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# Miton Worldwide Growth Investment Trust PLC

Annual Report for the year ended 30 April 2012

## Contents

# Investment Objective and Policy

Miton Worldwide Growth Investment Trust PLC ( the Company ) is an investment trust which was launched on 6 April 2004, as iimia Investment Trust PLC The Company changed its name on 11 October 2010

The Company does not have a fixed life but a continuation vote is held at every third Annual General Meeting The next continuation vote is due to be proposed at the 2012 AGM

**Capital Structure**
The Company s share capital consists of Ordinary shares of 1p each, with one vote per share

The number of shares in issue as at 30 April 2012 was 25,279,985 none of which were held in Treasury The number of shares in issue at the date of this report is 25,279 985

**Investment Objective**
The objective of the Company is to outperform 3 month LIBOR plus 2% over the longer term principally through exploiting inefficiencies in the pricing of closed-end funds This objective is intended to reflect the Company's aim of providing a better return to shareholders over the longer term than they would get by merely placing money on deposit

The benchmark in the investment objective is a target only and should not be treated as a guarantee of performance of the Company or its portfolio

**Investment Policy**
The Company invests in closed-end investment funds traded on the London Stock Exchange s Main Market but has the flexibility to invest in investment funds listed or dealt on other recognised stock exchanges, in unlisted closed-end funds (including, but not limited to, funds traded on AIM) and in open-ended investment funds The funds in which the Company invests may include all types of investment trusts, companies and funds established onshore or offshore The Company has the flexibility to invest in any class of security issued by investment funds including without limitation equity debt warrants or other convertible securities In addition, the Company may invest in other securities such as non-investment fund debt if deemed to be appropriate to produce the desired returns to shareholders

The Company is unrestricted in the number of funds it holds However, at the time of acquisition no investment will have an aggregated value totalling more than 15% of the gross assets of the Company Furthermore the Company will not invest more than 10%, in aggregate, of the value of its gross assets at the time of acquisition in other listed closed-end investment funds, although this restriction does not apply to investments in any such funds which themselves have stated investment policies to invest no more than 15% of their gross assets in other listed closed-end investment funds In addition the Company will not invest more than 25%, in aggregate, of the value of its gross assets at the time of acquisition in open-ended funds

There are no prescriptive limits on allocation of assets in terms of asset class or geography, save that, in order to maintain classification within the AIC Global Growth sector, no more than 80% of the Company s gross assets can be held in any one geographical region

There are no limits imposed on the size of hedging contracts, save that their aggregated value will not exceed 20% of the portfolio s gross assets at the time they are entered into

The Board permits borrowings of up to 20% of the Company's net asset value (measured at the time new borrowings are incurred)

The Company's investment objective may lead, on occasions, to a significant amount of cash or near cash being held

# Investment Objective and Policy – continued

**Risk Management**

The Company s risk management process aims to mitigate undesirable risk However, it is important to note that the systems in place act only to highlight areas of risk and cannot eliminate the risk of failure to achieve the Company's objective The management of risk cannot provide assurance against misstatement or material loss

The principle risks identified are as follows

***Asset Allocation***

The Company is a multi-asset fund of funds and seeks to diversify the portfolio through investment in a wide range of asset classes, industrial sectors, currencies and geographical regions The Company will not invest in physical commodities

Asset allocation is monitored on a look-through basis for all underlying funds Resulting analysis is considered as part of the stock selection process

***Correlation and Number of Funds Held***

The Manager recognises that funds of funds are naturally more diverse than a fund of individual equities, thus they suffer from the danger that over-diversification will lead to an investment trust, contrary to its objectives tracking a world equity market

Correlation between the Company its sector and appropriate world equity indices is monitored and analysed as part of the stock selection process

***Hedging***

The Manager may employ hedging techniques to isolate the risks associated with specific investments or markets For example the Manager may wish to invest in an overseas fund which it believes will outperform its benchmark index and that the fund s discount will narrow, but that the currency and market risk exposure are undesirable In this instance the Manager may seek to isolate these risks through the use of futures options or contracts for difference The Company will not enter into derivative contracts for speculative purposes

***Gearing***

Gearing of the portfolio aims to enhance returns through investment of borrowed funds The use of gearing can cause both gains and losses in the asset value of the Company to be magnified Underlying funds may also be geared and this is taken into account during the stock selection process

Gearing of both the Company's portfolio and the underlying funds is monitored

***Discount Risk***

The Company aims to maximise on the opportunities that exist due to inefficiencies in the pricing of closed-end funds Purchasing stocks that are trading at a discount can result in significant gains on the upside, but can also result in increased losses during downside periods The actual discount discount volatility and discount management policy of underlying holdings is monitored and analysed alongside market trend indicators Results are considered as part of the stock selection process

Investment in open-ended funds reduces the overall discount risk of the portfolio This also allows exposure to sectors in which growth is expected but discount risk is high, or sectors in which closed-end funds are under-represented

***Manager Risk***

The Company seeks to minimise manager risk through regular meetings with the management teams of underlying holdings Thorough research is undertaken on the investment strategy and approach of all managers involved with funds prior to their inclusion within the Company's portfolio

*Liquidity*

Market and asset specific liquidity can pose significant risk to the Company, particularly in difficult market conditions Volume and price based trade measures are monitored for underlying assets and every effort is made to ensure that a proportion of the Company s assets are invested in readily realisable funds

*Graphical Evidence, Market Sentiment Indicators and Technical Charts*

The Manager has access to a wide range of research both external and internal Consideration of trend indicators, technical charts and graphical evidence aids the Manager in the application of its knowledge and experience in selecting stocks and assessing the overall risk of specific and collective investments

## Company Summary

| | |
|---|---|
| **Objective and policy** | Presented on page 1 |
| **Benchmark** | 3 month LIBOR plus 2% as at commencement of performance period |
| **Management company** | Miton Asset Management Limited See page 16 for further details |
| **Net assets** | £35 839 000 as at 30 April 2012 |
| **Market capitalisation** | £32,232 000 as at 30 April 2012 |
| **Capital structure** | 25,279 985 Ordinary 1p shares as at 30 April 2012 |
| **Continuation vote** | 2012 and every third Annual General Meeting thereafter |
| **Management fee** | 0 5% per annum of adjusted market capitalisation of the Company, valued at the close of business on the last business day of each month See page 16 for further details |
| **Performance fee** | 15% of the growth of the adjusted net asset value per share in excess of a hurdle of 3 month LIBOR plus 2% See page 16 for further details |
| **Ongoing charges** | 1 35% for the year to 30 April 2012 |
| **ISA status** | The Company is fully eligible for inclusion in ISAs |
| **AIC** | The Company is a member of the Association of Investment Companies ("the AIC") |
| **Website** | www mamfundsplc com |

## Summary of Results

| **Financial Highlights** | **30 April 2012** | 30 April 2011 | % change |
|---|---|---|---|
| Net assets | **£35 84m** | £38 72m | (7 44) |
| Net asset value per Ordinary share | **141 77p** | 153 16p | (7 44) |
| Share price (mid) | **127 50p** | 139 63p | (8 69) |
| Discount to net asset value | **10 07%** | 8 83% | |

| **Performance** | **Year ended 30 April 2012** | Year ended 30 April 2011 |
|---|---|---|
| Total return per Ordinary share | **(11 40)p** | 16 62p |
| 3 month LIBOR plus 2% | **2 82%** | 2 68% |

# Directors and Advisers

**Directors (all non-executive)**

**Anthony Townsend, 64, Chairman** Anthony Townsend has spent over 40 years working in the City and was chairman of the Association of Investment Companies from 2001 to 2003 He is chairman of British & American Investment Trust plc F&C Global Smaller Companies plc Baronsmead VCT 3 plc and Finsbury Growth & Income Trust plc and a director of Worldwide Healthcare Trust plc

**James Fox, 69** James Fox has over 40 years' experience in investment management and the investment trust industry He is a past deputy chairman of the Association of Investment Companies and a past chairman of the Association of Investment Companies' Tax Committee He is a non-executive director, and chairman of the audit committee, of JP Morgan American Investment Trust plc

**Michael Phillips, 50** Michael Phillips founded imia Investment Group plc in 2001 (which became Midas Capital plc in 2008) and in a period of 7 years built it into a group with funds under management and advice of over £2 8 billion As chief executive he was responsible for the day to day operations of the Group until September 2008 when he left to pursue other interests He is a director of Strategic Equity Capital plc and a Fellow of the Securities Institute

**Hugh van Cutsem, 38** Hugh van Cutsem has worked in the investment company sector for a number of years He started his career at Cazenove on the sell side specialising in investment companies He left in 2003 to start up a funds business for a boutique corporate advisory business and specialised in marketing listed funds to the UK wealth management sector In 2008 he co-founded Kepler Partners LLP which focuses on marketing both listed and open-ended funds to the UK fund management industry and also advises on the structuring of both listed and UCITS III funds

All of
Beaufort House
51 New North Road
Exeter EX4 4EP

**Secretary and Registered Office**
Capita Sinclair Henderson Limited trading as
Capita Financial Group – Specialist Fund Services
Beaufort House
51 New North Road
Exeter EX4 4EP
Telephone 01392 412122

**Investment Manager**
Miton Asset Management Limited
10 – 14 Duke Street
Reading RG1 4RU
Telephone 0118 338 4033
Website www mamfundsplc com

**Auditor**
Grant Thornton UK LLP
30 Finsbury Square
London EC2P 2YU

**Stockbroker and Financial Adviser**
Cantor Fitzgerald Europe
One America Square
3rd Floor
17 Crosswall
London EC3N 2LS

**Bankers and Custodians**
Bank of New York Mellon
One Canada Square
London E14 5AL

**Registrar and Transfer Office**
Capita Registrars
The Registry
34 Beckenham Road
Beckenham
Kent BR3 4TU

An investment company as defined under Section 833 of the Companies Act 2006
Registered in England No 5020752
A member of the Association of Investment Companies

# Chairman's Statement

The Company commenced trading on 6 April 2004, and it is my pleasure to put before you the eighth Annual Report for your Company covering the year from 1 May 2011 to 30 April 2012

**Investment Performance**

The period under review saw some of the outperformance generated in recent years handed back Your Company's net asset value fell from 153 16p to 141 77p This represents a decline of 7 44% Over the same period total returns on the MSCI World Index (in Sterling terms) and the FTSE All Share Total Return Index drifted down by 1 95% and 2 00% respectively It proved to be an exceptionally difficult period for smaller closed-end funds as discounts ballooned to levels not seen in a generation Our Manager describes events in detail in his report Nevertheless, our Manager s cautious stance meant that the portfolio held up rather better than these indices during the sharp declines that occurred immediately post our financial year end

**Discount**

The discount to net asset value at which your Company's shares traded remained in a tight band never breaking out of a range of between 8 5% and 11 5% The average discount was 10 1% There continues to be significant turnover in our shares During the 2011 calendar year, just fewer than nine million shares marked In the first five months of 2012 a further four million shares have been traded This volume reflects the passing of a number of legacy holdings into new hands The Board is mindful of the need to increase the size of your Company with a view to improving the marketability of its shares Accordingly the Board regularly assesses initiatives aimed at attracting new investors

**Bank Loan**

Historically, our banking facilities were provided by Allied Irish Bank Following their withdrawal from the market, the £3 0 million previously drawn down under those facilities was repaid and the Company negotiated a new unsecured revolving credit facility of up to £7 0 million with The Royal Bank of Scotland which matures in February 2013 The new facility has not yet been drawn down as the Company operates a flexible gearing policy that depends on prevailing market conditions Mainstream markets rose sharply in the first quarter of the calendar year, leaving fewer opportunities at the time when the funds became available

**Outlook**

Structural changes within the investment trust industry s investor base have led to many closed-end companies trading on extreme discounts In many instances we appear to be the only buyer Mainstream investment institutions may not wish to own these vehicles for purely internal reasons but given underlying assets are realisable at far higher valuations than they are currently being accorded, it seems inevitable that opportunistic investors will acquire significant share stakes in order to force consolidations liquidations or other corporate changes to generate short term profits Our portfolio is well-positioned to benefit from such activity The extreme illiquidity within our sector means that the majority of our exits during the next couple of years will come via corporate events Disposals through normal market activity will be few and far between A hasty liquidation of our portfolio would yield well below its underlying value

Furthermore a resolution of the uncertainty surrounding the European single currency would usher in a new market phase Any move into a new market phase is usually associated by high levels of uncertainty Accordingly, the Company's significant cash position and undrawn banking facilities will provide the firepower to exploit any pricing anomalies which are associated with such an event as well as allowing us to continue to assess a number of interesting opportunities resulting from the structural changes referred to above

The Board also continues to monitor the progress of relevant EU and US draft legislation with the Alternative Investment Fund Managers Directive and the Foreign Account Tax Compliance Act both looming In addition the Financial Services Authority will publish a policy statement on the Retail Distribution Review rules by the end of 2012 The Board and its Advisers remain vigilant to the changes and the potential impact to your Company

**Annual General Meeting**
The Annual General Meeting of the Company will be held on Thursday, 27 September 2012 at 12 noon at the offices of the Association of Investment Companies, 9th Floor, 24 Chiswell Street, London EC1Y 4YY

The Company's Articles of Association require shareholders to vote on the continuation of the Company at every third Annual General Meeting The last continuation resolution was passed at the 2009 Annual General Meeting Accordingly a resolution that the Company continue as an investment trust will be proposed at this year s Annual General Meeting As indicated above and explained in more detail in the Manager's report unprecedented value currently exists within the Company s investment universe and we believe that our portfolio is well positioned to prosper as this value is unlocked over the months ahead Accordingly, your Board strongly recommends shareholders to vote in favour of the continuation resolution

Resolutions will also be proposed at the AGM to renew the Board s authority to issue new shares for cash, to meet investor demand, provided the issue price is not below the net asset value per share and the Directors' powers to issue shares within limits, without being required to offer them first to existing shareholders In addition, authority is being sought to renew the Company's power to buy back shares through the market and to provide it with the flexibility to hold any shares bought back in Treasury before either cancelling those shares or selling them back to the market at a later date Shares may be sold out of Treasury at a price representing a discount to net asset value at the relevant date provided that discount (which will not exceed 5% in any circumstances) is narrower than the discount to net asset value at which they were bought back The share buy-back authority would only be exercised if to do so would increase the net asset value per share for the remaining shareholders and is in the best interests of shareholders generally

**Anthony Townsend** Chairman
*20 August 2012*

# Manager's Report

Since the Company was launched as iimia Investment Trust PLC in 2004, the world of closed-end funds has evolved A significant number of conventional funds have disappeared, either through arbitrageur activity merger or via adopting a more focussed mandate Additionally, there has been a substantial number of specialist closed-end funds launched with 220 seeing the light of day for the first time between 2006 and 2008 alone This combination of events has left the sector far more disparate and specialist than at the time of the Company's genesis

More recently the wealth management industry has moved aggressively up the market cap curve in response to finding itself unable to manage client portfolios when markets seized at the end of 2008 A number of major firms now bar their Fund Managers from investing in companies and funds with a market capitalisation of below £250 million Whilst this is not an issue specific to investment trusts, it has had a dramatic effect on our universe There are 275 funds with an open market value of less than £100 million These now have lost their natural buyers, yet inevitably there has been regular albeit modest, selling of their shares Given the dearth of capital available to market makers in the trust sector, this selling has caused discounts at the smaller end to balloon out

We seek to exploit pricing anomalies within the closed-end sector These anomalies tend to be found amongst smaller and medium sized issues rather than in major funds This has meant that our portfolio has been exposed to the drift away from smaller trusts As a result, we have endured a tough year, notwithstanding our cautious stance and substantial cash weightings The average discount to net asset value now stands in excess of 30% within the Company s portfolio a figure which, until recently would have been unimaginable

Our core view during the period under review, was that there would be little assistance from a general rise in markets and that therefore mainstream positions would not add value In this event this call was largely correct, however it did mean that we missed a dramatic rally during October Conversely, it has also meant that we sidestepped much of the carnage which ensued in May, amid fears for the stability of the euro, just after the end of our financial year

The portfolio is dominated by what we describe as orphan assets those trusts which have found themselves with no following This is because of structural change in our market rather than through any weakness in the quality of their portfolios These trade on very wide discounts and we focus on situations where we can see a catalyst for change In addition there remain a number of top down themes The principal ones include the rationalisation of the closed-end funds of hedge fund sector German reflation and failed private equity

Our stance on the hedge fund sector has been a success Castle Asia is long gone BlackRock Absolute Return Strategies is in the process of returning cash to shareholders as is Thames River Multi-Hedge Acencia Debt Strategies has opted for a hard close in 2014 and Cazenove Absolute Equity has recently announced liquidation plans However Absolute Return Trust proved a hard nut to crack Subsequent to our year end, this trust too succumbed to shareholder pressure to wind itself down Given that the majority of these funds follow market neutral strategies and have seen discounts narrow, they have been a welcome positive in this year's attribution

A more recently adopted theme is German reflation, largely represented in the portfolio by Taliesin Property Fund a fund that specialises in Berlin residential property A few years ago there were inappropriate interest rate regimes in countries such as Spain and Ireland This was because their membership of the European single currency led to rates being dictated by economic conditions at the core Today the reverse is true interest rates are a function of the slump in the periphery In addition to the usual seeds of a property boom, there are additional factors such as the German public's fear that support for weaker nations will usher in the need for inflation proof assets Furthermore, a post reunification bust means that Berlin apartment blocks command less on the open market than they cost to build

Another sector which has started to be incorporated into the portfolio is failed private equity Until a decade or so ago, the venture capitalist industry s business model was to acquire modest businesses, parachute in some key management and, in a highly hands-on way build the business up and add value From the late nineties onwards, banks allowed their balance sheets to become bloated, thereby creating a wall of money It became possible to borrow vast amounts of capital with ease The private equity business model evolved into financial engineering Businesses which generated safe and dependable cash flow were acquired and loaded up with heroic quantities of debt This enabled the company to pay dividends back to the venture capitalists, a sum often roughly equivalent to the original cost of the investment If the business survived then disposal proceeds represented the profit Conversely, if it succumbed to its debt overload then nothing had been lost in the longer term Today the banking industry is deleveraging and in no position to lend In such an environment the private equity business model is broken Many management houses will not be able to raise new partnerships Investment trusts managed by private equity houses that find themselves in this position will lack dealflow and come under pressure to become realisation vehicles Given that stocks such as 3i Group, EPE Special Opportunities Trust and Dunedin Enterprise Investment Trust trade on discounts approaching 40% A patient investor will be well rewarded as assets are liquidated and the capital returned to shareholders

Whilst it was a tough year there were some positive performances EPE Special Opportunities Trust gained over 30% as the market began to appreciate the powerful effect of an aggressive buy back policy when discounts are high Greenwich Loan Income Fund also made similar progress as fixed interest securities benefitted from a steep decline in yields offered by government securities Counter intuitively, smaller companies in the UK generated positive returns Both Invesco Perpetual UK Smaller Companies and Chelverton Growth Trust made reasonable gains Private Equity Investor continued to return capital to shareholders this improved the rating of its remaining shares The biggest rise came from our position in the subscription shares of Worldwide Healthcare which turned in a 49% gain during the period Neither RENN Universal Growth Investment Trust or International Oil and Gas Technology made much progress in share price terms However in both cases investee companies made great strides and are likely to dominate their respective portfolios

Inevitably there were disappointments in addition to the attrition suffered across the board through widening discounts Aurora Investment Trust lost a third of its value as a number of positions within its concentrated portfolio suffered heavy falls Cambium Global Timberland continued to appear accident prone with a forest fire destroying a property on which the trust had just exchanged contracts to sell Geiger Counter Limited and New City Energy were both hurt by a general steep decline in small resource stocks In the case of Uranium this treatment appears harsh given that the metal had already been sold off in the aftermath of the Fukushima nuclear accident We have added on weakness to Geiger Counter Limited since the year end as we believe that nuclear power will remain part of the power generation mix Another area where we are likely to buy in the face of further declines is India a market particularly vulnerable when sentiment in the western world is negative

**Outlook**

It might be difficult to appreciate given the current unremittingly poor newsflow that much progress has been made since the global financial crisis in 2008 Banks particularly those in the United States and the United Kingdom, have dramatically reduced leverage within their balance sheets Clearly those on the Continent have only just started on this journey The global authorities have been focussing on stabilising the banking system There will come a point when this focus moves on to dealing with bloated sovereign balance sheets There is a time honoured solution to this problem such a period will not be a happy one for owners of fixed interest securities Accordingly we are in the process of taking profits on our remaining exposure in this area

The first phase where discounts widen following structural change within the sector s customer base is close to completion Looking forward there will be a spate of mergers and acquisitions activity or other corporate activity in unloved trusts Since the year end UK Select Trust Tau Capital, Diamond Circle Capital Cazenove Absolute Equity Invesco Perpetual UK Smaller Companies and Cambium Global Timberland, have all announced corporate actions The final phase will see investors return to the trust sector following a period where decent returns have been generated

We have adapted better to the change in climate for closed-end companies post Lehmans than our direct peers A generational trading opportunity has developed and the Company is ideally positioned to exploit it

**Performance Since Inception (06/04/04)**
Source Miton Asset Management Limited

**Nick Greenwood and Martin Gray**
Miton Asset Management Limited

*20 August 2012*

# Portfolio Valuation
as at 30 April 2012

| Rank (2012) | Rank (2011) | Company | Valuation 2012 £'000 | % of Portfolio | Type of share/ entity held |
|---|---|---|---|---|---|
| 1 | (3) | SR Europe Investment Trust | 1,851 | 6 16 | Ordinary |
| 2 | (2) | Establishment Trust (The) | 1,810 | 6 02 | Ordinary |
| 3 | (12) | Absolute Return Trust | 1 620 | 5 39 | Preference share |
| 4 | (4) | Aurora Investment Trust | 1,368 | 4 55 | Ordinary |
| 5 | (14) | Private Equity Investor | 1,316 | 4 38 | Ordinary |
| 6 | (38) | India Capital Growth* | 1,265 | 4 21 | Ordinary |
| 7 | (–) | RENN Universal Growth Investment Trust | 1,008 | 3 34 | Ordinary |
| 8 | (17) | Jupiter Second Special Geared | 964 | 3 21 | Ordinary |
| 9 | (10) | New City Energy | 906 | 3 01 | Ordinary |
| 10 | (1) | Strategic Equity Capital | 852 | 2 83 | Ordinary |
| **Top ten investments** | | | 12,960 | 43 10 | |
| 11 | (15) | Treasury China Trust | 768 | 2 56 | Ordinary |
| 12 | (18) | Macau Property Opportunities Fund* | 753 | 2 50 | Ordinary |
| 13 | (20) | Geiger Counter Limited | 735 | 2 44 | Ordinary |
| 14 | (30) | Alpha Tiger Property Trust* | 717 | 2 39 | Ordinary |
| 15 | (26) | JPMorgan Japanese Smaller | 716 | 2 38 | Ordinary |
| 16 | (13) | Artemis Alpha Trust | 708 | 2 36 | Ordinary |
| 17 | (45) | Invesco Perpetual UK Smaller Companies | 674 | 2 24 | Ordinary |
| 18 | (–) | Henderson EuroTrust | 626 | 2 08 | Ordinary |
| 19 | (25) | SVM Global Fund | 625 | 2 08 | Ordinary |
| 20 | (27) | Aurora Russia* | 593 | 1 97 | Ordinary |
| **Top twenty investments** | | | 19 875 | 66 10 | |
| 21 | (–) | 3i Group | 573 | 1 91 | Ordinary |
| 22 | (36) | Cambium Global Timberland* | 573 | 1 91 | Ordinary |
| 23 | (51) | Taliesin Property Fund* | 555 | 1 85 | Ordinary |
| 24 | (32) | New Star Investment Trust | 525 | 1 75 | Ordinary |
| 25 | (–) | TR Property Investment Trust (Sigma) | 524 | 1 74 | Ordinary |
| 26 | (21) | Infrastructure India* | 514 | 1 71 | Ordinary |
| 27 | (19) | Cazenove Absolute Equity | 458 | 1 52 | Preference share |
| 28 | (–) | CQS Rig Finance Fund | 413 | 1 37 | Ordinary |
| 29 | (46) | Eredene Capital* | 413 | 1 37 | Ordinary |
| 30 | (11) | BlackRock Absolute Return Strategies | 411 | 1 36 | Ordinary |
| **Top thirty investments** | | | 24,834 | 82 59 | |
| 31 | (–) | Signet Global Fixed Income Strategies | 405 | 1 35 | Ordinary |
| 32 | (40) | EPE Special Opportunities Trust* | 405 | 1 35 | Ordinary |
| 33 | (33) | Midas Income & Growth | 392 | 1 30 | Ordinary |
| 34 | (35) | Thames River Multi-Hedge | 348 | 1 16 | Ordinary |
| 35 | (9) | JPMorgan Fleming Japanese | 338 | 1 12 | Ordinary |
| 36 | (–) | RCM Technology | 337 | 1 12 | Ordinary |
| 37 | (–) | Diamond Circle Capital | 310 | 1 03 | Ordinary |
| 38 | (43) | Aseana Properties | 270 | 0 90 | Ordinary |
| 39 | (42) | Tau Capital* | 236 | 0 78 | Ordinary |
| 40 | (50) | Real Estate Investors* | 235 | 0 78 | Ordinary |
| 41 | (44) | Chelverton Growth Trust | 230 | 0 76 | Ordinary |
| 42 | (34) | Greenwich Loan Income Fund* | 215 | 0 72 | Ordinary |
| 43 | (–) | SVM Global Opportunities | 203 | 0 68 | Open-ended fund |
| 44 | (47) | Acencia Debt Strategies | 165 | 0 55 | Ordinary |
| 45 | (–) | EPE Special Opportunities Trust 7 5% 31/12/15* | 153 | 0 51 | Convertible loan notes |
| 46 | (–) | International Oil and Gas Technology | 145 | 0 48 | Preference share |
| 47 | (55) | Worldwide Healthcare | 133 | 0 45 | Subscription |
| 48 | (–) | UK Select Trust | 118 | 0 39 | Ordinary |
| 49 | (48) | Alternative Asia Opportunities | 115 | 0 38 | Preference share |
| 50 | (29) | European Investment Trust (The) | 99 | 0 33 | Ordinary |
| 51 | (–) | Henderson Opportunities Trust | 87 | 0 29 | Ordinary |
| 52 | (–) | Dunedin Enterprise Investment Trust | 79 | 0 26 | Ordinary |
| 53 | (–) | Juridica Investments Limited* | 75 | 0 25 | Ordinary |
| 54 | (49) | Psource Structured Debt | 50 | 0 17 | Ordinary |
| 55 | (53) | Sofia Property Fund* | 48 | 0 16 | Ordinary |
| 56 | (37) | Douglasbay Capital* | 22 | 0 07 | Ordinary |
| 57 | (52) | Vision Opportunity* | 21 | 0 07 | Ordinary |
| **Total investments in the portfolio** | | | **30,068** | **100 00** | |

* AIM/PLUS SX Listed

# **Portfolio Valuation** – continued
as at 30 April 2012

**Portfolio geographical exposure on a 'look-through' basis**

- UK 23 9%
- Continental Europe 19 1%
- North America 19 7%
- Japan 3 2%
- Other Asia/Pacific 15 2%
- Cash 16 0%
- Fixed interest 2 9%

**Portfolio by asset type on a 'look-through' basis**

- Equity 62 9%
- Cash 16 0%
- Private Equity 5 3%
- Fixed Interest and other 6 8%
- Property 9 0%

Note This analysis is based on the exposures of the underlying holdings within the investments held by the Company

Source Miton Asset Management Limited

# Report of the Directors

Which incorporates the Corporate Governance Statement on pages 18 to 22)

The Directors present their report and financial statements for the year ended 30 April 2012 The Company was incorporated under the name of iimia Investment Trust PLC on 20 January 2004 and commenced investment on 6 April 2004 Following approval of a resolution put to shareholders at the AGM held on 30 September 2010 the name of the Company was changed to Miton Worldwide Growth Investment Trust PLC The Articles of Association provide for shareholders to consider the continuation of the Company as an investment trust every three years The next continuation vote will be proposed at the 2012 AGM

**Business Review**

*Principal Activity and Status*

The principal activity of the Company is to carry on business as an investment trust The Company has been granted provisional approval from HM Revenue & Customs as an investment trust under Section 1158 of the Corporation Tax Act 2010 for the year ended 30 April 2011 The Directors are of the opinion that the Company has conducted its affairs for the year ended 30 April 2012 so as to be able to continue to obtain approval as an investment trust under Section 1158 of the Corporation Tax Act 2010 In accordance with the provisions of Sections 832 and 833 of the Companies Act 2006, the Company is an investment company The Directors do not envisage any change in this activity in the future

New regulations for obtaining and retaining investment trust status have been published by HMRC and came into force on 1 January 2012 An application for approval as an investment trust must be made within 90 days after the end of the first accounting period of the Company following implementation of the new regime The first accounting period affected by the new regulations is the year ended 30 April 2013 and therefore the application must be made by 29 July 2013 If the application is accepted, the Company will be treated as an investment trust company for that period and for each subsequent accounting period subject to there being no subsequent serious breaches of the regulations

The Company's status as an investment trust allows it to obtain an exemption from paying taxes on the profits made from the sale of its investments Investment trusts offer a number of advantages for investors, including access to investment opportunities that might not be open to private investors and to professional stock selection skills at low cost

The objective of the Company is to outperform 3 month LIBOR plus 2% over the longer term principally through exploiting inefficiencies in the pricing of closed-end funds This objective is intended to reflect the Company's aim of providing a better return to shareholders over the longer term than they would get by merely placing money on deposit

The benchmark in the investment objective is a target only and should not be treated as a guarantee of performance of the Company or its portfolio

*Performance*

The Chairman s Statement on pages 6 and 7 and the Manager's Report on pages 8 to 10 give details of the Company s activities, performance and position during the year under review

The key performance indicators ( KPIs") used to measure the progress of the Company during the year under review are as follows

- Net asset value ( NAV ')
- The movement of the NAV compared to the notional returns available for cash which we define as 3 month LIBOR plus 2% and is the Company's benchmark
- The movement in the Company's share price
- Discount of the share price in relation to the NAV

Information relating to the KPIs can be found in the Summary of Results on page 4

*Investment Policy*

In accordance with listing rule 15 2 7 the Company has published an investment policy, as set out on pages 1 to 3, which contains information on the policies which the Company follows relating to asset allocation, risk diversification and gearing, and includes maximum exposures, where relevant

Details of all investments are shown on page 11

*Principal Risks*
The Board considers the following as the principal risks facing the Company Mitigation of these risks is sought and achieved in a number of ways Information regarding the risk assessment and control procedures is given on pages 2 and 3

*Market Risk*
The Company is exposed to market risk due to fluctuations in the market prices of its investments

The Company may hold a substantial proportion of the portfolio in cash or cash equivalent investments from time to time Whilst during positive stockmarket movements the portfolio may forego notional gains, during negative market movements this may provide protection

The Investment Manager actively monitors economic and Company performance and reports to the Board on a frequent and informal basis The Board formally meets with the Investment Manager on a quarterly basis when the portfolio transactions and performance are reviewed The Management Engagement Committee meets at least once a year to review the performance of the Investment Manager

The Company is dependent on the services of the Investment Manager's investment team for the implementation of its investment policy

*Discount Volatility*
As with many investment trust companies discounts can fluctuate significantly

The Board has, and intends to continue to operate a discount management policy through the use of share buybacks The operation of the discount management policy is detailed below under the headings Share Issues, Purchase of Own Shares and Treasury Shares There were no buybacks during the year (2011 nil)

The Board supports the Investment Manager in marketing the Company with the intention of increasing the demand for its shares which in turn is intended to help reduce the discount

*Regulatory Risks*
A breach of Companies Act requirements or the Listing Rules may result in the Company being liable to fines or suspension from the London Stock Exchange The Board has a service level agreement with the Company Secretary which includes the regular review of compliance with such requirements and rules The compliance and regulatory risks are reviewed by the Audit Committee at each meeting

*Compliance with Section 1158 of the Corporation Tax Act 2010*
If the Company did not comply with the provisions of Section 1158, it would lose its investment trust status In order to minimise this risk, the Directors, the Investment Manager and the Company Secretary monitor the Company s compliance with the key criteria of Section 1158 on a monthly basis On a quarterly basis, compliance with these provisions is discussed in detail between the Board and the Investment Manager and, furthermore, the Investment Manager provides the Board with a quarterly assurance that, to the best of its knowledge the provisions of Section 1158 relating to investments have been adhered to at all times during the period

*Gearing*
As at 30 April 2012 the Company had a revolving credit facility of £7,000 000 which had not been drawn down and is subject to certain covenants

A breach of the loan covenants may lead to funding being reduced or withdrawn The Board monitors compliance with the loan covenants at each Board meeting and regularly reviews the loan, and the need for it with the Investment Manager The industry loan provider ratings are actively monitored Further details are set out in note 11 to the accounts

Further information regarding details of these risks is included in note 17 to the accounts

*Life of the Company*
The Company s Articles of Association contain a requirement for shareholders to vote on the continuation of the Company at every third Annual General Meeting Under this provision, if that resolution is not passed the Directors will, within four months thereafter, convene a General Meeting at which proposals shall be put to shareholders for the reorganisation unitisation or liquidation of the Company The next continuation vote will be proposed at the 2012 AGM

*Social Environmental Community and Employee Issues*
The Company does not have any employees and the Board consists entirely of non-executive Directors As the Company is an investment trust which invests in other investment funds it has no direct impact on the community or the environment, and as such has no policies in this area

*Current and Future Developments*
The marketing and promotion of the Company will continue to involve the Board, the Company's Broker and the Investment Manager Please refer to the Chairman's Statement on pages 6 and 7 and the Manager s Report on pages 8 to 10 for further information on the likely future development of the Company

**Share Issues**
At 1 May 2011 the Company had 25,279,985 Ordinary shares in issue none of which were held in Treasury At 30 April 2012 and as at the date of this report the number of shares in issue was 25,279,985

The Directors have the authority to issue shares up to an aggregate nominal amount equal to one-third of the issued share capital of the Company This authority expires at the Annual General Meeting to be held in 2012 when a resolution to renew the authority will be proposed The Directors will only issue new shares if they believe it would be in the best interests of the Company s shareholders

**Purchase of Own Shares**
At the Annual General Meeting held on 28 September 2011 the Directors were granted the authority to purchase up to 3 789 469 Ordinary shares, being 14 99% of the Company's Ordinary share capital During the year no Ordinary shares were purchased This authority expires at the Annual General Meeting to be held in 2012 when a resolution to renew the authority will be proposed

**Treasury Shares**
The Company indicated in its prospectus published on 9 March 2004, that it intended to make market purchases of its own shares for Treasury where it was cost effective and positive for the management of the Company s capital base to do so During the year no shares were purchased for, or held in Treasury A resolution to renew the authority will be proposed at the forthcoming Annual General Meeting The Board intends that any re-sale of Treasury shares would only take place at a narrower discount to the net asset value per share than that at which they had been bought into Treasury and in any event at a discount no greater than 5% to the prevailing net asset value per share It is also the intention of the Board that sales from Treasury would only take place when the Board believes that to do so would assist in the provision of liquidity to the market, further details are described in Resolution 11

**Reserves**
Please refer to the Notes to the Financial Statements on page 32 to 42

**Dividend**
The Directors do not recommend the payment of a dividend in respect of the year ended 30 April 2012

**Net Asset Value**
The net asset value at 30 April 2012 was 141 77p per share (30 April 2011 153 16p per share)

**Annual General Meeting**
The Notice of the Annual General Meeting is set out on pages 45 to 50 In addition to the Ordinary business of the Meeting the following resolutions will be proposed as Special business

An Ordinary Resolution to approve the continuation of the Company as an investment trust in accordance with the Articles of Association

An Ordinary Resolution to renew the Directors authority to allot shares up to an amount equal to one-third of the Company's issued share capital will be proposed as Resolution 8

A Special Resolution to authorise the Directors to allot new shares or issue shares from Treasury, up to an aggregate nominal amount of £25,280, which is equivalent to 10% of the Company s issued share capital, and to disapply pre-emption rights in respect of such shares will be proposed as Resolution 9

Resolution 10 which is a Special Resolution will renew the Company s authority to purchase shares, either for cancellation or placing into Treasury

Resolution 11 which is a Special Resolution will authorise the Directors to sell shares held in Treasury at a price up to 5% below the latest published NAV

A copy of the Company's Articles of Association will be available for inspection from the date of this document until the conclusion of the Annual General Meeting during normal business hours on any weekday at the registered office of the Company and at the office of the Investment Manager

**Management Arrangements**
The Company s investments are managed by Miton Asset Management Limited under an agreement dated 9 March 2004 that agreement having been novated by the Company s original Investment Manager, iimia plc to Miton Asset Management Limited with effect from 31 July 2009

The investment management fee is calculated at an annual rate of 0 5% of the adjusted market capitalisation of the Company valued at the close of business on the last business day of each month The investment management fee accrues daily and is payable in arrears in respect of each calendar month

The Investment Manager is also entitled to receive a performance fee if the share price has increased and the net asset value per share (adjusted to ignore any accrual for unpaid performance fees) exceeds the greater of the following hurdles

(i) The adjusted net asset value per share on the last day of the calculation period in respect of which a performance fee was last paid (after any deduction of any performance fee per share paid to the Investment Manager in respect of that period) increased by 3 month LIBOR plus 2%

(ii) The adjusted net asset value per share on the last day of the previous calculation period (after any deduction of any performance fee per share paid to the Investment Manager in respect of that period) increased by 3 month LIBOR plus 2%

In such circumstances the performance fee per share will amount to 15% of any such excess, but will not exceed 2% of the Company s assets as at the last day of the relevant period

No performance fee was payable for the year ended 30 April 2012 or for the year ended 30 April 2011

The Investment Management Agreement may be terminated by six months' written notice subject to the provisions for earlier termination as provided therein

There are no specific provisions contained within the Investment Management Agreement relating to compensation payable in the event of termination of the agreement other than the entitlement to fees which would have been payable within any notice period Further details about the Investment Management Agreement are given in note 3

Company secretarial and administrative services are provided by Capita Sinclair Henderson Limited under an agreement dated 9 March 2004 The fees for these services are based on a minimum of £50,000 per annum increasing annually in line with the UK Retail "all items Index The fees are paid in equal monthly instalments in arrears This agreement may be terminated by six months written notice subject to provisions for earlier termination as provided therein

**Continuing Appointment of the Investment Manager**
The Board keeps the performance of the Investment Manager under review It is the opinion of the Directors that the continuing appointment of Miton Asset Management Limited is in the interests of shareholders as a whole The reasons for this view are that Nick Greenwood, the Company's lead Fund Manager since launch, is now employed by Miton Asset Management Limited and is supported by Martin Gray The investment performance of the Company is satisfactory relative to that of the markets in which the Company invests and the remuneration of the Investment Manager is reasonable both in absolute terms and evaluated against managers of comparable investment companies The Directors continue to believe that by paying the investment management fee calculated on a market capitalisation basis rather than a percentage of assets basis, together with a performance fee based on absolute returns the interests of the Investment Manager are more closely aligned with those of shareholders

**Directors**
The Directors in office during the year and up to the date of this Report are

| | Date of original appointment |
|---|---|
| Anthony Townsend | 23 February 2004 |
| James Fox | 23 February 2004 |
| Michael Phillips | 23 February 2004 |
| Hugh van Cutsem | 31 March 2010 |

Brief biographical details of the current Directors are shown on page 5

Under the Company's Articles of Association, and in accordance with the AIC Code on Corporate Governance ( the AIC Code ) Directors are required to retire at the first Annual General Meeting following their appointment The Articles also require that one-third of the Directors retire by rotation at subsequent Annual General Meetings and that each Director retire every third year Accordingly, Mr Fox, being eligible will retire and has offered himself for re-election at the forthcoming Annual General Meeting The Board has considered the re-election of Mr Fox who has been subject to a performance review The Board recommends the re-election of Mr Fox on the basis of his expertise, experience in investment matters and his continuing effectiveness and commitment to the Company

Mr Phillips who is no longer a director of the Investment Manager having stepped down in 2008 is not now subject to annual re-election by shareholders in accordance with Listing Rule 15 2 13A However Principle 2 of the AIC Code, recommends that recent employees of the Manager stand for annual re-election Therefore, under the AIC Code, Mr Phillips is still deemed to be a non-independent Director Accordingly Mr Phillips will also retire at the following AGM and has offered himself for re-election

The Board considers that, notwithstanding the recommendation in the AIC Code Mr Phillips' position is such that he demonstrates his independence effectively and they consider him to be an independent member of the Board The Board has also considered the re-election of Mr Phillips and continues to support his position on the Board, valuing his knowledge and expertise on financial matters and his commitment to the Company

None of the Directors nor any persons connected with them had a material interest in the transactions arrangements and agreements of the Investment Manager during the year

**Directors' Beneficial and Family Interests**
The interests of the Directors and their families in the Ordinary shares of the Company are set out below

| | At 30 April 2012 | At 1 May 2011 |
|---|---|---|
| Anthony Townsend | **25,000** | 25,000 |
| James Fox | **40,000** | 40,000 |
| Michael Phillips | **107,795** | 107,795 |
| Hugh van Cutsem | **-** | - |

There have been no changes to any holdings between 30 April 2012 and the date of this Report

**Substantial Shareholdings**
The Directors have been informed of the following notifiable interests in the Company's voting rights as at the date of this Report

| | Number of Ordinary shares | % of voting rights |
|---|---|---|
| MAM Funds Plc | 2 985 000 | 11 81 |
| *Midas Balanced Growth Fund* | *675 000* | *2 67* |
| *Miton Select Assets* | *880,000* | *3 48* |
| *Miton Special Situations Fund* | *1,430,000* | *5 66* |
| Apollo Multi Asset Management | 2 505 000 | 9 91 |
| Ignis Managed Funds | 1,343,385 | 5 31 |
| CG Asset Management Ltd | 2,530,000 | 10 01 |
| Clients of Philip J Milton & Company | 1,120 289 | 4 43 |
| M&G Investment Management | 1,271,392 | 5 03 |
| Integrated Financial Arrangements | 1 019 628 | 4 03 |

**Payment of Suppliers**
It is the Company s policy to obtain the best possible terms for all business and, therefore, there is no consistent policy as to the terms used The Company agrees with its suppliers the terms on which business will be transacted and it is the Company's policy to abide by those terms At 30 April 2012 there were no trade creditors (2011 £nil)

**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, and each Director has taken all the steps that he ought to have taken as a Director to make himself aware of any relevant audit information and to establish that the Company s auditor is aware of that information

**Auditor**
Grant Thornton UK LLP has expressed its willingness to continue in office as auditor of the Company and a Resolution for its re-appointment will be proposed at the forthcoming Annual General Meeting

**Corporate Governance**
The Company is committed to the highest standards of corporate governance and the Board is accountable to shareholders for the governance of the Company's affairs

*Statement of Compliance with the AIC Code of Corporate Governance*
The Board of Miton Worldwide Growth Investment Trust PLC has considered the principles and recommendations of the AIC Code of Corporate Governance ("AIC Code ) by reference to the AIC Corporate Governance Guide for Investment Companies ("AIC Guide' ) The AIC Code, as explained by the AIC Guide addresses the main principles set out in the UK Corporate Governance Code (the "Code") as well as setting out additional principles and recommendations on issues that are of specific relevance to Miton Worldwide Growth Investment Trust PLC The AIC Code can be found at www theaic co uk/ Documents/Other/AICCodeofCorporateGovernance2010 pdf

The Board considers that reporting against the principles and recommendations of the AIC Code, and by reference to the AIC Guide (which incorporates the Code) provides better information to shareholders

The Company has complied with the recommendations of the AIC Code and the relevant provisions of the Code except as set out below and regarding the composition of the audit and management engagement committees

The Code includes provisions relating to

- the role of the chief executive
- executive directors' remuneration, and
- the need for an internal audit function

For the reasons set out in the AIC Guide and as explained in the Code, the Board considers these provisions are not relevant to the position of Miton Worldwide Growth Investment Trust PLC, being an externally managed investment company The Company has therefore not reported further in respect of these provisions

*Board of Directors*
The Board consists entirely of non-executive Directors

The Directors meet at regular Board meetings, held at least once a quarter with additional meetings arranged as necessary During the year to 30 April 2012 the number of scheduled Board meetings and Audit Committee meetings attended by each Director were as follows

| | **Scheduled Board meetings** | **Audit Committee meetings** |
|---|---|---|
| Anthony Townsend | 4 (4) | 2 (2) |
| James Fox | 4 (4) | 2 (2) |
| Michael Phillips | 4 (4) | 2 (2) |
| Hugh van Cutsem | 4 (4) | 2 (2) |

Figures in brackets indicate maximum number of meetings held in the year in respect of which the individual was a Board/Committee member

The Board is responsible for all matters of direction and control of the Company including its investment policy, and no one individual has unfettered powers of decision The Directors possess a wide range of business and financial expertise relevant to the direction of the Company and consider that they commit sufficient time to the Company's affairs Brief biographical details of the Directors, including details of their significant commitments can be found on page 5 There are no qualifying third party indemnity provisions in place

The Board has established a formal process led by the Chairman, for the annual evaluation of the performance of the Board its Committees and the individual Directors The annual appraisal process was conducted by interview The appraisal of the Chairman followed the same process and was conducted by the Chairman of the Audit Committee, Mr Fox

*Chairman and Senior Independent Director*
The Chairman, Mr Townsend, is deemed by his fellow independent Board members to be independent and to have no conflicting relationships Mr Townsend is chairman of four investment companies but the Board considers him to have sufficient time to commit to the Company's affairs as necessary Given the size and nature of the Board it is not considered appropriate to appoint a senior independent director

*Directors Independence*
In accordance with the AIC Code the Board has reviewed the independent status of each individual Director and the Board as a whole

The AIC Code requires that this report should identify each non-executive Director the Board considers to be independent in character and judgement and whether there are relationships or circumstances which are likely to affect or could appear to affect, a Director's judgement stating its reasons if it determines that a Director is independent notwithstanding the existence of relationships or circumstances which may appear to be relevant to its determination In the Board s opinion all Directors are considered to be independent in both character and judgement notwithstanding the AIC Code

Mr Phillips, the former chief executive of Midas Capital plc (renamed MAM Funds Plc) the parent company of the Company s Investment Manager, is considered not to be independent under the terms of the AIC Code for a period of 5 years, following the end of this employment

In accordance with the AIC Code the Board s policy with regard to tenure of office is that any Director having served for nine years since his first election will be required to seek annual re-election thereafter

*Board Responsibilities and Relationship with Investment Manager*
The Board is responsible for the determination and implementation of the Company s investment policy and for monitoring compliance with the Company's objectives The Company's main functions have been subcontracted to a number of service providers each engaged under separate legal agreements At each Board meeting the Directors follow a formal agenda, which is circulated in advance by the Company Secretary The Board's main roles are to create value to shareholders to provide leadership to the Company and to approve the Company's strategic objectives Specific responsibilities of the Board include reviewing the Company's investments asset allocation gearing policy, cash management, peer group performance, investment outlook and revenue forecasts and outlook In order to meet these objectives the Company Secretary and Investment Manager provide financial information together with briefing notes and papers in relation to changes in the Company s economic and financial environment statutory and regulatory changes and corporate governance best practice

The Board has a schedule of matters reserved for decision by the full Board, which was adopted on 24 May 2004

The management of the Company's assets is delegated to Miton Asset Management Limited which has discretion to manage the assets of the Company in accordance with the Company's investment objective and policy At each Board meeting a representative from the Investment Manager is in attendance to present verbal and written reports covering its activity, portfolio and investment performance over the preceding period, and compliance with the applicable rules and guidance of the Financial Services Authority and the Financial Reporting Council Stewardship Code Ongoing communication with the Board is maintained between formal meetings The Board and the Investment Manager operate in a supportive, co-operative and open environment

*Engagement with Investee Companies*
As an externally managed investment company the Board delegates the majority of its responsibilities in relation to engagement with investee companies to the Company's Manager However, the Board retains oversight of this process by receiving regular updates from the Manager on its engagement activities and by having reviewed the Manager's engagement and voting policies Further details of the Manager's approach to engaging with investee companies can be found on the Manager's website at www mamfundsplc co uk

*Audit Committee*
The Audit Committee comprises all the Directors of the Company and is chaired by Mr Fox Mr Phillips was appointed to the Audit Committee at the Audit Committee meeting held on 24 June 2009 The FRC Guidance on Audit Committees emphasises the need for "Audit Committee arrangements to be proportionate to the task" With such a small Board, it is deemed both proportionate and practical to involve all Directors

The Committee has met to review and approve the Company s Annual Report and Accounts for the year ended 30 April 2012 At every meeting all members of the Committee were in attendance

The primary responsibilities of the Audit Committee are to review the effectiveness of the internal control environment of the Company and to monitor adherence to best practice in corporate governance to make recommendations to the Board in relation to the re-appointment of the auditor and to approve their remuneration and terms of engagement to review and monitor the auditor's independence and objectivity and the effectiveness of the audit process, and to provide a forum through which the Company s auditor reports to the Board In relation to non-audit services, the Audit Committee reviews the scope and nature of all proposed non-audit services before engagement to ensure that auditor independence and objectivity are safeguarded Grant Thornton UK LLP did not provide non-audit services to the Company during the year The Audit Committee also has responsibility for monitoring the integrity of the financial statements and accounting policies of the Company and receiving reports from the compliance officer of the Investment Manager Committee members consider that individually and collectively they are appropriately experienced to fulfil the role required

*Management Engagement Committee*
The Management Engagement Committee comprises all the Directors and is chaired by Mr Townsend In accordance with the requirements of the AIC Code the Committee meets at least once a year to review the performance of the Investment Manager s obligations under the Investment Management Agreement and to consider any variation to the terms of the agreement The Management Engagement Committee also reviews the performance of the Company Secretary, the Custodian, the Registrar and any matters concerning their respective agreements with the Company During the year the Committee met once on 17 June 2011 and all Committee members attended

*Independent Professional Advice*
The Board has formalised arrangements under which the Directors in the furtherance of their duties may seek independent professional advice at the Company s expense

The Company has arranged Directors and Officers Liability Insurance which provides cover for legal expenses under certain circumstances This was in force for the entire period under review and up to the time the report was approved

*Internal Control Review*
The Directors are responsible for the Company's systems of risk management and internal control relating to the Company and for reviewing the effectiveness of those systems An ongoing process has been in place since 24 May 2004 for identifying, evaluating and managing risks faced by the Company

The risk management process and systems of internal control are designed to manage rather than eliminate the risk of failure to achieve the Company s objectives It should be recognised that such systems can only provide reasonable, not absolute assurance against material misstatement or loss

In accordance with the guidance of the FRC the Directors have carried out a review of the effectiveness of the systems of risk management and internal control as it operated over the year and up to the date of approval of the Annual Report

*Internal Control Assessment Process*
Regular risk assessments and reviews of internal controls are undertaken by the Board in the context of the Company's overall investment objective The review covers the business strategy operational compliance and financial risks facing the Company In arriving at its judgement of what risks the Company faces, the Board has considered the Company's operations in the light of the following factors

- the nature and extent of risks which it regards as acceptable for the Company to bear within its overall business objective,
- the threat of such risks becoming reality
- the Company s ability to reduce the incidence and impact of risk on its performance and
- the cost to the Company and benefits related to the Company and third parties operating the relevant controls

Against this backdrop the Board has split the review into four sections reflecting the nature of the risks being addressed The sections are as follows

- corporate strategy
- published information and compliance with laws and regulations
- relationship with service providers, and
- investment and business activities

Given the nature of the Company's activities and the fact that most functions are subcontracted the Directors have obtained information from key third party suppliers regarding the controls operated by them To enable the Board to make an appropriate risk and control assessment, the information and assurances sought from third parties include the following

- details of the control environment
- identification and evaluation of risks and control objectives
- assessment of the communication procedures and
- assessment of the control procedure

The key procedures which have been established to provide effective internal financial controls are as follows

- investment management is provided by Miton Asset Management Limited The Board is responsible for the implementation of the overall investment policy and monitors the investment performance, actions and regulatory compliance of the Investment Manager at regular meetings
- the provision of administration accounting and company secretarial duties is the responsibility of Capita Sinclair Henderson Limited,
- custody of assets is undertaken by the Bank of New York Mellon The annual risk review of the service provided seeks to ensure that the processing and safekeeping of the Company's assets is dealt with by Bank of New York Mellon as effectively as possible,
- the duties of investment management accounting and custody of assets are segregated The procedures of the individual parties are designed to complement one another,

# Report of the Directors – continued

- the Directors of the Company clearly define the duties and responsibilities of their agents and advisers in the terms of their contracts The appointment of agents and advisers is conducted by the Board after consideration of the quality of the parties involved, the Board monitors their ongoing performance and contractual agreements,
- mandates for authorisation of investment transactions and expense payments are set by the Board and
- the Board receives detailed financial information produced by the Investment Manager and the Company Secretary on a regular basis and Board meetings are held at least once a quarter to review such information

Action has been taken to remedy any significant failings or weaknesses identified

The Company does not have an internal audit function All of the Company s management functions are delegated to independent third parties whose controls are reviewed by the Board It is therefore felt that there is no requirement for the Company to have an internal audit function

*Company Secretary*
The Board has direct access to the advice and services of the Company Secretary, Capita Sinclair Henderson Limited which is responsible for ensuring that the Board and Committee procedures are followed and that applicable regulations are complied with The Company Secretary is also responsible to the Board for ensuring timely delivery of the information and reports and that statutory obligations of the Company are met

*Dialogue with Shareholders*
Communication with shareholders is given a high priority by both the Board and the Investment Manager and the Directors are available to enter into dialogue with shareholders Major shareholders of the Company are offered the opportunity to meet with the Investment Manager and the Directors to ensure that their views are understood All shareholders are encouraged to attend and vote at the Annual General Meeting during which the Board and the Investment Manager are available to discuss issues affecting the Company and shareholders have the opportunity to address questions to the Investment Manager the Board and the Chairmen of the Board s standing committees

Any shareholder who would like to lodge questions in advance of the Annual General Meeting is invited to do so either on the reverse side of the proxy card or in writing to the Company Secretary at the address on page 5 The Company always responds to letters from individual shareholders

The Annual and Half-Yearly Reports of the Company are prepared by the Board and its advisers to present a full and readily understandable review of the Company's performance Copies are dispatched to shareholders by mail and are also available from the Company Secretary at the contact details on page 5 or by downloading from both the Investment Manager's and Company s website as detailed on page 5

Interim Management Statements are also released to the London Stock Exchange and posted on the Company's website

*Going Concern*
The Company s business activities, together with the factors likely to affect its future development, performance and position are described in the Chairman s Statement on pages 6 and 7 and in the Manager's Report on pages 8 to 10 The financial position of the Company, its cash flows, liquidity position and borrowing facilities are described in the Report of the Directors on pages 13 to 22 In addition note 17 to the Financial Statements includes the Company's objectives policies and processes for managing its capital, its financial risk management objectives, details of its financial instruments and hedging activities and its exposure to credit risk and liquidity risk The Company has adequate financial resources and no significant investment commitments and as a consequence, the Directors believe that the Company is well placed to manage its business risks successfully despite the economic outlook

The Company's Articles of Association require that the Directors will procure an Ordinary Resolution at the forthcoming Annual General Meeting that the Company should continue as constituted The Directors strongly recommend that shareholders vote in favour of the continuation of the Company beyond 2012

After making appropriate enquiries, the Directors have a reasonable expectation that the Company has adequate available financial resources to continue in operational existence for the foreseeable future and accordingly have concluded that it is appropriate to continue to adopt the going concern basis in preparing the financial statements

By order of the Board
**Anthony Townsend**
Chairman
*20 August 2012*

# Directors' Remuneration Report

The Board has prepared this Report, in accordance with Schedule 8 to The Large and Medium-Sized Companies and Groups (Accounts and Reports) Regulations 2008 An Ordinary Resolution will be put to the members to receive the Report at the forthcoming Annual General Meeting

The law requires your Company's auditor to audit certain disclosures provided Where disclosures have been audited, they are indicated as such The auditor s opinion is included in their report on pages 26 and 27

**Policy on Directors' Fees**
The Board s policy is that the remuneration of the Directors should reflect the experience of the Board as a whole and is determined with reference to comparable organisations and appointments It is intended that this policy will continue for the year ending 30 April 2012 and subsequent years

The fees of the Directors are determined within the limits set out in the Company's Articles of Association which stipulate that the aggregate amount of Directors fees shall not exceed £100,000 in any financial year or any greater sum that may be determined from time to time by Ordinary Resolution of the Company They are not eligible for bonuses pension benefits, share options long term incentive schemes or other benefits as the Board does not feel this to be appropriate at this time

**Directors' Service Contracts**
None of the Directors have a contract of service with the Company nor has there been any contract or arrangement between the Company and any Director at any time during the year The Company's Articles of Association provide that a Director shall retire and be subject to re-election at the first Annual General Meeting after his appointment and that one third of the Directors retire by rotation at subsequent Annual General Meetings and that each Director retire at least every third year

**Your Company's Performance**
The graph below compares the total return (assuming all dividends are reinvested) to Ordinary shareholders, compared to the MSCI World Index (Sterling) The MSCI World Index has been selected as it is considered to represent a broad equity market index against which the performance of the Company s assets may be assessed

The Company's benchmark of 3 month LIBOR plus 2%, has also been shown for comparison

Source Miton Asset Management Limited

## Directors' Remuneration Report – continued

**Directors' Emoluments for the Period (audited)**
The Directors who served during the year received the following emoluments in the form of fees

| | 2012<br>£ | 2011<br>£ |
|---|---|---|
| Anthony Townsend (Chairman) | **20,000** | 20,000 |
| James Fox | **17,000** | 17,000 |
| Michael Phillips | **14,000** | 14 000 |
| Hugh van Cutsem | **14,000** | 14 000 |
| | **65,000** | 65 000 |

**Approval**
The Directors' Remuneration Report was approved by the Board on 20 August 2012

The Remuneration Committee comprised all Directors and was chaired by Mr Townsend

Anthony Townsend

**Anthony Townsend**
Chairman

*20 August 2012*

# Management Report

UK Listed Companies are required by the FSA's Disclosure and Transparency Rules to include a management report within their annual financial report

The information required by the management report, for the purpose of these rules is comprised of that contained in the Chairman's Statement on pages 6 and 7, the Manager's Report on pages 8 to 10 and the Report of the Directors on pages 13 to 22 Therefore no separate management report has been included

The Financial Statements have been reviewed by the Company's Auditors

# Statement of Directors' Responsibilities

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations

Company law requires the Directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the Company as at the end of the financial period and of the profit and loss for that period In preparing those financial statements, the Directors are required to

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

The Directors have confirmed that the financial statements which have been prepared in accordance with UK Generally Accepted Accounting Practice, comply with the above requirements

The Directors are responsible for ensuring that the Report of the Directors and other information included in the Annual Report is prepared in accordance with company law in the United Kingdom They are responsible for ensuring that the Annual Report includes information required by the Listing Rules of the Financial Services Authority

The Directors are responsible for keeping adequate accounting records which 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 the Company's system of internal financial control for safeguarding the assets of the Company and hence taking reasonable steps for the prevention and detection of fraud and other irregularities

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website

Visitors to the website should be aware that legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions

The Directors are responsible for preparing the financial statements in accordance with applicable law and regulations The Directors confirm that to the best of their knowledge the financial statements, within the Annual Report have been prepared in accordance with applicable accounting standards, give a true and fair view of the assets, liabilities financial position and the profit for the year ended 30 April 2012, and that the Chairman's Statement Manager's Report and Report of the Directors include a fair review of the development and performance of the business and the position of the Company together with a description of the principal risks and uncertainties that it faces

On behalf of the Board
**Anthony Townsend**
Chairman

*20 August 2012*

# Report of the Independent Auditor
to the members of Miton Worldwide Growth Investment Trust PLC

We have audited the financial statements of Miton Worldwide Growth Investment Trust PLC for the year ended 30 April 2012 which comprise the Income Statement, the Reconciliation of Movements in Shareholders Funds the Balance Sheet, the Cash Flow Statement and the related notes The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

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

**Respective responsibilities of directors and auditors**
As explained more fully in the Statement of Directors' Responsibilities set out on page 25 the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view Our responsibility is to audit the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) Those standards require us to comply with the Auditing Practices Board s (APB's) Ethical Standards for Auditors

**Scope of the audit of the financial statements**
A description of the scope of an audit of financial statements is provided on the APB s website at www frc org uk/apb/scope/private cfm

**Opinion on 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 April 2012 and of its return for the year then ended
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice and
- have been prepared in accordance with the requirements of the Companies Act 2006

**Opinion on other matters prescribed by the Companies Act 2006**
In our opinion

- the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006, and
- the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements

**Matters on which we are required to report by exception**
We have nothing to report in respect of the following matters where 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 and the part of the Directors' Remuneration Report to be audited 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

Under the Listing Rules we are required to review

- the Directors' statement, set out on page 22 in relation to going concern,
- the part of the statement on corporate governance relating to the Company's compliance with the nine provisions of the UK Corporate Governance Code specified for our review and
- certain elements of the report to the shareholders by the Board on Directors remuneration

**Julian Bartlett**
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
London

*20 August 2012*

# Income Statement
for the year ended 30 April 2012

| | Note | Year ended 30 April 2012 Revenue £'000 | Capital £'000 | Total £'000 | Year ended 30 April 2011 Revenue £ 000 | Capital £ 000 | Total £'000 |
|---|---|---|---|---|---|---|---|
| (Losses)/gains on investments at fair value through profit or loss | 8 | – | (2,746) | (2,746) | – | 4 329 | 4 329 |
| Income | 2 | 417 | – | 417 | 416 | – | 416 |
| Investment management fee | 3 | (164) | – | (164) | (157) | – | (157) |
| Exchange gains/(losses) on capital items | | – | 8 | 8 | - | (3) | (3) |
| Other expenses | 4 | (347) | – | (347) | (277) | – | (277) |
| **Return on ordinary activities before finance costs and taxation** | | (94) | (2,738) | (2,832) | (18) | 4 326 | 4,308 |
| Finance costs | 5 | (49) | – | (49) | (107) | – | (107) |
| **Return on ordinary activities before taxation** | | (143) | (2,738) | (2,881) | (125) | 4 326 | 4 201 |
| Taxation | 6 | – | – | – | – | – | – |
| **Return on ordinary activities after taxation** | | (143) | (2,738) | (2,881) | (125) | 4,326 | 4,201 |
| | | pence | pence | pence | pence | pence | pence |
| **Return per Ordinary share** | 7 | (0 57) | (10 83) | (11 40) | (0 49) | 17 11 | 16 62 |

The total column of this statement is the Profit and Loss account of the Company The supplementary revenue and capital columns have been prepared in accordance with the AIC s SORP

All revenue and capital items in the above statement derive from continuing operations There are no recognised gains or losses other than those passing through the Income Statement and as a consequence no Statement of Total Recognised Gains and Losses has been presented

The notes on pages 32 to 42 form part of these financial statements

## Reconciliation of Movements in Shareholders' Funds
for the year ended 30 April 2012

| | Share capital £'000 | Capital redemption reserve £'000 | Share premium account £ 000 | Special reserve £'000 | Capital reserve £'000 | Revenue reserve £ 000 | Total £'000 |
|---|---|---|---|---|---|---|---|
| **Balance at 30 April 2010** | 252 | 60 | 16 727 | 10,008 | 7,536 | (64) | 34,519 |
| **Movement for the year** | | | | | | | |
| Return for the year | – | – | – | – | 4 326 | (125) | 4 201 |
| **Balance at 30 April 2011** | 252 | 60 | 16,727 | 10,008 | 11 862 | (189) | 38 720 |
| **Movement for the year** | | | | | | | |
| Return for the year | – | – | – | – | **(2,738)** | **(143)** | **(2,881)** |
| **Balance at 30 April 2012** | **252** | **60** | **16,727** | **10,008** | **9,124** | **(332)** | **35,839** |

The notes on pages 32 to 42 form part of these financial statements

# Balance Sheet
as at 30 Aprıl 2012

| | Note | 30 Aprıl 2012 £'000 | 30 Aprıl 2011 £'000 |
|---|---|---|---|
| **Non-current assets** | | | |
| Investments desıgnated at faır value through profıt or loss | 8 | **30,068** | 38,673 |
| **Current assets** | | | |
| Debtors and prepayments | 10 | **93** | 377 |
| Cash and short term deposıts | | **5,787** | 3 362 |
| | | **5,880** | 3,739 |
| **Credıtors amounts fallıng due wıthın one year** | 11 | | |
| Bank loan | | **-** | (3 000) |
| Other credıtors | | **(109)** | (692) |
| | | **(109)** | (3 692) |
| **Net current assets** | | **5,771** | 47 |
| **Net assets** | | **35,839** | 38,720 |
| **Share capıtal and reserves** | | | |
| Share capıtal | 12 | **252** | 252 |
| Capıtal redemptıon reserve | | **60** | 60 |
| Share premıum account | | **16,727** | 16 727 |
| Specıal reserve | | **10,008** | 10,008 |
| Capıtal reserve | | **9,124** | 11 862 |
| Revenue reserve | | **(332)** | (189) |
| **Equıty Shareholders' funds** | | **35,839** | 38 720 |
| | | **pence** | pence |
| **Net asset value per Ordınary share** | 15 | **141 77** | 153 16 |

These fınancıal statements were approved by the Board of Dırectors on 20 August 2012, and sıgned on ıts behalf by

Anthony Townsend

**Anthony Townsend**
Chaırman

The notes on pages 32 to 42 form part of these fınancıal statements

# Cash Flow Statement
for the year ended 30 April 2012

| | Note | 30 April 2012 £'000 | 30 April 2011 £'000 |
|---|---|---|---|
| **Net cash outflow from operating activities** | 13 | **(64)** | (17) |
| **Servicing of finance** | | | |
| Interest paid | | **(37)** | (107) |
| **Net cash outflow from servicing of finance** | | **(37)** | (107) |
| **Capital expenditure and financial investment** | | | |
| Purchases of investments | | **(13,246)** | (17 523) |
| Sales of investments | | **18,764** | 17,707 |
| Exchange gains/(losses) on settlements | | **3** | (13) |
| **Net cash inflow from capital expenditure and financial investment** | | **5,521** | 171 |
| **Net cash inflow before financing** | | **5,420** | 47 |
| **Financing** | | | |
| Revolving credit facility repayment | | **(3,000)** | - |
| **Net cash outflow from financing** | | **(3,000)** | - |
| **Increase in cash** | | **2,420** | 47 |
| **Reconciliation of net cash flow to movements in net funds** | | | |
| Increase in cash as above | | **2,420** | 47 |
| Repayment of credit facility | | **3,000** | - |
| Exchange movements | | **5** | 10 |
| **Movement in net funds in the year** | | **5,425** | 57 |
| Net funds at 1 May | | **362** | 305 |
| **Net funds at 30 April** | 14 | **5,787** | 362 |

The notes on pages 32 to 42 form part of these financial statements

# Notes to the Financial Statements
for the year ended 30 April 2012

## 1 Accounting policies

**Accounting convention**
The financial statements are prepared on a going concern basis, under the historical cost convention, except for the valuation of investments at fair value and in accordance with the Companies Act 2006, UK applicable accounting standards and the Statement of Recommended Practice regarding the Financial Statements of Investment Trust Companies and Venture Capital Trusts ( SORP") issued in January 2009 All the Company's activities are continuing

**Going concern**
The Company s business activities, together with the factors likely to affect its future development and performance are set out in the Business Review section of the Report of the Directors on pages 13 to 15 The Directors have made an assessment of the Company's ability to continue as a going concern and are satisfied that the Company has the resources to continue in business for the foreseeable future The Directors are recommending that shareholders vote in favour of the continuation vote at the AGM Therefore the Company s financial statements have been prepared on the going concern basis

**Income recognition**
Dividends receivable on quoted equity and non-equity shares are included in the financial statements when the investments concerned are quoted ex-dividend' Dividends receivable on equity and non-equity shares where no ex-dividend date is quoted are brought into account when the Company s right to receive payment is established The fixed return on a debt security is recognised on a time apportionment basis so as to reflect the effective interest rate on the debt security All other income is included on an accruals basis

**Expenses and finance costs**
All expenses are accounted for on an accruals basis Expenses are charged through the revenue column of the Income Statement except as follows

- transaction costs which are incidental to the acquisition or disposal of an investment are included within gains/(losses) on investments and disclosed in note 8, and
- investment performance fees are charged to the capital column of the Income Statement as the Directors expect that in the long term virtually all of the Company s returns will come from capital

**Foreign currency transactions**
The currency of the Primary Economic Environment in which the Company operates (the functional currency) is pounds Sterling ( Sterling') which is also the presentational currency Transactions denominated in foreign currencies are translated into Sterling at the rates of exchange ruling at the date of the transaction

Investments are converted to Sterling at the rates of exchange ruling at the Balance Sheet date Exchange gains and losses relating to investments are taken to the capital column of the Income Statement as part of gains/(losses) on investment Exchange gains and losses on non-capital assets or liabilities are taken to the revenue column of the Income Statement in the period in which they arise

**Investments – held at fair value through profit or loss**
As the entity's business is investing in financial assets with a view to profiting from their total return in the form of interest dividends or increases in fair value investments are designated as fair value through profit or loss on initial recognition The entity manages and evaluates the performance of these investments on a fair value basis in accordance with its investment strategy, and information about the portfolio is provided internally on this basis to the Board For quoted investments, this is deemed to be bid market prices or closing prices for SETS (London Stock Exchange's electronic trading service) stocks sourced from the London Stock Exchange

Investments are recognised and derecognised on the trade date where a purchase or sale is under a contract whose terms require delivery within the time frame established by the market concerned and are initially measured at fair value Gains and losses arising from changes in fair value are included in net profit or loss for the period as a capital item in the Income Statement

**Financial assets and liabilities held for trading**
Derivatives which are classified as financial assets or liabilities held for trading are valued at fair value at the close of business at the year end and included in fixed assets or current assets/liabilities depending on their maturity date

**1 Accounting policies** – continued

**Taxation**

The charge for taxation is based on the net revenue for the year Tax deferred or accelerated is accounted for in respect of all material timing differences to the extent that it is probable that a liability or asset will crystallise Timing differences arise from the inclusion of items of income and expenditure in tax computations in periods different from those in which they are included in the financial statements Provision is made at the rate which is expected to be applied when the liability or asset is expected to crystallise

The tax effect of different items of income/gain and expenditure/loss is allocated between capital and revenue on the same basis as the particular item to which it relates and using the marginal basis

**Capital reserve**

Gains or losses on disposal of investments and changes in fair values of investments (investment holding gains) are charged to the capital column of the Income Statement and taken to the capital reserve

Certain expenses net of any related taxation effects are charged to this reserve in accordance with the expenses policy on page 32

**Distributable reserves**

Under the Company's Articles of Association the Company is prohibited from distributing capital reserves through dividends As such the only reserve distributable by way of dividend is the revenue reserve

## 2 Income

| | 30 April 2012 £'000 | 30 April 2011 £ 000 |
|---|---|---|
| **Income from investments** | | |
| UK dividends | **216** | 229 |
| Unfranked dividend income | **170** | 156 |
| UK fixed interest | **24** | 24 |
| | **410** | 409 |
| **Other income** | | |
| Bank deposit interest | **2** | 6 |
| Other income | **5** | 1 |
| **Total income** | **417** | 416 |

## 3 Investment management and performance fees

| | 30 April 2012 | | | 30 April 2011 | | |
|---|---|---|---|---|---|---|
| | Revenue £'000 | Capital £'000 | Total £'000 | Revenue £ 000 | Capital £ 000 | Total £ 000 |
| Investment management fee | **164** | – | **164** | 157 | - | 157 |

### 3 Investment management and performance fees – continued

The basic investment management fee is calculated at the annual rate of 0 5% of the adjusted market capitalisation of the Company on the last business day of each calendar month The basic management fee accrues daily and is payable in arrears in respect of each calendar month For the purpose of calculating the basic fee, the adjusted market capitalisation of the Company is defined as the average daily mid market price for an Ordinary share adding back any dividends per share yet to have gone ex-div in the relevant month multiplied by the number of Ordinary shares in issue, excluding those held by the Company in Treasury, on the last business day of the relevant month The balance due to Miton Asset Management Limited at the year end was £27,000 (2011 £14,000)

The Manager is also entitled to a performance fee of 15% of the growth of the Company's net asset value per Ordinary share in excess of a hurdle of 3 month LIBOR plus 2% but only if the share price has also increased over the relevant period The amount of any performance fee in a performance period will not exceed 2% of the Company's gross assets, but any excess performance fee over this cap may be carried forward up to 3 years to the extent that in a subsequent calculation period a performance fee is payable, but does not reach the cap for that period

The performance fee per share is calculated based on the time weighted average number of shares in issue during the calculation period Calculation periods correspond to the Company's accounting periods The performance fee accrues monthly The high watermark required for a performance fee to become payable is 205 73p (2011 200 08p) per Ordinary share, the net asset value as at 30 April 2012 was 141 77p and the most recent net asset value released to the London Stock Exchange as at 16 August 2012 was 140 63p per Ordinary share There was no performance fee payable for the year (2011 £nil) and the balance due to Miton Asset Management Limited at the year end was £nil (2011 £nil)

### 4 Other expenses

| | **30 April 2012 £'000** | 30 April 2011 £ 000 |
|---|---|---|
| Secretarial services | **62** | 59 |
| Auditor s remuneration for | | |
| Audit services (exclusive of VAT) | **19** | 18 |
| Directors' remuneration* | **65** | 65 |
| Other expenses | **201** | 135 |
| | **347** | 277 |

* see Directors' Remuneration Report on pages 23 and 24 for analysis

Unless otherwise stated all expenses are shown gross of irrecoverable VAT

### 5 Finance costs

| | **30 April 2012** | | | 30 April 2011 | | |
|---|---|---|---|---|---|---|
| | **Revenue £'000** | **Capital £'000** | **Total £'000** | Revenue £ 000 | Capital £'000 | Total £ 000 |
| On bank loans and overdrafts | **49** | **–** | **49** | 107 | – | 107 |

Finance costs relate to interest charged on the revolving loan facility details of which are disclosed in note 11

### 6 Taxation

| | **30 April 2012** | | | 30 April 2011 | | |
|---|---|---|---|---|---|---|
| | **Revenue £ 000** | **Capital £'000** | **Total £'000** | Revenue £ 000 | Capital £ 000 | Total £ 000 |
| Corporation tax at 25 83% (2011 27 82%) | **–** | **–** | **–** | – | – | – |

The current taxation charge for the year is lower than the standard rate of corporation tax in the UK The differences are explained below

**6 Taxation – continued**

| | 30 April 2012 Revenue £'000 | Capital £'000 | Total £'000 | 30 April 2011 Revenue £ 000 | Capital £ 000 | Total £ 000 |
|---|---|---|---|---|---|---|
| Return on ordinary activities before taxation | **(143)** | **(2,738)** | **(2,881)** | (125) | 4 326 | 4,201 |
| Theoretical tax at UK corporation tax rate of 25 83% (2011 2782%) | **(37)** | **(707)** | **(744)** | (35) | 1 204 | 1,169 |
| Effects of | | | | | | |
| – UK dividends that are not taxable | **(56)** | **–** | **(56)** | (64) | – | (64) |
| – Overseas dividends that are not taxable | **(44)** | **–** | **(44)** | (43) | – | (43) |
| – Offshore income gains | **–** | **50** | **50** | – | – | – |
| – Non-taxable capital losses/(gains) | **–** | **707** | **707** | – | (1 204) | (1 204) |
| – Unrelieved expenses | **137** | **(50)** | **87** | 142 | – | 142 |
| Actual current tax charge | **–** | **–** | **–** | – | – | – |

**Factors that may affect future tax charges**

The Company has excess management expenses of £3,603,000 (2011 £3,267,000) that are available to offset future taxable revenue No deferred tax asset has been recognised in respect of these amounts as they will only be recoverable to the extent that there is sufficient future taxable revenue

Deferred tax is not provided on capital gains and losses arising on the revaluation or disposal of investments because the Company meets (and intends to continue for the foreseeable future to meet) the conditions for approval as an investment trust company under HMRC rules

**7 Return per share**

| | 30 April 2012 Net return £'000 | Weighted average number of Ordinary shares | Per share pence | 30 April 2011 Net return £ 000 | Weighted average number of Ordinary shares | Per share pence |
|---|---|---|---|---|---|---|
| **Capital** | | | | | | |
| Return per share | **(2,738)** | **25,279,985** | **(10 83)p** | 4 326 | 25,279,985 | 17 11p |
| **Revenue** | | | | | | |
| Return per share | **(143)** | **25,279,985** | **(0 57)p** | (125) | 25,279 985 | (0 49)p |
| **Total** | | | | | | |
| Return per share | **(2,881)** | **25,279,985** | **(11 40)p** | 4 201 | 25 279 985 | 16 62p |

Normal and diluted return per share are the same as there are no dilutive elements on share capital

**8 Investments**

| | 30 April 2012 £ 000 | 30 April 2011 £ 000 |
|---|---|---|
| *Investment portfolio summary* | | |
| Opening book cost | **33,242** | 30,346 |
| Opening investment holding gains | **5,431** | 4,210 |
| Total investments designated at fair value | **38,673** | 34,556 |

## 8 Investments – continued

| | 30 April 2012 £'000 | 30 April 2011 £ 000 |
|---|---|---|
| *Analysis of investment portfolio movements* | | |
| Opening valuation | **38,673** | 34,556 |
| Movements in the period | | |
| Purchases at cost | **12,642** | 17 810 |
| Sales – proceeds | **(18,501)** | (18 022) |
| – gains on sales | **2,278** | 3,108 |
| (Decrease)/increase in investment holding gains | **(5,024)** | 1,221 |
| Closing valuation | **30,068** | 38 673 |
| Closing book cost | **29,661** | 33,242 |
| Closing investment holding gains | **407** | 5 431 |
| | **30,068** | 38 673 |

A list of the portfolio holdings by their fair value is given in the Portfolio Valuation on page 11 of the Annual Report

The investment portfolio includes 17 (2011 14) AIM and PLUS SX quoted holdings totalling £6,793,000 (2011 £4 893 000), representing 22 6% of the portfolio

Transaction costs incidental to the acquisitions of investments totalled £57,000 (2011 £51 000) and disposals of investments totalled £18 000 (2011 £29,000) for the year These are included in losses on investments at fair value in the Income Statement

| | 30 April 2012 £'000 | 30 April 2011 £ 000 |
|---|---|---|
| *Analysis of capital gains/(losses)* | | |
| Gains on sales of investments | **2,278** | 3 108 |
| Movement in investment holding gains | **(5,024)** | 1 221 |
| | **(2,746)** | 4,329 |

**Fair value hierarchy**
FRS29 requires financial companies to disclose the fair value hierarchy that classifies financial instruments measured at fair value at one of three levels according to the relative reliability of the inputs used to estimate the fair values

| **Classification** | **Input** |
|---|---|
| Level 1 | Valued using quoted prices (unadjusted) in active markets for identical assets or liabilities |
| Level 2 | Valued by reference to valuation techniques using observable inputs other than quoted prices included within Level 1, and |
| Level 3 | Valued by reference to valuation techniques using inputs that are not based on observable market data |

8 **Investments** – continued

Categorisation within the hierarchy has been determined on the basis of the lowest level input that is significant to the fair value measurement of the relevant asset The valuation techniques used by the Company are explained in the accounting policies on pages 32 and 33 The table below sets out the Company s fair value hierarchy measurements as at 30 April 2012 and 2011

Financial assets at fair value through profit or loss as at 30 April 2012

| **Level 1** | **2012 £ 000** | 2011 £ 000 |
|---|---|---|
| Quoted equities | **27,352** | 29 596 |
| OEICs | **203** | 3 841 |
| Fixed interest and convertibles | **153** | 3,078 |
| Preference shares | **2,338** | 2 158 |
| **Total Level 1** | **30,046** | 38 673 |
| **Level 2** | | |
| Quoted equities | **22** | – |
| **Total** | **30,068** | 38 673 |

**Quoted securities**

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

**Level 2**

Level 2 financial assets include Douglasbay Capital ordinary shares, an AIM listed fund which is temporarily suspended and has been transferred from Level 1 to Level 2 due to its illiquid status There were no other transfers during the year between Level 1 and Level 2

9 **Significant interests**

The Company had holdings of 3% or more of the voting rights attached to shares that is material in the context of the financial statements in the following investments

| **Security** | **30 April 2012 % of Voting rights** |
|---|---|
| Chelverton Growth Trust | 7 1 |
| Aurora Investment Trust | 6 9 |
| Sofia Property Fund | 5 7 |
| Establishment Trust (The) | 5 0 |
| India Capital Growth | 4 8 |
| SR Europe Investment Trust | 3 8 |
| New City Energy | 3 5 |

10 **Debtors amounts falling due within one year**

| | **30 April 2012 £'000** | 30 April 2011 £ 000 |
|---|---|---|
| Amounts due from brokers | **52** | 315 |
| Dividends and interest receivable | **33** | 23 |
| Prepayments and other debtors | **8** | 39 |
| | **93** | 377 |

## 11 Creditors amounts falling due within one year

| | 30 April 2012 £'000 | 30 April 2011 £ 000 |
|---|---|---|
| Bank loan | – | 3 000 |
| Amounts due to brokers | – | 604 |
| Interest payable | **13** | 1 |
| Other creditors | **96** | 87 |
| | **109** | 3,692 |

During the year the Company repaid the £3,000,000 previously drawndown with Allied Irish Bank and negotiated terms with The Royal Bank of Scotland

The bank loan with The Royal Bank of Scotland is a £7,000 000 revolving credit facility and bears interest at the rate of 1 75% over LIBOR on any drawn down balance and 0 8% on any undrawn balance The facility may be drawn down in Sterling or other optional currencies as approved by the lender

The bank loan facility contains covenants which require that net borrowings will not at any time exceed 25% of the adjusted net asset value, which shall at all times be equal to or greater than £20 000 000

If the Company breaches either covenant then it is required to notify the Bank of any default and the steps being taken to remedy it

At 30 April 2012 the Company had not drawn down under the facility The facility will mature on 2 February 2013

## 12 Share capital

| | 30 April 2012 £'000 | 30 April 2011 £ 000 |
|---|---|---|
| *Allotted called-up and fully paid* | | |
| 25,279 985 (2011 25,279 985) Ordinary shares of 1p each | **252** | 252 |

No shares were bought back and cancelled in the year and no shares were held in Treasury at the year end

## 13 Reconciliation of net return before finance costs and taxation to net cash outflow from operating activities

| | 30 April 2012 £'000 | 30 April 2011 £ 000 |
|---|---|---|
| Net return before finance costs and taxation | **(2,832)** | 4 308 |
| Adjustments for | | |
| Losses/(gains) on investments | **2,746** | (4,329) |
| Exchange (gains)/losses on capital items | **(8)** | 3 |
| Increase in creditors and accruals | **9** | 14 |
| Decrease/(increase) in prepayments and accrued income | **21** | (13) |
| **Net cash outflow from operating activities** | **(64)** | (17) |

## 14 Analysis of changes in net funds

| | At 30 April 2011 £ 000 | Cash flows £ 000 | Foreign exchange movements £ 000 | At 30 April 2012 £'000 |
|---|---|---|---|---|
| Net funds are comprised as follows | | | | |
| Cash at bank | 3,362 | 2 420 | 5 | **5,787** |
| Debt due within one year | (3,000) | 3 000 | – | – |
| | 362 | 5,420 | 5 | **5,787** |

## 15 Net asset value per Ordinary share

The net asset value per Ordinary share and the net asset values attributable at the year end were as follows

| | **Net asset value per share 2012 pence** | **Net assets attributable 2012 £'000** | Net asset value per share 2011 pence | Net assets attributable 2011 £ 000 |
|---|---|---|---|---|
| Ordinary shares | | | | |
| – Basic | **141 77** | **35,839** | 153 16 | 38 720 |

Net asset value per Ordinary share is based on net assets at the year end and 25,279,985 (2011 25,279 985) Ordinary shares being the number of Ordinary shares in issue at the year end

## 16 Capital commitments and contingent liabilities

The Company had no capital commitments at 30 April 2012 (2011 £1,000)

## 17 Analysis of financial assets and liabilities

The Company's financial instruments comprise securities and derivatives used for hedging purposes cash balances and debtors and creditors that arise from its operations for example, in respect of sales and purchases awaiting settlement and debtors for accrued income

The risk management policies and procedures outlined in this note have not changed substantially from the previous accounting period

The Company finances its operations through its issued capital, existing reserves and a revolving credit facility

The principal risks the Company faces in its portfolio management activities are

- Credit risk – arising from financial loss for the Company where the other party to a financial instrument fails to discharge an obligation
- Market risk – arising from fluctuations in the fair value or future cash flows of a financial instrument used by the Company because of changes in market prices Market risk comprises three types of risk currency risk, interest rate risk and other price risk
    - Currency risk – arising from the value of future transactions recognised monetary assets and liabilities denominated in other currencies fluctuating due to changes in foreign exchange rates,
    - Interest rate risk – arising from fluctuations in the fair value or future cash flows of a financial instrument because of changes in market interest rates
    - Other price risk – arising from fluctuations in the fair value of its equity investments due to changes in market prices and
- Liquidity risk – arising from any difficulties in meeting obligations associated with financial liabilities

The Manager monitors the financial risks affecting the Company on a daily basis The Directors receive financial information on a weekly basis which is used to identify and monitor risk

**17 Analysis of financial assets and liabilities** – continued

The Investment Manager s policies for managing these risks are summarised below and have been applied throughout the year

**Policy**

**Credit Risk**

Credit risk is the risk of financial loss to the Company if the contractual party to a financial instrument fails to meet its contractual obligations

The risk is minimised by using only approved and reputable counterparties Investments may be adversely affected if the Company's custodian suffers insolvency or other financial difficulties The Board reviews the custodian's annual controls report and the Manager's management of the relationship with the custodian

Investment transactions are carried out with a large number of FSA regulated brokers subject to review by the Investment Manager Transactions are ordinarily undertaken on a delivery versus payment basis whereby the Company s custodian bank ensures that the counterparty to any transaction entered into by the Company has delivered in its obligations before any transfer of cash or securities away from the Company is completed

Cash is only held at banks that have been identified by the Manager as reputable and of high credit quality

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

The Company is also exposed to counterparty credit risk on trading derivative products Transactions involving derivatives are entered into only with approved and reputable counterparties, the credit rating of which is taken into account to minimise the risk to the Company of default Derivatives positions are marked to market and exposure to counterparties is monitored on a daily basis by the Investment Manager, the Board of Directors reviews it on a quarterly basis

The maximum exposure to credit risk as at 30 April 2012 was £5,945 000 (2011 £6 470 000) The calculation is based on the Company's credit risk exposure as at 30 April 2012 and this may not be representative for the year

**Market Risk**

Market risk arises mainly from uncertainty about future prices of financial instruments The value of shares and the income from them may fall as well as rise and shareholders may not get back the full amount invested The Manager continues to monitor the prices of financial instruments held by the Company on a real time basis Adherence to the Company s investment objectives and policy shown on pages 1 to 3 mitigates the risk of excessive exposure to one issuer or sector

The Board manages market risk inherent in the investment portfolio by ensuring full and timely access to relevant information from the Investment Manager The Board meets regularly and at each meeting reviews the investment performance, the investment portfolio and the rationale for the current investment positioning to ensure consistency with the Company's objective and investment policy The portfolio does not seek to reproduce any index investments are selected based upon the merit of individual companies and therefore the portfolio may well diverge from the short term fluctuations of the benchmark

A list of the investments held by the Company at 30 April 2012 is shown in the Portfolio Valuation on page 11

**Derivatives**

The Investment Manager may use derivative instruments in order to 'hedge the market risk including foreign currency risk inherent in the portfolio The Investment Manager reviews the risk associated with individual investments and where they believe it appropriate may use derivatives to mitigate the risk of adverse market or currency movements The Investment Manager discusses the hedging strategy with the Board at its quarterly meetings

There was no trading in derivatives during the year

**17 Analysis of financial assets and liabilities** – continued

**Currency Risk**

Although the Company s performance is measured in Sterling a proportion of the Company's assets may be either denominated in other currencies or are in investments with currency exposure The Company was not exposed to material direct foreign currency risk during the year At the year end the Company held 5 (2011 3) US Dollar denominated investments with the Sterling equivalent of £982,000 (2011 £573,000) The Company also held a Singapore Dollar denominated equity investment with the Sterling equivalent of £768 000 (2011 £1,107000) At the year end the Company's cash and cash equivalents included a Singapore Dollar cash balance with a sterling equivalent of £2,460,000 (2011 £1 529 000)

An analysis of the indirect geographical exposure is shown on page 12

The Investment Manager reviews the risks of adverse currency movements and where necessary may use derivatives to mitigate the risk of adverse currency movements

**Interest Rate Risk**

The Company finances its operations through existing reserves and a revolving credit facility The Company's financial assets and liabilities, excluding short term debtors and creditors, may include investments in fixed interest securities such as UK treasury stock whose fair value maybe affected by movements in interest rates Details of such holdings can be found in the portfolio listing on page 11

Changes in interest rates may cause fluctuations in the income and expenses of the Company At the year end, the Company had a £7000,000 revolving credit facility with The Royal Bank of Scotland bearing interest at the rate of 1 75% over LIBOR on any drawn down balance and 0 8% on any undrawn balance At 30 April 2012 the Company had not drawn down under the facility At the maximum possible gearing of £7,000,000, the effect of a movement of +/-100 basis points in the interest rate would result in a decrease/increase to the Company s income statement of £70 000 The amount of such borrowings and the approved levels are monitored and reviewed regularly by the Board

The Company's short term bank deposits earn interest at a variable rate which is subject to fluctuations in interest rates At the year end the Company's bank deposits were £5 787000 (2011 £3,362,000) The interest received in the year amounted to £2 000 (2011 £6,000)

Derivative contracts are not used to hedge against the exposure to interest rate risk

**Other Price Risk**

Other price risk (i e changes in market prices other than those arising from interest rate or currency risk) may affect the value of the quoted investments

It is the Board's policy to hold an appropriate spread of investments in the portfolio in order to reduce the risk arising from factors specific to a particular country or sector The allocation of assets to international markets and the stock selection process as detailed on pages 1 to 3 both act to reduce market risk The Manager actively monitors market prices throughout the year and reports to the Board, which meets regularly in order to review investment strategy The investments held by the Company are listed on various stock exchanges worldwide but predominantly in the UK

If the investment portfolio valuation fell by 10% from the amount detailed in the financial statements as at 30 April 2012 it would have the effect with all other variables held constant, of reducing the net capital return before taxation by £3 007000 (2011 £3 867,000) An increase of 10% in the investment portfolio valuation would have an equal and opposite effect on the net capital return before taxation and equity reserves

**Liquidity Risk**

Liquidity is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities The Manager does not invest in unlisted securities on behalf of the Company However, the investments held by the Company may include UK AIM quoted companies which can be less liquid than listed companies Short term flexibility is achieved through the use of bank borrowings Liquidity risk is mitigated by the fact that the Company has £5 8 million cash at bank which can satisfy its creditors and that as a closed-end fund assets do not need to be liquidated to meet redemptions and sufficient liquid investments are held to be able to meet any foreseeable liabilities

## 17 Analysis of financial assets and liabilities – continued

### Capital Management

The Company does not have any externally imposed capital requirements, other than those relating to the revolving credit facility The main covenants relating to the loan facility are

- Net borrowings will not at any time exceed 25% of the adjusted net asset value and
- Adjusted net asset value shall at all times be equal or greater than £20,000,000

The Board consider the capital of the Company to be its issued share capital, reserves and debt The capital of the Company is managed in accordance with its Investment Policy in pursuit of its Investment Objective detailed on pages 1 to 3

| **The Company's capital at 30 April comprised** | **2012 £'000** | 2011 £ 000 |
|---|---|---|
| **Debt** | | |
| Revolving bank credit facility drawndown | - | 3 000 |
| **Equity** | | |
| Equity share capital | **252** | 252 |
| Retained earnings and other reserves | **35,587** | 38 468 |
| | **35,839** | 38 720 |
| **Debt as a % of net assets** | **nil** | 7 75 |

### Gearing

Gearing can have amplified effects on the net asset value of the Company It can be positive for a company's performance, although it can have negative effects on performance in falling markets It is the Company's policy to determine the adequate level of gearing appropriate to its own risk profile

## 18 Related Party Transactions

Under the Listing Rules the Manager is regarded as a related party of the Company The amounts paid to the Manager are disclosed in note 3 However, the existence of an independent Board of Directors demonstrates that the Company is free to pursue its own financial and operating policies and therefore in terms of FRS 8 ' Related Party Transactions', the Manager is not considered a related party The relationship between the Company its Directors and the Manager is disclosed in the Directors Report

# Shareholder Information

**Share Dealing**
Shares can be traded through your usual stockbroker

**Share Register Enquiries**
The register for the Ordinary shares is maintained by Capita Registrars In the event of queries regarding your holding please contact the Registrar on 0871 664 0300 (calls cost 10p per minute plus network extras) or email shareholder services@capitaregistrars com Changes of name and/or address must be notified in writing to the Registrar Shareholder Services, Capita Registrars The Registry, 34 Beckenham Road Beckenham Kent, BR3 4TU

**Share Capital and Net Asset Value Information**

| | |
|---|---|
| Ordinary 1p shares | 25 279,985 at 30 April 2012 |
| SEDOL number | 3436594 |
| ISIN number | GB0034365949 |

The Company s Ordinary shares are traded on the London Stock Exchange

The Company releases its net asset value per Ordinary share to the London Stock Exchange daily and at each month end

**Share Prices**
The Company's Ordinary shares are listed on the London Stock Exchange The mid-market prices are quoted daily in the Financial Times under Investment Companies'

**Financial Calendar**

| | |
|---|---|
| Company's year end | 30 April |
| Annual results announced | July/August |
| Interim Management Statement | Prepared to 31 July |
| Annual General Meeting | September |
| Company's half-year | 31 October |
| Half-Yearly results announced | December |
| Interim Management Statement | Prepared to 31 January |

**Annual and Half-Yearly Reports**
Copies of the Annual and Half-Yearly Reports are available from the Company Secretary on telephone number 01392 412122 and are available on the Company's website

**Investment Manager Miton Asset Management Limited**
The Company s Investment Manager is Miton Asset Management Limited, a wholly owned subsidiary of MAM Funds Plc In October 2007 the iimia Investment Group plc merged with MitonOptimal plc to form iimia MitonOptimal plc In March 2008 iimia MitonOptimal plc merged with Midas Capital Partners Limited to form Midas Capital plc On 29 July 2010 the parent company changed its name to MAM Funds Plc

MAM Funds Plc had funds under management and advice totalling £1 7 billion as at 31 December 2011 (£1 7 billion 2010)

Investor updates in the form of monthly factsheets are available from the Company's website
www mamfundsplc com/MWGT

**Association of Investment Companies**
The Company is a member of the Association of Investment Companies

# Glossary of Terms

**Net Asset Value ('NAV')**
The NAV is shareholders' funds expressed as an amount per individual share Shareholders' funds are the total value of all the Company's assets, at current market value having deducted all liabilities and prior charges at their par value (or at their asset value)

**Discount/Premium**
If the share price of an investment trust is lower than the NAV per share the shares are said to be trading at a discount The size of the discount is calculated by subtracting the share price from the NAV per share and is usually expressed as a percentage of the NAV per share If the share price is higher than the NAV per share, the shares are said to be trading at a premium

**Ongoing Charges (formerly Total Expense Ratio)**
As recommended by the AIC in its guidance issued May 2012 Ongoing Charges are the Company s annualised revenue and capitalised expenses (excluding finance costs and certain non-recurring items) expressed as a percentage of the average monthly net assets of the Company during the year

**Total Return**
The combined effect of any dividends paid, together with the rise or fall in the share price or NAV Total return statistics enable the investor to make performance comparisons between trusts with different dividend policies Any dividends (after tax) received by a shareholder are assumed to have been reinvested in either additional shares of the trust at the time the shares go ex-dividend (the share price total return) or in the assets of the trust at its NAV per share (the NAV total return)

**Gearing**
Gearing is the process whereby changes in the total assets of a company has an exaggerated effect on the net asset value of that company's ordinary shares due to the presence of borrowings or share classes with a prior ranking entitlement to capital

There are several methods of calculating gearing and the following has been selected

- *The amount of borrowings as a proportion of net assets expressed as a percentage*

# Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the eighth ANNUAL GENERAL MEETING of Miton Worldwide Growth Investment Trust PLC will be held on Thursday 27 September 2012 at 12 noon at the Association of Investment Companies, 9th Floor, 24 Chiswell Street London EC1Y 4YY for the following purposes

Resolutions 1 to 6 (inclusive) will be proposed as Ordinary Resolutions and Resolutions 7 to 11 (inclusive) will be proposed as Special Resolutions

| | Resolution on Form of Proxy |
|---|---|
| **Ordinary business** | |
| 1 To receive and adopt the audited accounts for the year ended 30 April 2012 together with the Reports of the Directors and Auditor thereon | Resolution 1 |
| 2 To receive the Directors' Remuneration Report for the year ended 30 April 2012 | Resolution 2 |
| 3 To re-elect Mr Fox as a Director of the Company | Resolution 3 |
| 4 To re-elect Mr Phillips as a Director of the Company | Resolution 4 |
| 5 To re-appoint Grant Thornton UK LLP as auditor of the Company | Resolution 5 |
| 6 To authorise Directors to determine the auditors' remuneration | Resolution 6 |
| **Special business** | |
| 7 That<br>The Company shall continue in existence as an investment trust in accordance with the Articles of Association | Resolution 7 |
| 8 THAT<br>The Directors be and are hereby generally and unconditionally authorised in accordance with Section 551 of the Companies Act 2006 (the Act') (in substitution for any existing allotment authorities provided that such substitution shall not have retrospective effect) to exercise all the powers of the Company to allot shares (as defined in Section 551(1) of the Act) up to an aggregate nominal value of up to an amount equal to one-third of the issued Ordinary shares during the period commencing on the date of the passing of this Resolution and expiring (unless previously renewed varied or revoked by the Company in General Meeting) at the conclusion of the Annual General Meeting of the Company to be held in 2013, or fifteen months from the passing of this Resolution, whichever is earlier (the 'Section 551 period') but so that the Directors may, at any time prior to the expiry of the Section 551 period make offers or agreements which would or might require shares securities to be allotted after the expiry of the Section 551 period and the Directors may allot shares in pursuance of such offers or agreements as if the authority had not expired | Resolution 8 |

9 THAT
In substitution for any existing power under Section 570 of the Companies Act 2006 (the 'Act ), but without prejudice to the exercise of any such power prior to the date of this Resolution the Directors be and they are hereby empowered, in accordance with Section 570 of the Act, to allot equity securities (as defined in Section 560(1) of the Act) for cash pursuant to the authority under Section 551 of the Act conferred on the Directors by an Ordinary Resolution of the Company renewed above as if Section 561(1) of the Act did not apply to any such allotment or sale up to an aggregate nominal amount of £25,280, at a price per share not less than the net asset value per share such power to expire fifteen months after the date of the passing of this Resolution or if earlier, at the conclusion of the Annual General Meeting of the Company held in 2013 unless previously revoked, varied or renewed by the Company in General Meeting save that the Company may, at any time prior to the expiry of such power, make an offer to enter into an agreement which would or might require equity securities or relevant shares to be allotted or sold after the expiry of such power and the Directors may allot equity securities or sell relevant shares in pursuance of such an offer or agreement as if such power had not expired Resolution 9

10 THAT
The Company is hereby generally and unconditionally authorised in accordance with Section 701 of the Companies Act 2006 to make purchases (within the meaning of Section 693(4) of the Companies Act 2006) of Ordinary shares of 1p each in the capital of the Company ( Ordinary shares ) for cancellation or for placing into Treasury provided that Resolution 10

(a) the maximum number of Ordinary shares authorised to be acquired shall be 3,789,469 (or if less 14 99% of the Ordinary shares in issue immediately following the passing of this Resolution),

(b) the minimum price (exclusive of expenses) which may be paid for each Ordinary share is 1p

(c) the maximum price (exclusive of expenses) which may be paid for each Ordinary share shall not be more than the higher of (i) an amount equal to 105% of the average of the middle market quotations of Ordinary shares taken from the Daily Official List of the London Stock Exchange for the five Business Days immediately preceding the day on which the contract of purchase is made and (ii) the higher of the price of the last independent trade in the Ordinary shares and the highest then current bid for the Ordinary shares on the London Stock Exchange's market for larger established companies,

(d) this authority will (unless renewed) expire at the conclusion of the next Annual General Meeting of the Company held after the date on which this Resolution is passed or if earlier, fifteen months after that date

(e) the Company may make a contract of purchase for Ordinary shares under this authority before this authority expires which will or may be executed wholly or partly after its expiration and

(f) any Ordinary shares bought back under the authority hereby granted may, at the discretion of the Directors be cancelled or held in Treasury and if held in Treasury may be resold from Treasury or cancelled at the discretion of the Directors

11 THAT

In substitution of all existing powers (but in addition to any power conferred on them by Resolution 9 set out in the Notice of Annual General Meeting) the Directors be and are hereby generally empowered pursuant to Section 570 of the Companies Act 2006 (the 'Act ) to sell relevant shares (within the meaning of Section 560 of the Act) if, immediately before the sale such shares are held by the Company as Treasury shares (as defined in Section 724 of the Act ( 'Treasury shares )), for cash as if Section 561(1) of the Act did not apply to any such sale provided that Resolution 11

(a) where any Treasury shares are sold pursuant to this power at a discount to the then prevailing net asset value of Ordinary shares of 1p each in the Company ( 'Shares ), such discount must be (i) lower than the discount to the net asset value per Share at which the Company acquired the Shares which it then holds in Treasury and (ii) not greater than 5% to the prevailing net asset value per Share at the latest practicable time before such sale (and for this purpose the Directors shall be entitled to determine in their reasonable discretion the discount to their net asset value at which such Shares were acquired by the Company and the net asset value per Share at the latest practicable time before such Shares are sold pursuant to this power), and

(b) this power shall be limited to the sale of relevant shares having an aggregate nominal value of £12 640 being 5% of the issued share capital of the Company as at 20 August 2012 and provided further that the number of relevant shares to which this power applies shall be reduced from time to time by the number of Shares which are allotted for cash as if Section 561(1) of the Act did not apply pursuant to the power conferred on the Directors by Resolution 10 set out in the Notice of Annual General Meeting and such power shall expire at the conclusion of the next Annual General Meeting of the Company after the passing of this Resolution or fifteen months from the date of passing this Resolution whichever is earlier unless previously revoked varied or renewed by the Company in General Meeting and provided that the Company shall be entitled to make, prior to the expiry of such authority, an offer or agreement which would or might otherwise require Treasury shares to be sold after such expiry and the Directors may sell Treasury shares pursuant to such offer or agreement as if the power conferred hereby had not expired

By order of the Board

**Capita Sinclair Henderson Limited**, Secretary

Registered Office Beaufort House, 51 New North Road, Exeter EX4 4EP

*20 August 2012*

# Notice of Annual General Meeting – continued

## Explanatory notes to the Notice of Meeting

As a shareholder you have the right to attend speak and vote at the forthcoming Annual General Meeting or at any adjournment(s) thereof In order to exercise all or any of these rights you should read the following explanatory notes to the business of the Annual General Meeting

Note 1 To be entitled to attend and vote at the meeting (and for the purpose of the determination by the Company of the number of votes they may cast) members must be entered on the Company s register of members at 6 00 pm on Tuesday 25 September 2012

Note 2 A member entitled to attend and vote at this meeting may appoint one or more persons as his/her proxy to attend speak and vote on his/her behalf at the meeting A proxy need not be a member of the Company If multiple proxies are appointed they must not be appointed in respect of the same shares To be effective the enclosed form of proxy together with any power of attorney or other authority under which it is signed or a certified copy thereof should be lodged at the office of the Company s Registrar, Capita Registrars, The Registry 34 Beckenham Road, Beckenham, Kent BR3 4TU not later than 48 hours before the time of the meeting The appointment of a proxy will not prevent a member from attending the meeting and voting in person if he/she so wishes A member present in person or by proxy shall have one vote on a show of hands and on a poll every member present in person or by proxy shall have one vote for every Ordinary share of which he is the holder The termination of the authority of a person to act as proxy must be notified to the Company in writing

In the case of joint holders of a share the vote of the senior who tenders a vote whether in person or by proxy shall be accepted to the exclusion of the vote or votes of the other joint holder or holders and seniority shall be determined by the order in which the names of the holders stand in the register

Any question relevant to the business of the Annual General Meeting may be asked at the meeting by anyone permitted to speak at the meeting You may alternatively submit your question in advance by letter addressed to the Company Secretary at the registered office

Note 3 A person to whom this notice is sent who is a person nominated under Section 146 of the Companies Act 2006 to enjoy information rights (a Nominated Person ) may under an agreement between him/her and the Shareholder by whom he/she was nominated have a right to be appointed (or to have someone else appointed) as a proxy for the Annual General Meeting If a Nominated Person has no such proxy appointment right or does not wish to exercise it he/she may under any such agreement have a right to give instructions to the Shareholder as to the exercise of voting rights

Note 4 The statements of the rights of members in relation to the appointment of proxies in Notes 2 and 3 above do not apply to a Nominated Person The rights described in those Notes can only be exercised by registered members of the Company

Note 5 As at 17 August 2012 (being the last business day prior to the publication of this notice) the Company s issued share capital amounted to 25 279 985 Ordinary shares carrying one vote each and the total level of voting rights was 25 279 985

Note 6 Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001 the Company specifies that only those Shareholders registered on the Register of Members of the Company as at 6 00 pm on Tuesday 25 September 2012 (or in the event that the meeting is adjourned only those Shareholders registered on the Register of Members of the Company as at 6 00 pm on the day which is 48 hours prior to the adjourned meeting) shall be entitled to attend in person or by proxy and vote at the Annual General Meeting in respect of the number of shares registered in their name at that time Changes to entries on the Register of Members after that time shall be disregarded in determining the rights of any person to attend or vote at the meeting

Note 7 A person authorised by a corporation is entitled to exercise (on behalf of the corporation) the same powers as the corporation could exercise if it were an individual member of the Company On a vote on a resolution on a show of hands each authorised person has the same voting rights as the corporation would be entitled to On a vote on a resolution on a poll if more than one authorised person purports to exercise a power in respect of the same shares

a) if they purport to exercise the power in the same way as each other, the power is treated as exercised in that way

b) if they do not purport to exercise the power in the same way as each other the power is treated as not exercised

## **Explanatory notes to the notice of meeting** – continued

Note 8 Shareholders should note that it is possible that pursuant to requests made by shareholders of the Company under Section 527 of the Companies Act 2006 the Company may be required to publish on a website a statement setting out any matter relating to (i) the audit of the Company s accounts (including the auditor s report and the conduct of the audit) that are to be laid before the Annual General Meeting or (ii) any circumstances connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual accounts and reports were laid in accordance with Section 437 of the Companies Act 2006 The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with Sections 527 or 528 of the Companies Act 2006 Where the Company is required to place a statement on a website under Section 527 of the Companies Act 2006 it must forward the statement to the Company s auditor not later than the time when it makes the statement available on the website The business which may be dealt with at the Annual General Meeting includes any statement that the Company has been required under Section 527 of the Companies Act 2006 to publish on a website

Note 9 In accordance with Section 319A of the Companies Act 2006 the Company must cause any question relating to the business being dealt with at the meeting put by a member attending the meeting to be answered No such answer need be given if

a) to do so would
   (i) interfere unduly with the preparation for the meeting or
   (ii) involve the disclosure of confidential information

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

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

Note 10 CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for this meeting by following the procedures described in the CREST Manual CREST personal members or other CREST sponsored members and those CREST members who have appointed a voting service provider(s) should refer to their CREST sponsor or voting service provider(s) who will be able to take the appropriate action on their behalf

In order for a proxy appointment or instruction made by means of CREST to be valid the appropriate CREST message (a CREST Proxy Instruction ) must be properly authenticated in accordance with Euroclear s specifications and must contain the information required for such instructions as described in the CREST Manual The message in order to be valid must be transmitted so as to be received by the Company s agent ID RA10 by the latest time for receipt of proxy appointments specified in Note 2 above For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which the Company s agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means

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

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

**Explanatory notes to the notice of meeting** – continued

Note 11 Members satisfying the thresholds in section 338 of the Companies Act 2006 may require the Company to give to members of the Company entitled to receive notice of the Annual General Meeting notice of a resolution which those members intend to move (and which may properly be moved) at the Annual General Meeting A resolution may properly be moved at the Annual General Meeting unless (i) it would if passed be ineffective (whether by reason of any inconsistency with any enactment or the Company s constitution or otherwise) (ii) it is defamatory of any person, or (iii) it is frivolous or vexatious A request made pursuant to this right may be in hard copy or electronic form must identify the resolution of which notice is to be given, must be authenticated by the person(s) making it and must be received by the Company not later than six weeks before the date of the Annual General Meeting

Note 12 Members satisfying the thresholds in section 338A of the Companies Act 2006 may request the Company to include in the business to be dealt with at the Annual General Meeting any matter (other than a proposed resolution) which may properly be included in the business at the Annual General Meeting A matter may properly be included in the business at the Annual General Meeting unless (i) it is defamatory of any person or (ii) it is frivolous or vexatious A request made pursuant to this right may be in hard copy or electronic form must identify grounds for the request must be authenticated by the person(s) making it and must be received by the Company not later than six weeks before the date of the Annual General Meeting

Note 13 A copy of this Notice of Annual General Meeting is available on the Company s website www mamfundsplc com

# Miton Worldwide Growth Investment Trust PLC

## Form of Proxy

For use at the ANNUAL GENERAL MEETING (Block capitals please)

I/We the undersigned,

being a member/members of Miton Worldwide Growth Investment Trust PLC hereby appoint the Chairman of the Meeting

as my/our proxy to vote for me/us on my/our behalf at the Annual General Meeting of the Company to be held at the Association of Investment Companies on Thursday 27 September 2012, at 12 00 noon and at any adjournment thereof

Signature

Dated 2012

☐ Please tick here to indicate that this proxy appointment is one of multiple appointments being made

Please indicate with an X in the spaces below how you wish your votes to be cast

| **Ordinary business** | | **For** | **Against** | **Vote withheld** |
|---|---|---|---|---|
| Resolution 1 | To receive the reports of the Directors and Auditor and the audited accounts for the year ended 30 April 2012 | | | |
| Resolution 2 | To receive the Directors' Remuneration Report | | | |
| Resolution 3 | To re-elect Mr Fox as a Director of the Company | | | |
| Resolution 4 | To re-elect Mr Phillips as a Director of the Company | | | |
| Resolution 5 | To re-appoint Grant Thornton UK LLP as auditor to the Company | | | |
| Resolution 6 | To authorise the Directors to determine the auditors' remuneration | | | |

| **Special business** | | | | |
|---|---|---|---|---|
| Resolution 7 | To approve the continuation of the Company as an investment trust in accordance with the Articles of Association | | | |
| Resolution 8 | To authorise allotment of shares in accordance with statutory pre-emption rights | | | |
| Resolution 9 | To authorise the Directors to issue shares having disapplied statutory pre-emption rights | | | |
| Resolution 10 | To renew the Company s authority to purchase its Ordinary shares | | | |
| Resolution 11 | To authorise the Company to sell shares out of Treasury | | | |

**Notes**

1. A member may appoint a proxy of his or her own choice If such an appointment is made delete the words the Chairman of the Meeting and insert the name of the person appointed proxy in the space provided
2. If the appointor is a corporation this form must be under its common seal or under the hand of some officer or attorney duly authorised in that behalf
3. In the case of joint holders the signature of any one holder will be sufficient but the names of all the joint holders should be stated
4. If this form is returned without any indication as to how the person appointed proxy shall vote the Chairman will exercise his discretion as to how he votes or whether he abstains from voting
5. To be valid this form must be completed and deposited at the office of the Company s Registrar not less than 48 hours before the time fixed for holding the Meeting or adjourned Meeting
6. A vote withheld is not a vote in law and will not be counted in the calculation of the proportion of the votes for and against the Resolution
7. To appoint more than one proxy (an) additional proxy form(s) may be obtained by contacting the Secretary or you may copy this form Please indicate in the box next to the proxy holders name the number of shares in relation to which he or she is authorised to act as your proxy Please also indicate by marking the box provided if the proxy instruction is one of multiple instructions being given All forms must be signed and should be returned together in the same envelope
8. The termination of the authority of a person to act as proxy must be notified to the Company in writing
9. Please return Proxy Form to FREEPOST RSBH–UXKS–LRBC PXS 34 Beckenham Road Beckenham Kent BR3 4TU