	(40)
Withholding tax recovered	13	-	13
Dividend income	(1,407)	(504)	(1,911)
Interest income	(4)	(12)	(16)
Interest expense	55	-	55
Net cash outflow from operations before dividends and interest	(387)	(388)	(775)

Notes to the Condensed Financial Statements (unaudited) (continued)

9. Reconciliation of return on ordinary activities before tax to net cash flows from operating activities (continued)

	Income shares £'000	Growth shares £'000	Total £'000
Six months to 30 November 2018			
Return on ordinary activities before tax	(1,308)	(2,550)	(3,858)
Adjust for returns from non-operating activities:			
Losses on investments	2,174	2,573	4,747
Exchange losses	2	-	2
Return from operating activities	868	23	891
Decrease in prepayments	6	10	16
Increase/(decrease) in creditors	48	(135)	(87)
Withholding tax recovered/(suffered)	3	(3)	-
Dividend income	(1,290)	(524)	(1,814)
Interest income	(3)	(5)	(8)
Interest expense	55	-	55
Net cash outflow from operations before dividends and interest	(313)	(634)	(947)
Year to 31 May 2019			
Return on ordinary activities before tax	1,366	(395)	971
Adjust for returns from non-operating activities:			
Losses on investments	465	415	880
Exchange losses	8	-	8
Return from operating activities	1,839	20	1,859
Decrease in prepayments	9	13	22
Increase in creditors	71	6	77
Withholding tax suffered	(17)	(3)	(20)
Dividend income	(2,626)	(1,000)	(3,626)
Interest income	(9)	(20)	(29)
Interest expense	109	-	109
Net cash outflow from operations before dividends and interest	(624)	(984)	(1,608)

10. Earnings

Earnings for the six months to 30 November 2019 should not be taken as a guide to the results of the full year to 31 May 2020.

11. Tax

The effective revenue tax rate for the period to 30 November 2019 is nil% (30 November 2018: 0.5%; 31 May 2019: 0.8%). This is lower than the rate of corporation tax for small companies due to the level of non-taxable dividend income.

12. Bank borrowing

The Company has a £5 million fixed term loan to 10 February 2022 with The Royal Bank of Scotland International Limited. £5 million of the fixed term loan was drawn down as at 30 November 2019 at a fixed interest rate of 2.03% per annum.

13. Going concern

In assessing the going concern basis of accounting, the Directors have had regard to the guidance issued by the Financial Reporting Council and have undertaken a rigorous review of the Company's ability to continue as a going concern. As part of that review, the Board considered a range of Brexit scenarios and their probable implications for the Company's two investment portfolios.

The Company's investment objective and policy, which is subject to regular Board monitoring processes, is designed to ensure that the Company is invested principally in listed securities. The Company retains title to all assets held by its custodian and has an agreement relating to its borrowing facility with which it has complied. Cash is only held with banks approved and regularly reviewed by the Manager.

The Directors believe, in light of the controls and review processes and bearing in mind the nature of the Company's business and assets and revenue and expenditure projections, that the Company has adequate resources to continue in operational existence within its stated investment policy for a period of at least twelve months commencing from the date of approval of the financial statements. Accordingly, the financial statements have been drawn up on the basis that the Company is a going concern.

The Company does not have a fixed life, however, the Company's Articles of Association require the Board to put a resolution to shareholders at every fifth AGM to continue the Company. An ordinary resolution to approve the continuation of the Company was passed at the AGM held on 19 September 2018 and will next be put to shareholders at the AGM in 2023.

14. Related party transactions

The Directors of the Company are considered a related party. There have been no transactions with related parties during the first six months of the current financial year that have materially affected the financial position or performance of the Company during the period and there have been no changes in the related party transactions described in the last Annual Report that could do so.

15. Results

The Company's auditor, KPMG LLP, has not audited or reviewed the Interim Report to 30 November 2019 pursuant to the Auditing Practices Board guidance on 'Review of Interim Financial Information'. These are not full statutory financial statements in terms of Section 434 of the Companies Act 2006 and are unaudited. Statutory financial statements for the year ended 31 May 2019, which received an unqualified audit report, and which did not contain a statement under Section 498 of the Companies Act 2006, have been lodged with the Registrar of Companies. The abridged financial statements included for the year ended 31 May 2019 are an extract from those financial statements. No full statutory financial statements in respect of any period after 31 May 2019 have been reported on by the Company's auditor or delivered to the Registrar of Companies.

Statement of Principal Risks and Uncertainties

Most of the Company's principal risks and uncertainties that could threaten the achievement of its objective; strategy, future performance, liquidity and solvency are market related and comparable to those of other investment trusts investing primarily in listed securities.

These risks, and the way in which they are managed, are described in more detail under the heading "Principal Risks and Uncertainties and Viability Statement" within the Strategic Report in the Company's 2019 Annual Report.

The Company's principal risks and uncertainties have not changed materially since the date of that report and are not expected to change materially for the remainder of the Company's financial year.

The most important types of risk associated with financial instruments are credit risk, market price risk, liquidity risk, interest rate risk and foreign currency risk. Other risks faced by the Company include investment, custody and operational risks. These include risks in relation to failures at service providers or loss or sabotage of data through cyber threats or business continuity failure.

Statement of Directors' Responsibilities in Respect of the Interim Report

We confirm that to the best of our knowledge:

- the condensed set of financial statements have been prepared in accordance with applicable UK Accounting Standards on a going concern basis and give a true and fair view of the assets, liabilities, financial position and return of the Company;
- the Chairman's Statement and the Statement of Principal Risks and Uncertainties set out above (together constituting the Interim Management Report) include a fair review of the information required by the Disclosure Guidance and Transparency Rules ('DTR') 4.2.7R, being an indication of important events that have occurred during the first six months of the financial year and their impact on the financial statements;
- the Statement of Principal Risks and Uncertainties shown above is a fair review of

the principal risks and uncertainties for the remainder of the financial year; and

- the Interim Report includes a fair review of the information required by DTR 4.2.8R, being related party transactions that have taken place in the first six months of the current financial year and that have materially affected the financial position or performance of the Company during the period, and any changes in the related party transactions described in the last Annual Report that could do so.

On behalf of the Board

Colin S McGill
Director

24 January 2020

Alternative Performance Measures (“APMs”)

The Company uses the following APMs:

Discount/premium – the share price of an investment company is derived from buyers and sellers trading their shares on the stock market. This price is not identical to the net asset value (NAV) per share of the underlying assets less liabilities of the Company. If the share price is lower than the NAV per share, the shares are trading at a discount. This usually indicates that there are more sellers of shares than buyers. Shares trading at a price above NAV per share are deemed to be at a premium usually indicating there are more buyers of shares than sellers.

		30 November 2019		31 May 2019	
		Income shares	Growth shares	Income shares	Growth shares
Net asset value per share	(a)	136.75p	214.62p	131.81p	205.17p
Share price	(b)	137.50p	213.00p	134.50p	206.00p
+Premium/-discount (c = (b-a)/(a))	(c)	+0.5%	-0.8%	+2.0%	+0.4%

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

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

	Six months to 30 November 2019		Year to 31 May 2019	
	Income shares	Growth shares	Income shares	Growth shares
NAV per share at start of financial period/year	131.81p	205.17p	135.29p	206.23p
NAV per share at end of financial period/year	136.75p	214.62p	131.81p	205.17p
Change in the period/year	3.7%	4.6%	-2.6%	-0.5%
Impact of dividend reinvestments ⁽¹⁾	2.6%	n/a	5.1%	n/a
NAV total return for the period/year	6.3%	4.6%	2.5%	-0.5%

⁽¹⁾ During the six months to 30 November 2019 dividends totalling 3.3p went ex dividend with respect to the Income shares. During the year to 31 May 2019 the equivalent figure was 6.65p.

Alternative Performance Measures (“APMs”) (continued)

	Six months to 30 November 2019		Year to 31 May 2019	
	Income shares	Growth shares	Income shares	Growth shares
Share price per share at start of financial period/year	134.5p	206.0p	138.0p	209.0p
Share price per share at end of financial period/year	137.5p	213.0p	134.5p	206.0p
Change in the period/year	2.2%	3.4%	-2.5%	-1.4%
Impact of dividend reinvestment ⁽¹⁾	2.5%	n/a	5.0%	n/a
Share price total return for the period/year	4.7%	3.4%	2.5%	-1.4%

⁽¹⁾ During the six months to 30 November 2019 dividends totalling 3.3p went ex dividend with respect to the Income shares. During the year to 31 May 2019 the equivalent figure was 6.65p.

Yield – the total annual dividend expressed as a percentage of the period-end share price.

		30 November 2019	31 May 2019
Annual dividend	(a)	6.10p ⁽¹⁾	5.95p
Income share price	(b)	137.5p	134.5p
Yield (c = a/b)	(c)	4.4%	4.4%

⁽¹⁾ Based on dividends at the expected minimum annual rate of 6.10 pence per Income share for the financial year to 31 May 2020.

How to Invest

One of the most convenient ways to invest in BMO Managed Portfolio Trust PLC is through one of the savings plans run by BMO.

BMO Investment Trust ISA

You can use your ISA allowance to make an annual tax-efficient investment of up to £20,000 for the 2019/20 tax year with a lump sum from £500 or regular savings from £50 a month per Trust. You can also transfer any existing ISAs to us whilst maintaining the tax benefits.

BMO Junior ISA (JISA)*

You can invest up to £4,368 for the tax year 2019/20 from £500 lump sum or £30 a month per Trust, or a combination of both. Please note, if your child already has a Child Trust Fund (CTF), then you cannot open a separate JISA, however you can transfer the existing CTF (held either with BMO or another provider) to a BMO JISA.

BMO Child Trust Fund (CTF)*

If your child has a CTF you can invest up to £4,368 for the 2019/20 tax year, from £100 lump sum or £25 a month per Trust, or a combination of both. You can also transfer a CTF from another provider to a BMO CTF. Please note, the CTF has been replaced by the JISA and is only available to investors who already hold a CTF.

BMO General Investment Account (GIA)

This is a flexible way to invest in our range of Investment Trusts. There are no maximum contributions, and investments can be made from £500 lump sum or £50 a month per Trust. You can also make additional lump sum top-ups at any time from £250 per Trust.

BMO Junior Investment Account (JIA)

This is a flexible way to save for a child in our range of Investment Trusts. There are no maximum contributions, and the plan can easily be set up under bare trust (where the child is noted as the beneficial owner) or kept in your name if you wish to retain control over the investment. Investments can be made from a £250 lump sum or £25 a month per Trust. You can also make additional lump sum top-ups at any time from £100 per Trust.

* The CTF and JISA accounts are opened in the child's name and they have access to the money at age 18.

** Calls may be recorded or monitored for training and quality purposes.

Charges

Annual management charges and other charges apply according to the type of plan.

Annual account charge

ISA: £60+VAT
GIA: £40+VAT
JISA/JIA/CTF: £25+VAT

You can pay the annual charge from your account, or by direct debit (in addition to any annual subscription limits).

Dealing charges

ISA: 0.2%
GIA/JIA/JISA: postal instructions £12, online instructions £8 per Trust.

Dealing charges apply when shares are bought or sold but not on the reinvestment of dividends or the investment of monthly direct debits for the GIA, JIA and JISA.

There are no dealing charges on a CTF but a switching charge of £25 applies if more than 2 switches are carried out in one year.

Government stamp duty of 0.5% also applies on the purchase of shares (where applicable).

There may be additional charges made if you transfer a plan to another provider or transfer the shares from your plan.

The value of investments can go down as well as up and you may not get back your original investment. Tax benefits depend on your individual circumstances and tax allowances and rules may change. Please ensure you have read the full Terms and Conditions, Privacy Policy and relevant Key Features documents before investing. For regulatory purposes, please ensure you have read the Pre-sales cost disclosures related to the product you are applying for, and the relevant Key Information Documents (KIDs) for the investment trusts you are wanting to invest into.

How to Invest

To open a new BMO plan, apply online at bmogam.com/apply

Note, this is not available if you are transferring an existing plan with another provider to BMO, or if you are applying for a new plan in more than one name.

New Customers

Call: **0800 136 420**** (8.30am – 5.30pm, weekdays)
Email: info@bmogam.com

Existing Plan Holders

Call: **0345 600 3030**** (9.00am – 5.00pm, weekdays)
Email: investor.enquiries@bmogam.com
By post: BMO Administration Centre
PO Box 11114
Chelmsford
CM99 2DG

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



BMO Asset Management Limited

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

BMO Asset Management Limited is authorised and regulated by the Financial Conduct Authority and is a member of BMO Global Asset Management EMEA of which the ultimate parent company is the Bank of Montreal. L56_04/19_CM11982

Corporate Information

Directors

Colin S McGill (Chairman)⁽¹⁾
David Harris⁽²⁾
Susan P Inglis
Alistair G Stewart⁽³⁾
David Warnock

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

Auditor

KPMG LLP
Saltire Court
20 Castle Terrace
Edinburgh EH1 2EG

Broker

Winterflood Investment Trusts
The Atrium Building
Cannon Bridge House
25 Dowgate Hill
London EC4R 2GA

Depositary

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

Principal Banker and Custodian

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

Bankers

The Royal Bank of Scotland
International Limited
1 Princes Street
London EC2R 8BP

Solicitors

Dickson Minto W.S.
16 Charlotte Square
Edinburgh EH2 4DF

Company Number

SC338196

Website

www.bmomanaledportfolio.com

Legal Entity identifier

213800ZA6TW45NM9YY31

⁽¹⁾ Chairman of the Management Engagement Committee and Nomination Committee


⁽²⁾ Senior Independent Director

⁽³⁾ Chairman of the Audit Committee

BMO Managed Portfolio Trust PLC

Interim Report 2019


Registered Office


 6th Floor, Quatermile 4, 7a Nightingale Way, Edinburgh EH3 9EG

 Tel: 0207 628 8000 Fax: 0131 718 1280

 bmomanagedportfolio.com

Registrars

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

 Registrars' Shareholder Helpline: 0371 384 2923*
Registrars' Broker Helpline: 0906 559 6025†
Registrars' Overseas Helpline: +44 121 415 7012**

 shareview.co.uk

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

† Calls to this number are charged at £1 per minute from a BT landline. Other telephony providers' costs may vary.

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

** Local overseas call rates will apply.

