



The Association of Investment Companies

Annual Report and Accounts

Year Ended 30 September 2023

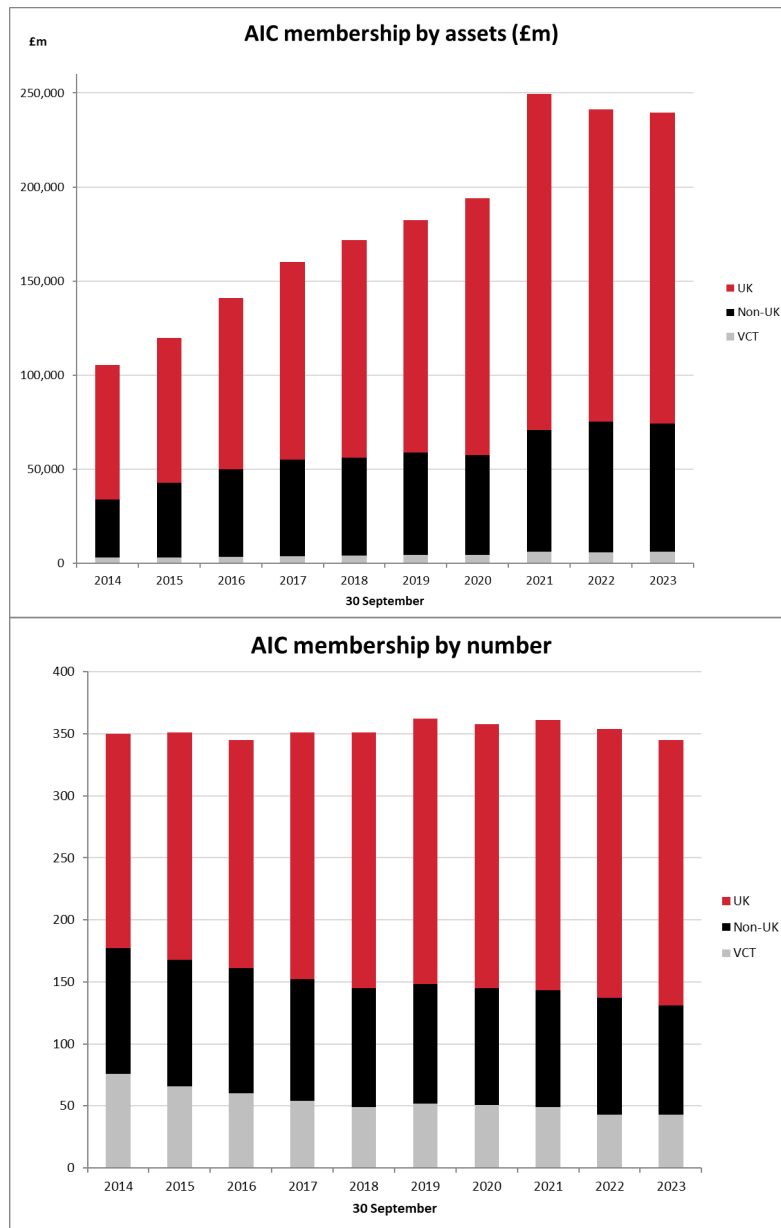


Mission Statement

To support and promote the long-term benefits of investment companies by engaging with members, investors and the wider financial community.

Membership Information

At 30 September 2023, the total assets of AIC members were £240bn, which represented 98% of the investment company sector¹. At this date, the AIC had 345 members, of which 62% were UK domiciled investment companies, 26% were offshore investment companies and 12% were Venture Capital Trusts.



¹ Excluding 3i

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Chair's Statement

Introduction

When writing last year's report I reflected on markets disrupted by the sharp turn in the interest rate cycle, by rapidly rising inflation and by the war in Ukraine. It is disappointing that in the macroeconomic context relatively little has changed. Inflation appears to have peaked, but throughout 2022-23 inflation remained stubbornly high, interest rates continued to rise and the war in Ukraine has little prospect of a resolution.

Against this backdrop markets have been relatively resilient. In the UK, the FTSE 100 was up 10.4% and the FTSE 250 6.5% in the year to 30 September 2023. In the US, the performance was significantly stronger with the S&P500 up nearly 20%. During the year the UK markets hit all time highs in February 2023 but have dropped back from those levels since inflation has proved stickier than expected and interest rates appear likely to stay higher for longer.

Industry background

The market backdrop has been challenging for investment companies, and particularly those invested in alternative, or illiquid, assets. At 30 September 2023 the sector's assets (members and non-members) totalled £262bn, unchanged on a year earlier. Overall, share prices of investment companies, including Venture Capital Trusts, delivered a total return of 4.8% underperforming the Morningstar UK index which rose by 14.2%. The discount of investment company share prices to their net asset value widened sharply in 2021-22 and has stayed at those elevated levels. At the end of September 2023, the average investment company discount of 14% was almost unchanged from a year earlier. Discounts have remained wider amongst investment companies investing in alternative asset classes.

The market for new share issues has been largely closed in London this year, regardless of the nature of the company seeking to raise money. The investment company sector has not been immune from this with just two new issues in the year to September 2023. Those new issues collectively raised less than £50m as compared to the nine new issues in the previous year which raised £2.4bn. Secondary fundraising by existing investment companies was similarly affected. £1.4bn was raised in the year to 30 September 2023 as compared to £7.7bn in the prior year.

Boards have continued to be active in seeking solutions to some of these challenges. In particular, we have seen a significant increase in the repurchasing of shares, with investment companies buying back £3.5bn of shares in the year to 30 September 2023 (2022: £2.5bn). Many boards have also been reviewing strategic opportunities including merging with other investment companies and closing investment companies that are no longer viable.

Activities during the year

In challenging market conditions the work of the AIC is even more important, lobbying for, and advocating on behalf of, the sector. This work has centred on the three aspects of our mission statement: Support, Promote and Engage. In his Chief Executive Report, Richard Stone has set out in more detail some of the key activities undertaken this year. In particular we continue to work hard promoting the benefits of the sector to investors and the Communications Team's strong media relationships enables the AIC to regularly get coverage for the sector in leading

publications both in print and online. It was particularly pleasing to see Annabel Brodie-Smith, our Communications Director, receive an award for her outstanding contribution to the industry at the Investment Week Investment Company of the Year Awards.

Our lobbying activity on issues such as the consumer duty, cost disclosure, the long-term asset fund, corporate governance and the VCT sunset clause, relies heavily on good relationships with the regulators, Treasury, politicians and other stakeholders.

As the year progressed the issue of cost disclosures came to the fore as a keen focus of our activities and is currently our main priority. We are arguing strongly for action, particularly to remove synthetic (or underlying fund) costs from cost disclosures and placing the emphasis on the ongoing charges figure, being principally the management fees and other costs of running the investment vehicle. We continue to seek a solution which will benefit our members, easing the situation for asset managers, wealth managers and discretionary fund managers seeking to use investment companies within their investment strategies and fundamentally delivering on the government's objective to overhaul the PRIIPs and KIDs disclosure regimes. Ultimately we seek better consumer disclosures, and an approach which moves the debate on to one around value and outcomes rather than 'least cost' being best.

The publication, alongside the Autumn Statement, of a draft Statutory Instrument on PRIIPs and the commitment to one covering the relevant elements of MiFID II, are more recent positive developments. These will grant the FCA powers to review all the relevant aspects of cost disclosures and we look forward to contributing to the consultation which the FCA will undertake on this topic early in 2024. As the debate has moved on we will also continue to engage with discussions on the reform or overhaul of the AIFM Directive, always seeking to ensure that no additional direct regulatory burdens or liabilities arise for our members.

The AIC has been active on other longer standing issues such as ESG and diversity. ESG continues to be a topic which attracts investor and media interest, albeit investors repeatedly tell us in our research on the topic that they rank performance and other factors ahead of ESG when making investment decisions. They are cynical about the ESG claims many financial services product providers make. We have lobbied on, and await the final publication of, the FCA's new labelling regime which should help cut through some of the issues and help investors make more informed choices.

Diversity is a real success story for our sector, over 40% of our member directors are women, and for our FTSE 350 members the number stands at 42%. Boards are reporting diversity information as required by the new listing rules and we know there is more progress to make on ethnic diversity. It was a pleasure earlier in the year to host an event with EPoC (Empowering People of Colour), encouraging their network of executives and non-executives to consider investment company board positions.

The AIC's vision is for investment companies to be understood and considered by every investor. This year we produced an 'Investment Companies Made Simple' guide in conjunction with the Pension and Lifetime Savings Association (PLSA) to help inform pension scheme trustees. October 2022 saw us host our largest ever private investor event, The Investment Company Showcase. Several hundred retail investors heard directly from, and were able to question, 40 fund managers across the day. Feedback from attendees was very positive, and we recently hosted another Showcase in October 2023 which built on the success of last year and was accessible both online and in person.

Membership levels and feedback

At the end of the year under review, the AIC's membership was 345 investment companies representing 91% of the industry. This compares to 354 at the end of the previous year. The decline is accounted for by a number of mergers and closures.

This year we undertook an in-depth qualitative member survey, with 120 member directors interviewed by an independent third party. The last time we undertook such an exercise was in 2018. The feedback was overwhelmingly positive with overall satisfaction with the AIC standing at 7.9 out of 10 (2018: 7.5) while the net promoter score was an outstanding +76. Overall 76% of members felt we exceeded or fully met their expectations (2018: 71%) and 87% felt their membership represented value for money (2018: 81%). We are not complacent though and have taken onboard all the feedback including looking at what more we can do to promote the sector. We will also be conducting a shorter online survey, more quantitative in nature and available to all member directors in each of the coming two years to ensure that we continue to meet member expectations.

The AIC Annual Conference held in March was our main event of the year for member directors. This year we saw over 500 attendees (in person and online) an increase of 10% on the prior year. 72% of member companies were represented and the overall rating of the day in feedback was a very high 4.5 out of 5, reflecting the quality of the programme and speakers. The conference and many of our other events are 'hybrid' in nature, and we believe that allowing both in person and online attendance has increased accessibility and engagement. We will continue to pursue this approach.

Finances and subscriptions

This year two factors contributed to a surplus. First we saw much higher interest rates which delivered an increase in our interest income, and second we were able to reclaim a material amount of VAT relating to the period during the pandemic when our events effectively stopped and our partial recovery rate was consequently artificially low. The Association seeks to run at break even over the longer run and in 2023/24 we are budgeting for a deficit as we deploy these resources particularly in the promotion of the sector meeting the demands of members as noted above.

As I outlined last year, the Board had agreed that membership fee rates should return to pre-Covid levels over a two-year period. Rates in 2023/24 will thus be the same as they were in 2019/20. This is the second year of that process and therefore the minimum fee for 2023/24 has been increased from £3,400 to £3,600 and the maximum fee from £20,750 to £21,000, rising from 0.725 basis points to 0.75 basis points for UK and Offshore Companies and remaining at 1.5 basis points for Venture Capital Trusts.

Board changes

The Board was delighted to welcome two new members, Stephanie Coxon and Cathy Pitt, who were elected in January 2023. Both bring very relevant experience to the Board: Stephanie as the former head of PwC's investment trusts team and a member of the Guernsey Investment Funds Association, and Cathy with a career spanning more than 25 years providing legal advice to investment companies and a member of the Law Society's Equality, Diversity and Inclusion Committee and Company Law Committee. Both are also non-executive directors of member companies.

Patrick Reeve will be retiring from the AIC Board at the AGM in January 2024. Patrick will have served on the Board for eight years and has been a sage voice, particularly with regard to matters related to Venture Capital Trusts where we have been actively campaigning for the removal of the sunset clause. He has also been an excellent Chair of the Audit Committee. I would like to thank him for his hard work on behalf of our industry during his time on the Board and beyond.

I, too, after six years on the Board the last three of which have been as the Chair, will be standing down at the January 2024 AGM. As with Patrick, this is part of the usual rotation of Board members following the completion of my two terms. It has been a pleasure to serve on the Board and, in particular, to be Chair, working with first Ian Sayers and then with Richard Stone as he took on the role of Chief Executive. I remain a non-executive director on a number of member boards and will continue to be a passionate advocate for the sector. With so much to offer investors I am sure the sector, and the AIC as its excellent trade association, will continue to go from strength to strength. I wish Gordon Humphries, who will be taking on the role of Chair at the 2024 AGM, every success.

Final thoughts

Markets and geopolitics look set to continue to be volatile, and in the UK we will have added frisson of a general election, probably at some point in 2024. Regardless of the outcome of that process there is, I believe, across the political spectrum a recognition of the almost unique role that investment companies play within the UK capital markets: of their ability to open up a wide range of asset classes to private investors as well as institutions, and their ability to direct capital into areas such as infrastructure, property, the transition to net zero and new technologies. All of these require significant investment to get the UK growing again and all need private capital as there is no capacity in the public purse. Against that backdrop, and with understanding from politicians and regulators of their importance, investment companies have a vital role to play. The sector has been delivering for investors since 1868, weathering many political storms and turbulent markets. It can and will continue to do so.

The recent past has demonstrated the resilience of investment companies and the active nature of their boards. More diverse than ever those independent boards, a key feature of the investment company structure, have proved their worth acting in shareholders' best interests. As an industry, I believe we have much to be optimistic about.

My thanks to you, our members, for your contribution to the Association during the year. Please do get in touch at any time, either with the executive team or with me, if you have questions or feedback on the AIC's work.

Elisabeth Scott, Chair
elisabeth.scott@theaic.co.uk

Chief Executive's Report

The backdrop for last year's annual report was challenging and hopes that this might change during 2023 have proved unfounded. Discounts widened rapidly during 2022 and have remained at extended levels throughout 2023 as selling pressures continued to weigh on the sector. There are many reasons for this, the principal one being the sharp increase in interest rates leading to an asset reallocation in many portfolios. The monetary tightening continued through 2023, pausing only recently. This combined with other issues; outflows from the market due to the cost of living crisis, challenges arising from cost disclosures increasing the apparent costs of strategies incorporating investment companies, and continued geopolitical instability.

As a result, and as noted in the Chair's Statement, there was a substantial fall in fundraising and few new issues during 2023. Boards have been active on behalf of shareholders with an increase in corporate activity, share buybacks and strategic reviews. Extended discounts can provide buying opportunities for investors and in difficult markets, the work of the AIC in promoting the sector is as important as ever.

We remain keenly focused on our vision and mission:

Vision: For closed-ended investment companies to be understood and considered by every investor.

Mission: We support and promote the long-term benefits of investment companies, by engaging with members, investors and the wider financial community.

This captures the three key aspects of our work: Support, Promote and Engage, and below I have sought to capture some of the key activities undertaken this year. In each area I have highlighted three particular topics, a brief round-up of other pieces of work and looked forward to what is to come in 2023/4:

Support

Cost disclosures: Towards the end of 2022 the Chancellor announced his 'Edinburgh Reforms'. These included reform of PRIIPs. We have long argued against the uneven playing field which investment companies are forced to compete on, particularly in terms of KIDs and consumer disclosures more broadly. We responded to both the FCA and Treasury consultations on consumer disclosures. The specific issue of cost disclosure became more pressing during the year. Anecdotally this caused many discretionary fund managers, wealth managers, fund of funds and multi-asset managers to revisit their use of investment companies as they had to include the costs in an aggregated single figure cost disclosure. We worked with other stakeholders to press the case with the FCA and Treasury for urgent action and longer-term reform. Cost disclosure should not be a driver of investment choices by those constructing portfolios for investors and if it is, thus causing potential market distortion and possibly worse outcomes for consumers, it needs to be reformed. We continue to press the case for investment company costs not to be included in the aggregated disclosures. In the future we need a regime which encourages a better conversation with the consumer about value rather than just 'least cost is best', which self-evidently it may not be.

Consumer Duty: The Consumer Duty came into effect this year and although investment companies are, largely, out of scope of the new rules, the investment manager, broker and

others are likely in scope. During the year we have therefore been engaged in guiding our member boards as to their responsibilities in this regard and how they might interact with their management groups. This is most relevant in terms of the assessment of value, on which distributors (i.e. the investment platforms) can rely to demonstrate that the products being sold to consumers represent value for money. We have produced a number of pieces of guidance on Consumer Duty for our member boards throughout the year.

Sustainable labelling: There has been increasing concern about greenwashing in investment markets. The investment company sector has not been widely criticised in this regard, but the accusation can impact the reputation of all financial products in the eyes of consumers. We have been arguing for a stricter labelling regime and were engaged with the FCA throughout the year as it consulted on, and brought forward initial proposals for, such a regime. We have argued for a high bar to be set to warrant a 'green' label. Most investment companies, as with most funds, will not and arguably should not be able to claim a label. However, in our sector we have a meaningful number of members engaged in areas such as renewable energy who will likely be able to claim a label and would benefit from increased trust in environmental claims.

Other areas: We have engaged in many other areas during the year, including responses to consultations on the Funds Regime and the UK Corporate Governance Code. We have engaged with government and ministers ahead of the budget and Autumn statement, and been involved in the Capital Markets Industry Taskforce, led by the London Stock Exchange seeking to drive forward the government's ambition to reinvigorate the London public markets and direct more capital towards productive finance assets – for which the investment company structure is both suited and proven.

Finally, we have also continued our work to push for a resolution to the sunset clause which, if not resolved, will bring an end to VCT tax reliefs in April 2025. We continue to be heartened by positive words of support and intent from government but still await the detail regarding implementation.

Looking forward: As we enter the new year there are a number of regulatory pieces of work we expect to conclude. Specifically a response to our representations on cost disclosures, the publication of the FCA's new sustainable labelling rules and the conclusion of the UK Corporate Governance Review. Following the outcome of this latter point we will review our own code (AIC Code of Corporate Governance). With a General Election due in the next 18 months, it is likely we will see further pressure and action from government as it seeks to deliver a Brexit dividend in terms of regulatory reform. We will continue to work across the political spectrum to ensure a good awareness amongst all policymakers of the sector and the benefits it can bring to investors, to capital markets, and in the delivery of private capital to areas of the economy such as infrastructure and the transition to net zero.

Promote

Public relations, research and newsletters: One of the main ways in which we seek to promote the sector is through the press coverage driven by our Communications Team who write press releases sometimes based on research we commission. This year that included research, undertaken by Research in Finance, which highlighted continuing demand from discretionary fund managers as they see value in the extended discounts. We have highlighted these opportunities in many of our press releases and emphasising what opportunities may arise as interest rates peak. We also issued press releases based on research into investors' attitudes to Environmental, Social and Governance (ESG) investing, where the indications are that, whilst

still important, performance and greenwashing has caused interest in these factors to wane. Other press releases we have issued covered a range of topics from Artificial Intelligence to biotechnology.

We also produce two newsletters each month, one for private investors (Compass) and one for advisers (Spotlight). Both are also available through our website.

During the year we hosted journalist roundtables where we brought together fund managers to discuss a particular topic. This year these included UK smaller companies, private equity and renewable energy infrastructure. We work closely with many journalists across the national press and other media. Through this work we are able to help those journalists with quotes, information, data and statistics. We also contribute to a number of investment company supplements or specials which the press produce. Finally, it is worth noting that our Communications and Public Relations team ranked first for press relations out of 19 similar organisations in an IPSOS/Mori survey of personal finance journalists

Website www.theaic.co.uk: Our website is the principal point of contact with those seeking to know more about our sector. We relaunched the website at the end of last year (September 2022) and have seen a significant increase in traffic and visitors since. The average monthly number of unique visitors in the year to September 2023 was just over 25,000 up over 11% on the prior year. This year we have also worked further on the tools available for investors on the site and launched new features including 'My portfolios' and a calendar of events. We have also actively sought to work with others to carry more research and other content specific to investment companies and relevant to investors.

Investment Company Accreditation: This was a new initiative launched in 2023 aimed at the adviser community. It is an online course covering a number of modules which, if passed, result in the awarding of our Accreditation. We have had several hundred advisers sign up and complete the course already, and were delighted to highlight the 100th adviser to pass which gained coverage for the initiative within the trade press.

Other: Keen to promote the sector to 'all investors' in line with our vision, this year we also produced an 'Investment Companies Made Simple' guide for pension trustees with the Pension and Lifetime Savings Association

Looking forward: The challenges noted above are not likely to abate in the near term and the importance of our promotional activity to keep investment companies at the forefront of investors' minds and to stimulate interest and demand for the sector are as important as ever. We will continue to do more of the same, focused on highlighting the opportunities that discounts can present, the resilience of the sector over many years and the demonstrable ability it has to deliver long term returns for investors.

Engage

Investment Company Showcase: Sitting somewhere between promoting the sector and engaging with investors, October 2022 saw the first investment company showcase. With over 40 fund managers speaking through the day and some 400 private investors attending the event. This was the first such private investor event of this scale that the AIC had undertaken and the feedback was exceptionally positive. We repeated this event and made it even better in October 2023, making it hybrid so that it reached a wider audience. This is set to become a major annual fixture in our, and hopefully private investors', calendars.

Conferences and roundtables: The largest event we hold each year for members is our annual conference, attended by over 500 people in March 2023 – mainly member directors but also including others from the wider financial community. The focus this year was the investor perspective and the day included presentations from a range of different investors. We also host a conference in the Channel Islands each October specifically for our members on the islands. More regularly we hold a series of roundtables at which we provide regulatory and other updates. These take place in the spring and autumn and we hold them in London, Edinburgh and the Channel Islands as well as online. In addition to member directors we also hold roundtables aimed specifically at company secretaries with a more regulatory focus.

Topic specific events: This year we have also introduced a number of topic-based events aimed at specific audiences. For example, in January, we hosted an event with Empowering People of Colour (EPoC) an organisation whose membership is specifically people of colour in executive and non-executive roles. Our aim for the event was to encourage more to consider being non-executive directors of investment companies. This year we also hosted events specifically for member company Chairs and for Audit and Risk Committee Chairs.

Other: Member feedback is critically important to us and as is highlighted in the Chair's Statement the feedback from our member survey conducted towards the end of 2022 was exceptionally positive. One of the most enjoyable aspects of my job is meeting member boards and during the year I have met with many boards, presented at board strategy days, management group and broker organised events for investment company directors. We host a number of forums for VCT professionals, managers and brokers, as well as specialist forums overseeing the statistical aspects of our work, and looking at more technical issues. We host a dinner each year in London and one in Edinburgh both aimed at bringing together that wider financial community. Finally, we host an awards evening, this year held in September, at which we present awards to investment companies based on their communications work, to journalists based on their coverage of the sector, and to the platform which has done most to enable shareholder engagement. The winners are all publicised on our website and in the media.

Looking forward: The continuation of hybrid events remains popular and enables us to reach larger audiences. We will continue to engage with members through our roundtables and conferences and in 2024 will be hosting our bi-annual VCT conference. We will also continue to look at ways to innovate our engagement activity, building on the topic specific events we have held this year and finding other opportunities, particularly to engage digitally with investors. We will also be running a shorter, online, member survey open to all members. This is intended to be run in each of the two years between the full more qualitative member survey which we will run on a three-year cycle, Autumn 2022 having been the latest of those. For private investors, we will continue to build on the success of the Investment Company Showcase.

Looking forward

2023/24 is likely to be another challenging year for markets more widely and including the investment company sector. The potential for interest rates to stay higher for longer, to continue to make many investment options appear less attractive and to drive capital into other asset classes will likely mean discounts narrowing but still remaining at levels which make capital raising challenging for many sectors. The role of boards in such circumstances will be more vital than ever as they have to find ways to narrow discounts, meet a range of shareholder expectations and drive value for those shareholders. We will likely see a continuation of the higher levels of corporate activity in the sector.

Against this backdrop the need for a benign regulatory environment, and positively resolving some of the outstanding regulatory items noted above, is clear. Investment companies are, by definition, both collective funds and listed companies, uniquely able to bring together the benefits of both structures. They must be allowed to offer investors the best of both worlds and not be constrained by the worst regulatory burdens of both worlds.

The work of the AIC in promoting the sector is vital to ensure that investment companies remain at the forefront of investors' minds when making investment decisions. The appetite amongst investors is there and the cycle of the markets will turn so that conditions do become more favourable at some point. Further, the sector has innovated for over 150 years enabling it to deliver for investors and it will continue to do so. The year ahead may include a general election and the potential for political change, but there is a cross party recognition of the need to drive economic growth and to steer capital into infrastructure and other projects. That has to be underpinned by private capital as there is such limited capacity within the public purse and investment companies can play a vital role in helping the government achieve its aims, gathering that private capital and supporting growth.

As an association our key metrics are the level of our membership – at the end of September 2023 this was 345 companies or 91% of the sector – and member satisfaction – this was 7.9 out of 10 in the last full member survey – the highest level the Association has recorded in any member survey.

We are always very grateful for the support of our member companies and their boards of directors. The breadth of the membership enables us to represent the sector with a strong voice. Financially it enables us to be in a strong position as outlined in the Chair's Statement. Looking forward, we will direct the majority of the additional resources we have been able to crystallise this year, as a result of interest income and a VAT reclaim, towards additional promotional work as we do all we can to support and promote the sector.

Thank you

Finally, I would like to thank the team behind all the work the AIC does on behalf of the industry. I am supported by a fabulous team, many of whom have worked for the AIC for a significant time and all of whom are very knowledgeable about our sector. The level of corporate knowledge and expertise is invaluable in the work we do, supporting and promoting the sector and providing such a well regarded service to our members.

It is a privilege to be representing such an important and vibrant sector and we will continue to raise our profile, being visible and vocal as we engage with members, investors and the wider financial community.

Richard Stone, Chief Executive
richard.stone@theaic.co.uk

Board of Directors



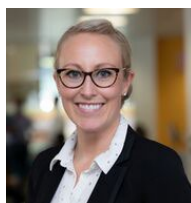
Elisabeth Scott (Chair) (N, R)

Elisabeth joined the Board in 2018 and was elected Chair in January 2021, having been Deputy Chair in 2020. She is Chair of India Capital Growth Fund and JP Morgan Global Emerging Markets Income Trust and a director of Allianz Technology Trust. She began her career as a trainee investment manager with British Investment Trust and continued to have an involvement with investment companies during her time at Edinburgh Fund Managers, including as fund manager of American Trust. From 1992 to 2008 Elisabeth worked for Schroders in Hong Kong, and between 2005 and 2007 she chaired the Hong Kong Investment Funds Association. Elisabeth has a Sloan Fellowship MSc from the London Business School.



Gay Collins

Gay joined the Board in 2020. She is a director of Dunedin Income Growth and was a non-executive director of JPMorgan Global Growth & Income from 2012 to 2022. Gay has founded and grown three PR companies, Montfort Communications, Penrose Financial (which became MHP) and Ludgate Communications and has an executive role at Montfort where she advises financial services companies on communications. She is a founding Steering Committee member of the 30% Club and has supported it on a pro bono basis since 2010 by leading its communications work.



Stephanie Coxon (A)

Stephanie joined the Board in 2023. She is a director of Apex Global Alpha, International Public Partnerships and JLEN Environmental Assets Group. Stephanie was PwC's capital markets investment trust leader where she led teams across the UK, Jersey and Guernsey. She sits on the Guernsey Investment & Funds Association's marketing committee, which she previously chaired.



Alex Denny (N)

Alex joined the Board in 2022. He is Managing Director, European Private Wealth at Pantheon, manager of two private-asset focused investment companies. Alex joined Pantheon in October 2022, prior to which he was Head of Investment Companies at Fidelity International where he was responsible for six UK and Guernsey domiciled investment companies. Alex began his career in 2005, working initially in Fidelity's retail platform business. He became involved with investment companies in 2011 when he led the development of Fidelity's brokerage platform, introducing investment companies to it for the first time. Alex is also a trustee of the Nautical Archaeology Society.



Francesca Ecsery (A, R)

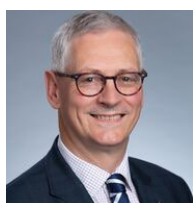
Francesca joined the Board in 2020. She is a director of Henderson High Income Trust. Francesca has worked in consumer-facing/marketing-led business during most of her 25+ years' executive career. She started her career in marketing with PepsiCo and Thomas Cook progressing to marketing and commercial director at Radio Rentals and Going Places. She was the MD/GM at If You Travel, STA Travel and Cheapflights Media.

She was also a non-executive director of WeAreVista and Good Energy Group, F&C Investment Trust, Marshall Motors and The Share Centre and is currently a non-executive director of Air France and CT Automotive.



Susie Farnon (A, N)

Susie joined the Board in April 2018. She is a director of Apax Global Alpha, Real Estate Credit Investments, Bailiwick Investments Limited and Ruffer Investment Company. Susie's career has included working for KPMG from 1979 to 2001 where she was a banking and finance partner with KPMG Channel Islands from 1990 to 2001. Subsequent to this she has joined numerous boards as a non-executive director in the charitable and investment sectors. Susie is a Fellow of the Institute of Chartered Accountants of England and Wales and has served as President of the Guernsey Society of Chartered and Certified Accountants and as Vice Chair of The Guernsey Financial Services Commission.



Gordon Humphries (Deputy Chair) (A)

Gordon joined the Board in 2022. He is a director of JPMorgan UK Smaller Companies Investment Trust and Maven Income & Growth VCT 5. He has worked in the investment company sector in a non-executive capacity since 2006 and he chairs two audit committees. For thirty years, he worked for two investment company management houses, latterly as Head of Investment Companies at Standard Life Investments. Gordon was involved in the launch of one of the first VCTs in 1995. Gordon is a Chartered Accountant and was a member of the ICAS Audit and Assurance Committee 2005-2015.



Mickey Morrissey

Mickey joined the Board in 2021. He was Head of Distribution at Smith and Williamson and a member of the Smith and Williamson Marketing Committee. From 2002 to 2012 Mickey was the Head of Distribution, Partner and Director of Liontrust Investment Funds. Prior to that he was at Merrill Lynch Investment Managers, formerly Mercury Asset Management, as the Institutional Sales Director and a director of Mercury Fund Managers and Mercury Investment Services. Mickey is a Vice President of Combat Stress, a non-executive director of Alabaré, and director of the Forces Pension Society Investment Company. Mickey is a Fellow of the Chartered Institute for Securities & Investment.



Cathy Pitt

Cathy joined the board in 2023. She is a director of Baillie Gifford UK Growth Trust and Gresham House Energy Storage Fund and former Partner at both Norton Rose Fulbright and CMS. Cathy has been involved with the investment company sector for over 25 years both as a legal adviser and as a non-executive director. Cathy is a member of both the Company Law Committee and the Equality, Diversity & Inclusion Committee of the Law Society of England & Wales.

**Patrick Reeve (A)**

Patrick joined the Board in 2016. He is a director of Albion Development VCT PLC, Albion Enterprise VCT PLC and Albion Technology & General VCT PLC. He is Chair of Albion Capital, a venture capital investor and fund manager which he founded in 1996 as Close Ventures, part of the Close Brothers Group and which he took independent in 2009. He qualified as a chartered accountant with Deloitte Haskins + Sells, before joining Cazenove & Co.

**Sapna Shah (R)**

Sapna joined the Board in 2021. Sapna is a non-executive director of BioPharma Credit PLC, Supermarket Income REIT plc and BlackRock Greater Europe Investment Trust plc. She has 20 years of investment banking experience advising UK companies, including listed REITs and investment companies, on IPOs, equity capital market transactions and mergers and acquisitions. Sapna is a Senior Adviser at Panmure Gordon having previously been Co-Head of the Investment Companies team. Prior to this she held senior investment banking roles at UBS AG, Stifel Nicolaus Europe and Cenkos Securities. Sapna has previously served on the advisory committee for a private solar energy company and a youth community charity.

**Richard Stone (Chief Executive)**

Richard joined the Board in September 2021 when he became Chief Executive of the Association of Investment Companies. Prior to that, Richard was Chief Executive of Share plc (The Share Centre platform) from 2014 to 2020 and was Finance Director from 2006 to 2013. Richard is an ICAEW Chartered Accountant.

(A) Member of Audit Committee (N) Member of Nominations Committee (R) Member of Remuneration Committee

Committees and Forums

The Company would like to thank the members of its committees and forums for their contributions:

Channel Islands Committee

Chair: Richard Stone

Members: Donald Adamson, David Becker, Heather Bestwick, John Bridle, Stephanie Coxon, Andrew Dann, Susie Farnon, Gavin Farrell, Patrick Firth, Hannah Hayward, Vic Holmes, Michael Johnson, Fiona Le Poidevin, Peter Mills, Ben Morgan, Jo Peacegood, Tim Pearce, Rupert Pleasant, Simon Schilder, Frances Watson

Statistics Committee

Chair: Christopher Brown

Members: Emma Bird, Robert Botha, Alan Brierley, James Carthew, Stefan Court, Anthony Leatham, Ewan Lovett-Turner, Simon Moore, Charles Murphy, Alan Ray, Tristan Schmidt, Iain Scouller, Sapna Shah, Callum Stokeld, Monica Tepes

Technical Committee

Chair: Guy Rainbird

Members: Peter Ames, Douglas Armstrong, Sarah Beynsberger, Nathan Brown, Nish Dissanayake, Stephanie Eastment, Gary Fensom, Andrew Fisher, Ian Fox, Derek Gault, Fraser Graham, Benjamin Hanley, Alex Haynes, Gordon Humphries, Pauline Imlach, Talha Khan, Neil Langford, Lucy Lewis, Campbell MacKenzie, Neil Martin, Alastair Moreton, Ken Murray, Rachel Orebote, Lars Pappers, Neil Richardson, Alastair Robertson, Jennifer Rogan, Andrew Whittaker, Victoria Younghusband, Nargis Yunis

Brokers Forum

Chair: Richard Stone

Members: John Armstrong-Denby, David Benda, Chris Clarke, Alex Collins, Dion Di Miceli, Robert Finlay, Edward Gibson-Watt, James King, Lucy Lewis, William Marle, Gillian Martin, Neil Morgan, Robert Peel, Sapna Shah, Luke Simpson, Will Talkington, Darren Vickers, Tom Yeadon

Managers Forum

Chair: Alex Denny

Members: Stuart Baldwin, Nick Black, Stephanie Carbonneil, Simon Crinage, Anzelm Cydzik, Claire Dwyer, Will Ellis, Melissa Gallagher, James Hart, William Hemmings, Dan Howe, Tracey Lago, Mark Laurence, Claire Long, Richard Pavry, Richard Plaskett, Minesh Shah, John Spedding, Peter Spiller, Marrack Tonkin, Stephen Westwood

Marketing Ambassadors

Chair: Annabel Brodie-Smith

Members: Charlotte Black, Gay Collins, Lucy Costa Duarte, Clare Dobie, Francesca Ecsery, Sarah Harvey, Ian Henderson, Heather Hopkins, Aidan Lisser, Mickey Morrissey, Victoria Muir, Hannah Philp

VCT Forum

Chair: Patrick Reeve

Members: Chris Allner, Oliver Bedford, Roger Blears, David Cartwright, George Clelland, Delphine Currie, Matt Currie, Jess Franks, Will Fraser-Allen, John Glencross, Dave Hall, Philip Hare, Tania Hayes, William Horlick, Gordon Humphries, Paul Jourdan, Keith Lassman, Chris Lewis, James Livingston, Chris Lloyd, Ewan MacKinnon, Ian McLennan, Kavita Patel, Peter Smith, Stuart Veale, Tom Wilde

Company Information

Registered Office:

24 Chiswell Street
London
EC1Y 4YY

Auditor:

BDO LLP
London
United Kingdom

Telephone: 020 7282 5555
Email: enquiries@theaic.co.uk
Website: www.theaic.co.uk

Registered Number 04818187

Executive Staff

Chief Executive's Office

Richard Stone, Chief Executive

Joanne Ross, Head of Operations

Debra Henderson-Burton, Executive Assistant and Company Secretary

Danielle Parker, Office Administrator

Membership, Website and Statistics

David Michael, Membership and Statistics Director

Sophie Driscoll, Head of Website and Statistics

Max Stirling, Website and Statistics Assistant

Communications

Annabel Brodie-Smith, Communications Director

Nick Britton, Research and Content Director

Vanessa Booth, Communications Manager

Juliet Webber, Communications Executive

Debra Gibbons, Training Executive

Public Affairs and Technical

Guy Rainbird, Public Affairs Director

Megan Charles, Policy and Technical Manager

Lisa Easton, Policy and Technical Manager

Janette Sawden, Tax and Legal Adviser

Events

Kathryn Skidmore, Events Director

Hazel Weston, Events Executive

Finance and HR

Alison Andrews, Chief Financial Officer

Iain Williams, Finance Manager

Report of the Directors

The Directors present their report together with the audited financial statements for the year ended 30 September 2023.

Principal activity

The principal activity of the Company is to support and promote its member companies, representing as much of the investment company sector as possible. Through engaging with regulators, government bodies and others, this includes matters of regulation, legislation and taxation relevant to investment companies. The Company promotes the long-term benefits of the sector to investors, advisers and others through public relations and communications activity, as well as the company's comprehensive website. The Company engages with members, investors and the wider financial community, primarily through events both in person and digitally, to further raise the profile of members and the sector more widely. The Company also seeks to create opportunities for members to engage with each other, sharing learning and experience across the investment company sector. Ultimately this is all done in pursuit of the Company's vision for investment companies to be understood and considered by every investor.

A view of the Company's business activity during the year is given in the Chief Executive's Report on pages 8 to 12.

Status

The Company is a company limited by guarantee. The Company's members have undertaken that, in the event of a winding up, they will contribute to the assets of the Company an amount not exceeding £1. The terms of the payment are set out in the Company's Articles of Association.

Directors and their interests

The names of the current directors are listed on pages 13 to 15.

In accordance with the Company's Articles of Association, by virtue of having served three years on the Board since their most recent election, Mr Mickey Morrissey and Ms Sapna Shah are due to retire at the forthcoming Annual General Meeting. However, being eligible, they have indicated that they will seek re-election.

Ms Elisabeth Scott and Mr Patrick Reeve will retire at the forthcoming AGM.

In addition to Mr Mickey Morrissey and Ms Sapna Shah seeking re-election, the Company has received a valid nomination on behalf of and acceptance from Mr Alex Blake, Mr Simon Elliott, Mr Will Fraser-Allen and Mr Simon Longfellow. As there are more candidates than vacancies the election process is triggered. Members will already have received information regarding each of the candidates, including how to vote.

Directors' and Officers' liability insurance and Professional Indemnity insurance have been maintained throughout the year at the expense of the Company.

Committees of the Board

The Board had delegated certain responsibilities and functions to three committees:

- Audit Committee
- Nominations Committee
- Remuneration Committee

Details of the directors who served on the committees at 30 September 2023 are given on pages 13 to 15.

The Audit Committee reviews the Company's annual report and accounts, the financial reporting process, the system of internal controls and management of the Company's key risks and reports its findings to the Board. It also defines and conducts the relationship between the Company and its auditors.

The Nominations Committee helps to ensure that the Board has an appropriate balance of skills, experience and representation, whilst also considering diversity, to enable the Board to represent the interests of all the Company's members. It endeavours to identify where any gaps exist so that these can be communicated to member companies when they are asked to consider nominating persons to stand for election to the Board and when submitting voting forms. The Nominations Committee also makes recommendations to the Board as to succession planning for the Company's Chair and Deputy Chair as well as the Chair and membership of the Board's committees.

The Remuneration Committee supports the Board in fulfilling its responsibilities by making recommendations as to the Chief Executive's remuneration and objectives. It also reviews and makes recommendations to the Board on the remuneration of the Company's non-executive directors.

Non-executive directors' remuneration policy

The Board's policy is to set non-executive directors' remuneration at a level commensurate with the skills and experience necessary for the effective stewardship of the Company and the expected contribution of the Board as a whole in continuing to achieve the objectives of the Company. Time committed to the Company's business and the specific responsibilities of the Chair, Deputy Chair, Directors and Chairs of the various committees of the Board are taken into account.

As noted above, the Remuneration Committee reviews and makes recommendations to the Board on the remuneration of the non-executive directors.

The Company's Articles of Association limit the aggregate fees payable to the non-executive directors to a total of £300,000 per annum. Any change to this limit is subject to agreement by the members of the Company by way of a resolution at an AGM.

The fees accrue on a day-to-day basis and are paid in equal monthly instalments in arrears through the AIC's payroll and after deduction of any taxes and other amounts that are required by law.

Non-executive directors are not eligible for any other form of remuneration.

The level of annual non-executive directors' fees which prevailed during the year ended 30 September 2023 was:

Chair	£40,000
Director	£19,000
Deputy Chair	No increment
Audit Committee Chair	£3,500 increment
Nominations Committee Chair	£2,500 increment
Remuneration Committee Chair	£2,500 increment

Following a recommendation from the Remuneration Committee, the Board has approved changes to these fee levels for the year ended 30 September 2024 as follows:

Chair	£40,000
Director	£19,500
Deputy Chair	No increment
Audit Committee Chair	£3,500 increment
Nominations Committee Chair	£2,500 increment
Remuneration Committee Chair	£2,500 increment

The Board has agreed that from 1 February 2024 management group representatives on the Board will no longer receive a director fee.

Directors are entitled to be compensated for certain travel and accommodation costs incurred in the performance of their duties.

Anti-bribery policy

The Company's policy continues to be to conduct itself to the highest ethical and business standards in all of its business dealings and in all matters which may reflect on the Company. It takes a zero tolerance approach on these matters.

Annual Report and Accounts

Unless a member has indicated that it wishes to receive its copy of the Annual Report and Accounts in paper format, documents will be distributed electronically. A member may opt for paper format by contacting the Company Secretary.

Results and dividends

The result for the year is set out on page 30. By virtue of its constitution no dividends are payable by the Company.

Going concern

The financial statements have been prepared on the going concern basis of accounting.

The Company, as a not-for-profit organisation, sets membership subscriptions to raise sufficient income in order to achieve its objectives for the year ahead. The Company made a pre-tax surplus for the year ended 30 September 2023 of £348k. For the year ending 30 September 2024, the Board

has approved a budgeted deficit broadly equal to the surplus achieved for the year ending 30 September 2023 in order to reach a break-even position over the two year period.

As part of the going concern assessment, the directors have performed an analysis of future cash flows based on the budget for the year ahead. The directors noted that the Company had reserves of £3m at 30 September 2023 which included £3.2m of cash at bank and short-term investments. The directors have a reasonable expectation that the Company has sufficient reserves and cash resources in place to continue in operational existence and to meet its liabilities as they fall due for the foreseeable future. Taking this into account, the directors are satisfied that the going concern basis of accounts preparation is appropriate.

Audit information

The directors who held office at the date of approval of the Report of the Directors confirm that, so far as they are aware, there is no relevant audit information of which the Company's auditor is unaware. The directors have taken all the steps that they ought to have taken as directors to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

The Auditor, BDO LLP, has indicated its willingness to continue in office and a resolution proposing its re-appointment will be proposed at the forthcoming AGM.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small entities.

By order of the Board

D E Henderson-Burton

Company Secretary

The Association of Investment Companies

Registered Number 04818187

13 December 2023

Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of the Company will be held on Wednesday 31 January 2024 at 12pm for the following purposes:

Ordinary business

- 1 To receive the Annual Report and Accounts of the Company for the year ended 30 September 2023.
- 2 To announce the names of the four candidates who have received the most votes in the ballot for election to the four vacancies on the Board, such candidates being deemed to be elected with effect from the conclusion of the Meeting.
- 3 To re-appoint BDO LLP as auditor of the Company and to authorise the Directors to fix their remuneration.
- 4 To transact any other ordinary business of the Company.

By order of the Board

D E Henderson-Burton
Company Secretary
13 December 2023

Statement of Directors' Responsibilities

The directors are responsible for preparing the Report of the Directors 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom 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 adequate accounting records that are sufficient to show and explain the Company's transactions, to disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The financial statements are published on the Company's website in accordance with legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the Company's website is the responsibility of the directors. The directors' responsibility also extends to the ongoing integrity of the financial statements contained therein.

Independent Auditor's Report to the members of The Association of Investment Companies

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 September 2023 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of The Association of Investment Companies ("the Company") for the year ended 30 September 2023 which comprise the Statement of Income and Retained Earnings, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

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

Independence

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 FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other Companies Act 2006 reporting

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

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

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

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions from the requirement to prepare a Strategic report.

Responsibilities of directors

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

In preparing the financial statements, the Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and

using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

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

Non-compliance with laws and regulations

Based on:

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

we considered the significant laws and regulations to be the applicable accounting framework, UK tax legislation, and Companies Act 2006.

The Company is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations.

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
 - Review of correspondence with tax authorities for any instances of non-compliance with laws and regulations;
 - Review of financial statement disclosures and agreeing to supporting documentation;
 - Review of legal expenditure accounts to understand the nature of expenditure incurred; and
 - Discussion with management if they identified any instances of non-compliance with laws and regulations.
-

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Company's policies and procedures relating to:
 - Detecting and responding to the risks of fraud; and
 - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.

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

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;
- Assessing significant estimates made by management for bias; and
- Testing revenue that it was recorded at the correct amount and in the correct period.

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

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

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

Use of our report

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

James Barber (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
London, UK

14 December 2023

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

Statement of Income and Retained Earnings

For the year ended 30 September 2023

	Note	2023 £'000s	2022 £'000s
Subscriptions and other income			
Membership subscriptions		5,587	5,301
Events income	10	174	90
		<u>5,761</u>	<u>5,391</u>
Expenditure			
Salaries, fees and pensions	3	(3,213)	(3,214)
Office accommodation and services	6	(495)	(462)
Professional and consultancy	7	(179)	(129)
Administration	8	(196)	(373)
Technical and public affairs		(21)	(42)
Media and public relations	9	(227)	(186)
Statistics service		(177)	(153)
Events	10	(554)	(346)
Promotional activities		(24)	-
Website		(256)	(302)
Adviser services	11	(113)	(95)
Consumer information programme		(70)	(49)
Depreciation	12	(55)	(81)
		<u>(5,580)</u>	<u>(5,432)</u>
Operating surplus/(deficit)	5	181	(41)
Interest receivable and similar income		167	21
Surplus/(Deficit) on ordinary activities before taxation		348	(20)
Taxation on surplus/(deficit) on ordinary activities	15	(91)	(4)
Surplus/(Deficit) on ordinary activities after taxation		<u>257</u>	<u>(24)</u>
Accumulated fund at beginning of year		2,743	2,767
Accumulated fund at end of year		<u><u>3,000</u></u>	<u><u>2,743</u></u>

The notes on pages 33 to 39 form an integral part of these accounts.

All amounts relate to continuing operations.

Balance Sheet

As at 30 September 2023

	Note	2023 £'000s	2022 £'000s
Fixed assets			
Tangible assets	12	137	159
		<u>137</u>	<u>159</u>
Current assets			
Debtors and prepayments		379	360
Current investments	13	3,043	2,476
Cash at bank and in hand		114	276
VAT recoverable		88	187
		<u>3,624</u>	<u>3,299</u>
Creditors			
Trade creditors		(109)	(153)
Taxation and social security		(282)	(290)
Accruals and deferred income		(264)	(257)
Corporation tax payable		(76)	-
		<u>(731)</u>	<u>(700)</u>
Net current assets		2,893	2,599
Provision for liabilities and charges			
Deferred tax	14	(30)	(15)
Net assets		<u>3,000</u>	<u>2,743</u>
Reserve			
Accumulated fund		<u>3,000</u>	<u>2,743</u>

Approved and authorised for issue by the Board on 13 December 2023 and signed on its behalf by

Elisabeth Scott

Patrick Reeve

The notes on pages 33 to 39 form an integral part of these accounts.

Statement of Cash Flows

For the year ended 30 September 2023

	Note	2023 £'000s	2022 £'000s
Cash flows from operating activities			
Surplus/(Deficit) for the year		257	(24)
Adjustments for:			
Depreciation of tangible assets	12	55	81
Rent free period		(19)	(18)
Taxation		76	-
Interest received		(167)	(21)
Decrease/(Increase) in trade and other debtors		95	(388)
(Decrease)/Increase in trade and other creditors		(1)	4
(Decrease)/Increase in provisions		(9)	35
		<u>287</u>	<u>(331)</u>
Cash from operations			
Corporation tax refund		-	96
		<u>-</u>	<u>96</u>
Net cash generated from/(used in) operating activities		287	(235)
Cash flows from investing activities			
Purchase of tangible fixed assets		(33)	(35)
Interest received		152	18
Purchase of current asset investments		683	(532)
Net cash from/(used in) investing activities		<u>802</u>	<u>(549)</u>
Net increase/(decrease) in cash and cash equivalents		1,089	(784)
Cash and cash equivalents at beginning of year		<u>995</u>	<u>1,779</u>
Cash and cash equivalents at end of year		<u><u>2,084</u></u>	<u><u>995</u></u>
Cash and cash equivalents			
Cash at bank and in hand		114	276
Money market funds	13	<u>1,970</u>	<u>719</u>
		<u><u>2,084</u></u>	<u><u>995</u></u>

Notes to the Accounts

1 Company information

The financial statements present the results of The Association of Investment Companies. The Association of Investment Companies is a company limited by guarantee and incorporated in England and Wales under the Companies Act. The address of the registered office is given on page 17. The principal activity of the Company is set out on page 19.

The Company has three wholly-owned subsidiary companies. AIC Information Services Limited became dormant in 2018 when its business and assets were transferred to The Association of Investment Companies. The Association of Investment Funds Limited and The Association of Investment Trust Companies Limited have not traded since their incorporation and it is not intended that they will do so in the foreseeable future.

2 Accounting policies

These financial statements have been prepared in accordance with Financial Reporting Standard 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

The following principal accounting policies have been applied:

Income and expenditure: Income and expenditure are recognised on an accruals basis and exclude VAT where relevant. Membership subscriptions are recognised evenly over the period to which they relate.

Tangible fixed assets: Tangible fixed assets are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to making the asset capable of operating as necessary. Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives. The annual rates and methods of depreciation are as follows:

Office furniture and equipment:	20% reducing balance
Computer hardware and software:	25% straight line
Leasehold improvements:	Over the shorter of the remaining term of the lease to the break clause or the expected useful life

Current asset investments: Current asset investments comprise deposit accounts with maturity of three months or more held at amortised cost and money market funds valued at bid price.

Pension costs: Contributions made by the Company to staff members' personal plans are charged in the year in which they became payable.

Leases: Rental costs under operating leases are charged to the Statement of Income and Retained Earnings on a straight line basis over the term of the lease. The benefit of the rent free period is spread evenly over the period to which it relates.

Taxation: The tax expense for the period comprises current and deferred tax. Full provision is made for deferred tax assets and liabilities arising from timing differences between the recognition of gains and losses in the financial statements and their recognition in a tax computation.

Cash and cash equivalents: Cash and cash equivalents comprise cash at bank and in hand and money market funds.

Going concern: The directors, having made all the necessary enquiries, do not anticipate any fundamental changes in the Company's core activities in the foreseeable future. As a not-for-profit organisation, the Company sets membership subscriptions to raise sufficient income in order to achieve its objectives for the year ahead. As explained in the Report of the Directors on pages 21 and 22, it is intended that the Company will achieve a deficit for

the financial year ending 30 September 2024 broadly equal to the surplus achieved for the year ending 30 September 2023 in order to reach a break-even position over the two year period.

As part of the going concern assessment, the directors have performed an analysis of future cash flows and considered the level of reserves, cash at bank and short-term investments. The directors have a reasonable expectation that the Company has sufficient reserves and cash resources in place to continue in operational existence and meet its liabilities as they fall due for the foreseeable future. The directors have concluded, based on these assumptions, that it is appropriate to prepare the financial statements on a going concern basis.

3 Salaries, fees and pensions

	2023 £'000s	2022 £'000s
Staff salaries	2,396	2,366
Non-executive directors' fees (see note 4)	217	212
Social security costs	311	321
Pension costs	234	197
Other staff costs	55	118
	<u>3,213</u>	<u>3,214</u>

The Company contributes to a personal pension plan for qualifying staff and such contributions amounted to £234,000 (2022: £197,000). The Company also paid pension contributions of £88,000 (2022: £70,000) in accordance with the terms of the Company's scheme whereby salary is given up in exchange for the Company making additional pension contributions at an enhanced rate. These additional pension contributions are included within staff salaries above.

	2023	2022
Average number of employees during the year:	<u>21</u>	<u>22</u>

4 Directors of the Board

The names of the current directors are listed on pages 13 to 15.

Annual fees paid to non-executive directors are set out on page 21. The Chief Executive receives no fee.

Emoluments paid to directors, who also represent the key management personnel, are £617,000 (2022: £707,000). This includes £8,000 (2022: £4,000) of reimbursed directors' expenses and £3,000 (2022: £2,000) of tax paid on these expenses on behalf of the directors. This also includes £27,000 (2022: £22,000) paid to third parties for making available the services of directors.

Richard Stone, the Company's Chief Executive, was the highest paid director and received total remuneration during the year of £389,000 (2022: £362,000) which was made up as follows:

	2023 £'000s	2022 £'000s
Basic salary	274	260
Performance related bonus	82	78
Pension related payments	25	18
Other emoluments and benefits	8	6
	<u>389</u>	<u>362</u>

From 1 October 2022 to 30 September 2023 there were four scheduled Board meetings, two Audit Committee meetings, four Nominations Committee meetings and two Remuneration Committee meetings.

Attendance record

	2023 Fee £	2022 Fee £	Board	Attendance		
				Audit Committee	Nominations Committee	Remuneration Committee
Rachel Beagles (retired Jan 2022)	-	5,233				
Gay Collins	19,000	18,500	4/4			
Stephanie Coxon (from Jan 2023)	12,719	-	3/3	1/1		
Simon Crinage (retired Jan 2023) ²	-	-	1/1		1/1	
Alex Denny (from Jan 2022) ³	4,750	13,254	4/4		4/4	
Francesca Ecsery	21,493	18,500	4/4	2/2		2/2
Susie Farnon	20,674	18,500	4/4	2/2	4/4	
William Hemmings (retired Jan 2022)	-	5,233				
Gordon Humphries (from Jan 2022)	19,000	13,254	4/4	2/2		
Mickey Morrissey	19,000	18,500	4/4			
Peter Niven (retired Jan 2023)	6,405	21,000	1/1			1/1
Cathy Pitt (from Jan 2023)	12,719	-	3/3			
Patrick Reeve	22,500	22,000	4/4	2/2		
Elisabeth Scott	40,000	40,000	4/4		4/4	2/2
Sapna Shah	19,000	18,500	4/4			2/2
Richard Stone	-	-	4/4			
	<u>217,260</u>	<u>212,474</u>				

In addition to the above, directors may attend ad-hoc board meetings throughout the year.

² Waived fee

³ Waived fee from Jan 2023

5 Operating surplus/(deficit)

Operating surplus/(deficit) is stated after charging:	2023 £'000s	2022 £'000s
Fees payable to the auditor:		
- audit	30	25
- corporation tax compliance and advice	7	9
Depreciation of owned fixed assets	55	81
Operating lease expense - land and buildings	251	251
- other	13	13

6 Office accommodation and services

Expenditure on office accommodation and services includes rent, rates and service charge.

Operating lease commitments

Property lease

The Company entered into a lease on its premises at 24 Chiswell Street on 5 August 2015, which terminates on 28 September 2025. The annual rent from 29 September 2020 to 28 September 2025, after accounting for a four month rent free period, is £251,000.

The Company has also agreed to a new full reversionary lease for a five year term from 29 September 2025 to 28 September 2030. The terms include a six month rent free period upon commencement of the reversionary lease and a tenant only break effective on 29 September 2025. The rent under the reversionary lease will be calculated by way of an upward only rent review on 29 September 2025.

The Company is committed to the following future minimum lease payments in respect of the property lease up until the end of the current lease on 28 September 2025, analysed by when the payments are due:

	2023 £'000s	2022 £'000s
Due within one year	269	269
Due in two to five years	269	538
	<u>538</u>	<u>807</u>

Other leases

The Company is committed to the following future minimum lease payments under non-cancellable operating leases, analysed by when the payments are due:

	2023 £'000s	2022 £'000s
Due within one year	12	13
Due in two to five years	4	16
	<u>16</u>	<u>29</u>

7 Professional and consultancy

Professional and consultancy costs include audit fees, legal fees and payments to consultants working with the Company in connection with its VCT and offshore membership.

8 Administration

Administration costs include spending on stationery, postage, telephone, internet, insurance, office equipment, IT, repairs and maintenance, and travel. They also include the proportion of VAT incurred by the Company that it is unable to recover. During the year, the Company received a VAT refund of £178,000 following agreement with HMRC to apply a different basis of VAT recoverability to reflect the financial impact of the Covid pandemic. As a result the AIC made an irrecoverable VAT surplus for the year of £77,000 (2022: £99,000 cost).

9 Media and public relations

Media and public relations expenditure includes events for journalists, research, and social media.

10 Events

Expenditure on member events includes the costs of running the UK conference, dinners, roundtables and seminars. The costs of the annual London Dinner and the annual Edinburgh Dinner are met by those attending and the income received is included within events income.

11 Adviser services

Adviser services costs relate to the promotion of investment companies in the financial adviser community.

12 Tangible assets

	Office furniture & equipment £'000s	Leasehold improvements £'000s	Computer equipment £'000s	Total £'000s
Cost				
At 1 October 2022	144	275	214	633
Additions	1	-	32	33
Disposals*	(3)	(-)	(16)	(19)
At 30 September 2023	<u>142</u>	<u>275</u>	<u>230</u>	<u>647</u>
Depreciation				
At 1 October 2022	97	221	156	474
Provided during the year	10	16	29	55
Disposals*	(3)	-	(16)	(19)
At 30 September 2023	<u>104</u>	<u>237</u>	<u>169</u>	<u>510</u>
Net book value 30 Sept 2023	<u>38</u>	<u>38</u>	<u>61</u>	<u>137</u>
Net book value 30 Sept 2022	<u>47</u>	<u>54</u>	<u>58</u>	<u>159</u>

	Office furniture & equipment	Leasehold improvements	Computer equipment	Total
Cost				
At 1 October 2021	142	275	222	639
Additions	2	-	33	35
Disposals*	-	-	(41)	(41)
At 30 September 2022	<u>144</u>	<u>275</u>	<u>214</u>	<u>633</u>
Depreciation				
At 1 October 2021	86	204	144	434
Provided during the year	11	17	53	81
Disposals*	-	-	(41)	(41)
At 30 September 2022	<u>97</u>	<u>221</u>	<u>156</u>	<u>474</u>
Net book value 30 Sept 2022	<u><u>47</u></u>	<u><u>54</u></u>	<u><u>58</u></u>	<u><u>159</u></u>
Net book value 30 Sept 2021	<u><u>56</u></u>	<u><u>71</u></u>	<u><u>78</u></u>	<u><u>205</u></u>

*Including elimination of balances on items fully depreciated

13 Current investments

	2023 £'000s	2022 £'000s
Business savings account (95 days variable rate)	1,073	1,757
Money market funds	1,970	719
	<u><u>3,043</u></u>	<u><u>2,476</u></u>

The Company has three (2022: three) holdings in money market funds which are subject to same day access. The managers of the money market funds are members of the Institutional Money Market Funds Association (2022: same).

14 Provision for deferred tax

Deferred tax is provided for at 25.00% (2022:25.00%) as follows:

	2023 £'000s	2022 £'000s
Fixed asset timing differences	30	34
Losses and other deductions	-	(19)
Total deferred tax liability	<u><u>30</u></u>	<u><u>15</u></u>
Movement in provision:		
Provision at start of year	15	11
Deferred tax charged in Statement of Income and Retained Earnings for the year	15	4
Provision at end of year	<u><u>30</u></u>	<u><u>15</u></u>

15 Taxation

(a) Analysis of tax charge/(credit) for the year

	2023 £'000s	2022 £'000s
<i>Current tax</i>		
UK corporation tax at 22.01% (2022: 19.00%)	76	-
Adjustments in respect of prior years	-	-
Total current tax charge	<u>76</u>	<u>-</u>
<i>Deferred tax</i>		
Origination and reversal of timing differences	15	4
Adjustments in respect of prior years	-	-
Total deferred tax charge	<u>15</u>	<u>4</u>
Tax charge on profit on ordinary activities	<u><u>91</u></u>	<u><u>4</u></u>

(b) Reconciliation of tax charge

The tax assessed for the year is higher than the standard rate of corporation tax in the UK applied to profit before tax. The differences are explained below:

	2023 £'000s	2022 £'000s
Surplus/(Deficit) on ordinary activities before taxation	<u>348</u>	<u>(20)</u>
Surplus/(Deficit) multiplied by the standard rate of corporation tax in the UK of 22.01% (2022: 19.00%)	77	(4)
<i>Effects of:</i>		
Expenses not deductible for tax purposes	12	8
Fixed asset differences	-	(1)
Remeasurement of deferred tax for changes in tax rates	<u>2</u>	<u>1</u>
Tax charge for the year	<u><u>91</u></u>	<u><u>4</u></u>

(c) Future corporation tax rate

A change in the main UK corporation tax rate, announced in the budget on 3 March 2021, was substantively enacted on 24 May 2021. From 1 April 2023 the main corporation tax rate increased from 19% to 25% on profits over £250,000. The rate for small profits under £50,000 remained at 19%. Where the Company's profits fall between £50,000 and £250,000, the lower and upper limits, it will be able to claim an amount of marginal relief providing a gradual increase in the corporation tax rate.

16 Contingent liability

The property lease entered into by the Company on 5 August 2015 (see note 6) contains obligations in relation to dilapidations at the expiry of the lease on 28 September 2025. At this stage, and given the uncertainties involved, such as the extent of any dilapidation work required, it is not considered probable that a financial liability will arise and therefore no provision has been made. The current estimated costs of the dilapidation work, should it arise, might be about £140,000.

Members of the Association (unaudited) At 30 September 2023

3i Infrastructure plc
Aberforth Smaller Companies Trust plc
Aberforth Split Level Income Trust plc
abrdn Asia Focus plc
abrdn Asian Income Fund Limited
abrdn China Investment Company Limited
abrdn Diversified Income and Growth plc
abrdn Equity Income Trust plc
abrdn European Logistics Income PLC
abrdn Japan Investment Trust PLC
abrdn New Dawn Investment Trust plc
abrdn New India Investment Trust plc
abrdn Private Equity Opportunities Trust plc
abrdn Property Income Trust Limited
abrdn Smaller Companies Income Trust plc
abrdn UK Smaller Companies Growth Trust plc
AEW UK REIT plc
Albion Development VCT PLC
Albion Enterprise VCT PLC
Albion Technology & General VCT PLC
Albion Venture Capital Trust PLC
Alliance Trust PLC
Allianz Technology Trust PLC
Alternative Liquidity Fund Limited
Amati AIM VCT plc
Amedeo Air Four Plus Limited
Apax Global Alpha Limited
Aquila Energy Efficiency Trust PLC
Aquila European Renewables plc
Artemis Alpha Trust plc
Ashoka India Equity Investment Trust plc
Ashoka WhiteOak Emerging Markets Trust plc
Asia Dragon Trust plc
Athelney Trust plc
Atrato Onsite Energy plc
Augmentum Fintech plc
Aurora Investment Trust plc
AVI Global Trust plc
AVI Japan Opportunity Trust plc
Bailiwick Investments Limited
Baillie Gifford China Growth Trust plc
Baillie Gifford European Growth Trust plc
The Baillie Gifford Japan Trust PLC
Baillie Gifford Shin Nippon PLC
Baillie Gifford UK Growth Trust Plc
Baillie Gifford US Growth Trust plc
Baker Steel Resources Trust Limited
Balanced Commercial Property Trust Limited
The Bankers Investment Trust PLC
Barings Emerging EMEA Opportunities PLC

Baronsmead Second Venture Trust plc
Baronsmead Venture Trust plc
BBGI Global Infrastructure S.A.
Bellevue Healthcare Trust plc
BH Macro Limited
BioPharma Credit PLC
The Biotech Growth Trust Plc
BlackRock Energy and Resources Income Trust plc
BlackRock Frontiers Investment Trust plc
BlackRock Greater Europe Investment Trust plc
BlackRock Income and Growth Investment Trust plc
BlackRock Smaller Companies Trust plc
BlackRock Sustainable American Income Trust plc
BlackRock Throgmorton Trust plc
BlackRock World Mining Trust plc
Blackstone Loan Financing Limited
Bluefield Solar Income Fund Limited
Boussard & Gavaudan Holding Limited
British & American Investment Trust PLC
British Smaller Companies VCT plc
British Smaller Companies VCT 2 plc
Brown Advisory US Smaller Companies PLC
The Brunner Investment Trust PLC
Calculus VCT plc
Caledonia Investments plc
Canadian General Investments, Limited
Capital Gearing Trust p.l.c.
Castelnau Group Limited
CC Japan Income & Growth Trust plc
CEIBA Investments Limited
Channel Islands Property Fund Limited
Chelverton UK Dividend Trust PLC
Chenavari Toro Income Fund Limited
Chrysalis Investments Limited
The City of London Investment Trust plc
Civitas Social Housing PLC
Cordiant Digital Infrastructure Limited
CQS Natural Resources Growth and Income plc
CQS New City High Yield Fund Limited
Crown Place VCT plc
Crystal Amber Fund Limited
CT Global Managed Portfolio Trust plc
CT Private Equity Trust plc
CT UK Capital and Income Investment Trust plc
CT UK High Income Trust plc
Custodian Property Income REIT plc
CVC Income & Growth Limited
Develop North PLC
Digital 9 Infrastructure plc
The Diverse Income Trust plc
Doric Nimrod Air Three Limited
Downing Renewables & Infrastructure Trust PLC
Downing Strategic Micro-Cap Investment Trust plc
DP Aircraft I Limited

Dunedin Income Growth Investment Trust PLC
Ecofin Global Utilities and Infrastructure Trust plc
Ecofin U.S. Renewables Infrastructure Trust PLC
Edinburgh Investment Trust plc
Edinburgh Worldwide Investment Trust plc
Ediston Property Investment Company plc
EJF Investments Limited
European Assets Trust PLC
European Opportunities Trust PLC
The European Smaller Companies Trust PLC
F&C Investment Trust PLC
Fair Oaks Income Limited
Fidelity Asian Values PLC
Fidelity China Special Situations PLC
Fidelity Emerging Markets Limited
Fidelity European Trust PLC
Fidelity Japan Trust PLC
Fidelity Special Values PLC
Finsbury Growth & Income Trust PLC
Foresight Enterprise VCT PLC
Foresight Solar Fund Limited
Foresight Sustainable Forestry Company Plc
Foresight VCT plc
Gabelli Merger Plus+ Trust Plc
GCP Asset Backed Income Fund Limited
GCP Infrastructure Investments Limited
Geiger Counter Limited
Global Opportunities Trust plc
The Global Smaller Companies Trust PLC
Gore Street Energy Storage Fund plc
Greencoat Renewables PLC
Greencoat UK Wind PLC
Gresham House Energy Storage Fund PLC
Gulf Investment Fund Plc
Hansa Investment Company Limited
HarbourVest Global Private Equity Limited
Hargreave Hale AIM VCT plc
Harmony Energy Income Trust plc
Henderson Diversified Income Trust plc
Henderson European Focus Trust plc
Henderson EuroTrust plc
Henderson Far East Income Limited
Henderson High Income Trust plc
Henderson International Income Trust plc
Henderson Opportunities Trust plc
The Henderson Smaller Companies Investment Trust plc
Herald Investment Trust plc
HgCapital Trust plc
HICL Infrastructure PLC
Hipgnosis Songs Fund Limited
Home REIT plc
HydrogenOne Capital Growth plc
ICG Enterprise Trust PLC
ICG-Longbow Senior Secured UK Property Debt Investments Limited

Impact Healthcare REIT plc
Impax Environmental Markets plc
The Income & Growth VCT plc
India Capital Growth Fund Limited
International Biotechnology Trust plc
International Public Partnerships Limited
Invesco Asia Trust plc
Invesco Bond Income Plus Limited
Invesco Perpetual UK Smaller Companies Investment Trust plc
Invesco Select Trust plc
The Investment Company plc
JLEN Environmental Assets Group Limited
JPEL Private Equity Limited
JPMorgan American Investment Trust plc
JPMorgan Asia Growth & Income plc
JPMorgan China Growth & Income plc
JPMorgan Claverhouse Investment Trust plc
JPMorgan Emerging Europe, Middle East & Africa Securities plc
JPMorgan Emerging Markets Investment Trust plc
JPMorgan European Discovery Trust plc
JPMorgan European Growth & Income plc
JPMorgan Global Core Real Assets Limited
JPMorgan Global Emerging Markets Income Trust plc
JPMorgan Global Growth & Income plc
JPMorgan Indian Investment Trust plc
JPMorgan Japan Small Cap Growth & Income plc
JPMorgan Japanese Investment Trust plc
JPMorgan Mid Cap Investment Trust plc
JPMorgan Multi-Asset Growth & Income plc
JPMorgan UK Smaller Companies Investment Trust plc
JPMorgan US Smaller Companies Investment Trust plc
Jupiter Green Investment Trust PLC
Keystone Positive Change Investment Trust plc
Kings Arms Yard VCT plc
The Law Debenture Corporation p.l.c.
Life Science REIT plc
The Lindsell Train Investment Trust plc
Literacy Capital plc
LMS Capital PLC
Lowland Investment Company plc
LXi REIT plc
M&G Credit Income Investment Trust plc
M7 Regional E-Warehouse REIT plc
Macau Property Opportunities Fund Limited
Majedie Investments PLC
Marble Point Loan Financing Limited
Martin Currie Global Portfolio Investment Trust plc
Marwyn Value Investors Limited
Maven Income & Growth VCT PLC
Maven Income & Growth VCT 3 PLC
Maven Income & Growth VCT 4 PLC
Maven Income & Growth VCT 5 PLC
Menhaden Resource Efficiency PLC
The Mercantile Investment Trust plc

The Merchants Trust PLC
Mid Wynd International Investment Trust PLC
Middlefield Canadian Income PCC
MIGO Opportunities Trust plc
Miton UK Microcap Trust plc
Mobeus Income & Growth VCT plc
Mobeus Income & Growth 2 VCT plc
Mobeus Income & Growth 4 VCT plc
Mobius Investment Trust plc
Molten Ventures VCT plc
Monks Investment Trust PLC
Montanaro European Smaller Companies Trust plc
Montanaro UK Smaller Companies Investment Trust PLC
Murray Income Trust PLC
Murray International Trust PLC
NB Distressed Debt Investment Fund Limited
NB Global Monthly Income Fund Limited
NB Private Equity Partners Limited
NextEnergy Solar Fund Limited
Nippon Active Value Fund PLC
The North American Income Trust plc
Northern 2 VCT PLC
Northern 3 VCT PLC
Northern Venture Trust PLC
Oakley Capital Investments Limited
Octopus AIM VCT PLC
Octopus AIM VCT 2 plc
Octopus Apollo VCT plc
Octopus Future Generations VCT plc
Octopus Renewables Infrastructure Trust plc
Octopus Titan VCT plc
Odyssean Investment Trust plc
Onward Opportunities Limited
Oxford Technology 2 Venture Capital Trust plc
Pacific Assets Trust plc
Pacific Horizon Investment Trust plc
Pantheon Infrastructure Plc
Pantheon International Plc
Pembroke VCT plc
Pershing Square Holdings Ltd
Personal Assets Trust plc
Petershill Partners PLC
Phoenix Spree Deutschland Limited
Polar Capital Global Healthcare Trust plc
Polar Capital Global Financials Trust plc
Polar Capital Technology Trust PLC
Pollen Street plc
Premier Miton Global Renewables Trust plc
Princess Private Equity Holding Limited
ProVen Growth and Income VCT plc
ProVen VCT PLC
The PRS REIT plc
Puma Alpha VCT plc

Puma VCT 13 plc
Real Estate Credit Investments Limited
Regional REIT Limited
The Renewables Infrastructure Group Limited
Residential Secure Income plc
Rights and Issues Investment Trust P.L.C.
RIT Capital Partners plc
River and Mercantile UK Micro Cap Investment Company Limited
Riverstone Credit Opportunities Income Plc
Riverstone Energy Limited
RM Infrastructure Income PLC
Rockwood Strategic Plc
Round Hill Music Royalty Fund Limited
RTW Biotech Opportunities Ltd
Ruffer Investment Company Limited
The Schiehallion Fund Limited
Schroder Asian Total Return Investment Company plc
Schroder AsiaPacific Fund plc
Schroder British Opportunities Trust plc
Schroder BSC Social Impact Trust plc
Schroder European Real Estate Investment Trust plc
Schroder Income Growth Fund plc
Schroder Japan Trust plc
Schroder Oriental Income Fund Limited
Schroder Real Estate Investment Trust Limited
Schroder UK Mid Cap Fund plc
Schroders Capital Global Innovation Trust plc
The Scottish American Investment Company P.L.C.
Scottish Mortgage Investment Trust PLC
The Scottish Oriental Smaller Companies Trust P.L.C.
SDCL Energy Efficiency Income Trust plc
Seneca Growth Capital VCT plc
Sequoia Economic Infrastructure Income Fund Limited
Seraphim Space Investment Trust plc
Shires Income plc
Smithson Investment Trust plc
Starwood European Real Estate Finance Limited
Strategic Equity Capital plc
STS Global Income & Growth Trust plc
Supermarket Income REIT plc
SuperSeed Capital Limited
Sure Ventures PLC
SVM UK Emerging Fund plc
Target Healthcare REIT plc
Taylor Maritime Investments Limited
Temple Bar Investment Trust PLC
Templeton Emerging Markets Investment Trust PLC
Tetragon Financial Group Limited
Thames Ventures VCT 1 plc
Thames Ventures VCT 2 plc
Third Point Investors Limited
ThomasLloyd Energy Impact Trust plc
TR Property Investment Trust PLC
Triple Point Energy Transition plc

Triple Point Social Housing REIT plc
Triple Point Venture VCT Plc
Tritax Big Box REIT plc
Tritax EuroBox plc
Troy Income & Growth Trust plc
Tufton Oceanic Assets Limited
TwentyFour Income Fund Limited
TwentyFour Select Monthly Income Fund Limited
UIL Limited
UK Commercial Property REIT Limited
Unicorn AIM VCT PLC
Urban Logistics REIT plc
US Solar Fund plc
Utilico Emerging Markets Trust plc
Value and Indexed Property Income Trust PLC
VH Global Sustainable Energy Opportunities plc
Vietnam Enterprise Investments Limited
VietNam Holding Limited
VinaCapital Vietnam Opportunity Fund Limited
Volta Finance Limited
VPC Specialty Lending Investments PLC
Warehouse REIT plc
Weiss Korea Opportunity Fund Ltd
Witan Investment Trust plc
Worldwide Healthcare Trust PLC
Worsley Investors Limited

Acronyms

AGM	Annual General Meeting
AIC	Association of Investment Companies
AIFMD	Alternative Investment Fund Managers Directive
EPoC	Empowering People of Colour
ESG	Environmental, Social and Governance
FCA	Financial Conduct Authority
FRC	Financial Reporting Council
HMRC	HM Revenue and Customs
IPO	Initial Public Offering
ISAs (UK)	International Standards on Auditing (UK)
KID	Key Information Document
MiFID II	Markets in Financial Instruments Directive II
PLSA	Pension and Lifetime Savings Association
PRIIPS	Packaged Retail and Insurance-based Investment Products
VCT	Venture Capital Trust



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