INVESTORS CAPITAL TRUST PLC

(Registered Number SC314671)

INTERIM ACCOUNTS

in accordance with section 838 Companies Act 2006

FOR THE PERIOD FROM 1 APRIL 2015

TO 30 SEPTEMBER 2015

INVESTORS CAPITAL TRUST PLC

Statement of Directors' Responsibilities in respect of the interim accounts

Company Law requires the Directors to prepare interim accounts prior to making any distribution where the distribution would be found to contravene the relevant section of the Companies Act if reference were made only to the Company's last annual accounts. These accounts are required to be properly prepared under s838 of the Companies Act 2006 and must consist of:

- A balance sheet which gives a true and fair view of the state of the Company's affairs as at the balance sheet date; and
- A profit and loss account which gives a true and fair view of the Company's profit or loss for the period. This requirement is met by the presentation of the total column in the Income Statement.

In preparing these accounts the Directors are required to:

- Select suitable accounting policies and 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 interim accounts; and
- Prepare the financial statements on the going concern basis unless it is appropriate to presume that the Company will not continue in business

The Directors are responsible for ensuring that proper accounting records are maintained, which enable them to ensure that the interim accounts comply with the Companies Act. They are also responsible for safeguarding the assets of the Company and, therefore, for taking reasonable steps for the prevention and detection of fraud and other irregularities. The accounts have been prepared on a going concern basis.

INVESTORS CAPITAL TRUST PLC

Statement of Comprehensive Income

	Notes	Period from 1 April 2015 to 30 September 2015 Revenue £'000	Capital £'000	Total £'000	Year to 31 March 2015 Revenue £'000	Capital £'000	Total £'000
(Losses)/gains on investments held at fair value through profit or loss	8	-	(9,361)	(9,361)	-	2,597	2,597
Exchange differences		-	(3)	(3)	-	342	342
Income	1	2,851	-	2,851	5,721	-	5,721
Investment management fee	2	(134)	(312)	(446)	(283)	(660)	(943)
Other expenses	3	(193)	-	(193)	(391)	-	(391)
Return on ordinary activities before finance costs and taxation		**2,524**	**(9,676)**	**(7,152)**	**5,047**	**2,279**	**7,326**
Finance cost							
Net Interest	4	(89)	(208)	(297)	(177)	(414)	(591)
Finance cost		**(89)**	**(208)**	**(297)**	**(177)**	**(414)**	**(591)**
Profit/(loss) before tax		**2,435**	**(9,884)**	**(7,449)**	**4,870**	**1,865**	**6,735**
Tax	5	-	-	-	(22)	22	-
Profit/(loss) for the period		**2,435**	**(9,884)**	**(7,449)**	**4,848**	**1,887**	**6,735**
Total comprehensive income for the period		**2,435**	**(9,884)**	**(7,449)**	**4,848**	**1,887**	**6,735**
Return per Share	6	2.0p	(8.1)p	(6.1)p	4.0p	1.5p	5.5p

The total column of this statement represents the Company's profit and loss account, prepared in accordance with International Financial Reporting Standards. The supplementary revenue return and capital return columns are both prepared under guidance published by the Association of Investment Companies.

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

The notes on pages 4 to 15 are an integral part of these statements.

INVESTORS CAPITAL TRUST PLC

Balance Sheet

	Notes	As at 30 Sept 2015 £'000	As at 31 March 2015 £'000
NON-CURRENT ASSETS			
Investments held at fair value through profit or loss	8	125,596	137,071
		125,596	137,071
CURRENT ASSETS			
Other receivables	9	627	1,517
Cash at bank and on deposit		8,994	7,309
		9,621	8,826
TOTAL ASSETS		**135,217**	**145,897**
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR			
Other payables	10	(582)	(1,011)
		(582)	(1,011)
NON-CURRENT LIABILITIES			
Bank loan	11	(18,000)	(18,000)
		(18,000)	(18,000)
TOTAL LIABILITIES		**(18,582)**	**(19,011)**
NET ASSETS		**116,635**	**126,886**
REPRESENTED BY:			
Share Capital	12	134	134
Share Premium	13	153	153
Capital Redemption Reserve	14	5	5
Buy Back Reserve	14	86,425	86,425
Special Capital Reserve	14	21,789	22,524
Capital Reserves	14	2,839	12,723
Revenue Reserve	14	5,290	4,922
		116,635	**126,886**
Net Asset Value per Equity Share	15	95.3p	103.7p

The financial statements on pages 2 to 15 were approved by the Board and authorised for issue on 24 November 2015 and were signed on its behalf by:

Iain McLaren

Iain McLaren, Director

INVESTORS CAPITAL TRUST PLC

Summary Accounting Policies

BASIS OF PREPARATION

The financial statements of the Company have been prepared on the basis of International Financial Reporting Standards ('IFRS') which comprise standards and interpretations approved by the International Accounting Standards Board ('IASB'), and International Accounting Standards and Standing Interpretations Committee interpretations approved by the International Accounting Standards Committee ('IASC') that remain in effect, and to the extent that they have been adopted by the European Union. The disclosures within these financial statements have been limited to those required to meet the statutory requirements of s838 Companies Act 2006, requisite in respect of interim accounts prepared for a proposed distribution by a public company.

The notes and financial statements are presented in pounds sterling (functional and presentational currency) and are rounded to the nearest thousand except where otherwise indicated.

The preparation of financial statements requires management to make estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenue and expenses during the period. The nature of the estimation means that actual outcomes could differ from those estimates.

INVESTMENTS

Investments are recognised and derecognised on the trade date where a purchase or sale is under a contract whose terms require delivery within the timeframe established by the market concerned, and are initially measured at fair value.

Investments are classified as 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, listed equities and fixed income securities are designated as fair value through profit or loss on initial recognition.

Financial assets designated as at fair value through profit or loss are measured at subsequent reporting dates at fair value, which is either the bid price or the last traded price, depending on the convention of the exchange on which the investment is quoted. Unlisted investments, including the Company's dealing subsidiary, Investors Securities Company Limited, are valued at fair value by the Directors on the basis of all information available to them at the time of valuation. Any investments held by Investors Securities Company Limited at the balance sheet date are valued at fair value.

Where securities are designated upon initial recognition as fair value through profit or loss, gains and losses arising from changes in fair value are included in net profit or loss for the period as a capital item.

INVESTORS CAPITAL TRUST PLC

Summary Accounting Policies (Continued)

DERIVATIVE FINANCIAL INSTRUMENTS

Changes in the fair value of derivative financial instruments that are designated and effective as hedges of future cash flows are recognised directly in equity. Changes in the fair value of derivative financial instruments that do not qualify for hedge accounting are recognised in the income statement as they arise. In line with the guidance published by the Association of Investment Companies, changes in the fair value of derivative financial instruments recognised in the income statement will generally be recognised through the revenue column, except where there is a clear connection between the derivative and the maintenance or enhancement of the Company's investments.

CAPITAL AND RESERVES

(a) **Capital reserve – investments sold** - gains and losses on realisation of investments, Including losses on transactions in own shares, are dealt with in this reserve.

(b) **Capital reserve – investments held** - increases and decreases in the valuation of investments held are dealt with in this reserve.

(c) **Buyback reserve** - created from the Court cancellation of the share premium account which had arisen from premiums paid on the A Shares. Available as distributable profits to be used for the buy back of Shares. The cost of any shares bought back is deducted from this reserve. The cost of any Shares resold from Treasury is added back to this reserve.

(d) **Special capital reserve** - created from the Court cancellation of the share premium account which had arisen from premiums paid on the B Shares. Available for paying capital returns on the B Shares.

(e) **Capital redemption reserve** - the nominal value of any of the shares bought back for cancellation is added to this reserve. This reserve is non-distributable.

(f) **Revenue reserve** - the net profit/(loss) arising in the revenue column of the Income Statement is added to or deducted from this reserve. Available for paying dividends on the A Shares

INCOME

(a) Dividends are recognised as income on the date that the related investments are marked ex-dividend. Income from fixed interest securities is accrued on an effective interest rate basis, by reference to the principal outstanding and at the effective interest rate applicable.

(b) Other investment income and deposit interest are included on an accruals basis.

Summary Accounting Policies (Continued)

EXPENSES

All expenses are accounted for on an accruals basis. Expenses are charged through the revenue column of the income statement except where incurred in connection with the maintenance or enhancement of the value of the Company's investment portfolio and taking account of the expected long term returns as follows:

- Interest payable on the term bank loan is allocated 30 per cent. to the revenue column of the income statement and 70 per cent. to capital;
- Management fees have been allocated 30 per cent to revenue and 70 per cent to capital.

FOREIGN CURRENCY

Transactions denominated in foreign currencies are recorded in the local currency at actual exchange rates as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the year end are reported at the rates of exchange prevailing at the year end. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included as an exchange gain or loss in either the capital or revenue column of the income statement depending on whether the gain or loss is of a capital or revenue nature respectively.

TAXATION

The tax expense represents the sum of the tax currently payable and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

INVESTORS CAPITAL TRUST PLC

Notes to the Accounts

	Period to 30 September 2015 £'000	Year to 31 March 2015 £'000
1. INCOME		
Listed investments	2,840	5,704
Deposit interest	11	15
Underwriting commission	-	2
	2,851	5,721

During the period, income of £nil was recognised in capital (year to 31 March 2015: £nil).

2. INVESTMENT MANAGEMENT FEE	**£'000**	**£'000**
Investment management fee -revenue	134	283
-capital	312	660
	446	943

The Company's investment manager is F&C Investment Business Limited. With effect from 1 April 2014, F&C Investment Business Limited receives an investment management fee of 0.75 per cent per annum of the net asset value of the Company payable quarterly in arrears.

The contract between the Company and F&C Investment Business Limited may be terminated at any date by either party giving six months' notice of termination. In the event of the Company terminating the contract by giving less than the aforementioned notice, F&C Investment Business Limited is entitled to compensation of an amount equal to the base management fee which the investment manager would have been entitled to receive if it had continued to supply services for the unexpired notice period.

INVESTORS CAPITAL TRUST PLC

Notes to the Accounts

3. OTHER EXPENSES	**Period to 30 September 2015 £'000**	**Year to 31 March 2015 £'000**
Directors' fees	58	112
Auditors remuneration for - statutory audit	-	24
- tax services (non-audit)	-	9
Other	135	246
	193	391

4. FINANCE COSTS	**£'000**	**£'000**
Interest on Bank Loan	297	591
	297	591

5a. TAXATION	**£'000**	**£'000**
Corporation tax – current period	-	-
Release of provision relating to prior years	-	-
	-	-

5b. FACTORS AFFECTING TAX CHARGE FOR THE CURRENT PERIOD

	Period to 30 September 2015 £'000	**Year to 31 March 2015 £'000**
Return on ordinary activities before tax	(7,449)	6,735
Taxation at the UK standard rate of corporation tax of 20% (31 March 2015: 21%)	(1,489)	1,414
Effects of:		
- non taxable dividend income	(493)	(1,001)
- non taxable capital (losses)/gains	1,935	(617)
- excess management expenses	47	204
Current period tax charge	-	-

INVESTORS CAPITAL TRUST PLC

Notes to the Accounts

6. RETURN PER ORDINARY SHARE

	Period to 30 September 2015	Year to 31 March 2015 £'000
The return per ordinary share is based on the following figures:		
Revenue return	£2,435,000	£4,848,000
Capital return	£(9,884,000)	£1,887,000
Total return	£(7,449,000)	£6,735,000
Weighted average number of shares in issue during the period	122,354,847	122,793,203

7. DISTRIBUTIONS

	Period to 30 September 2015 £'000	Year to 31 March 2015 £'000
Amounts recognised as distributions to equity holders in the period:		
Fourth quarter interim dividend of 1.15p (2014: 1.1225p) per A share	1,038	1,025
Fourth quarter capital repayment of 1.15p (2014: 1.1225p) per B share	369	360
First quarter interim dividend of 1.14p (2014: 1.11p) per A share	1,029	1,007
First quarter capital repayment of 1.14p (2014: 1.11p) per B share	366	356
Second quarter interim dividend of 1.11p per A share	-	1,007
Second quarter capital repayment of 1.11p per B share	-	356
Third quarter interim dividend of 1.11p per A share	-	1,003
Third quarter capital repayment of 1.11p per B share	-	356
	2,802	5,470

INVESTORS CAPITAL TRUST PLC

Notes to the Accounts

7. DISTRIBUTIONS (CONTINUED)	Period to 30 Sept 2015 £'000	Year to 31 March 2015 £'000
Proposed distributions to equity holders at the period end:		
Second quarter interim dividend of 1.14p per A share for the year ending 31 March 2016	1,029	-
Second quarter capital repayment of 1.14p per B share for the year ending 31 March 2016	366	-
Fourth quarter interim dividend of 1.15p per A share for the year ended 31 March 2015	-	1,038
Fourth quarter capital repayment of 1.15p per B share for the year ended 31 March 2015	-	369

8. FIXED ASSETS – INVESTMENTS	Period to 30 Sept 2015 £'000	Year to 31 March 2015 £'000
Opening book cost	108,478	112,797
Opening fair value adjustment	28,593	27,019
Opening valuation	137,071	139,816
Additions at cost	6,029	12,500
Disposals - proceeds	(8,143)	(17,842)
- realised gains on sales	2,912	1,023
Movement in fair value	(12,273)	1,574
Closing valuation	125,596	137,071
Closing book cost	109,276	108,478
Closing fair value adjustment	16,320	28,593
Closing valuation	125,596	137,071
Listed investments	125,346	136,821
Subsidiary Undertaking	250	250
	125,596	137,071
Realised gains on investments	2,912	1,023
Movement in fair value	(12,273)	1,574
Total (losses)/gains on investments held at fair value through profit and loss	(9,361)	2,597

Notes to the Accounts

9. OTHER RECEIVABLES	30 September 2015 £'000	31 March 2015 £'000
Accrued income	594	1,041
Unrealised gains on foreign exchange currency contracts	-	21
Due from brokers	-	429
Other debtors	33	26
	627	1,517

10. OTHER PAYABLES	30 September 2015 £'000	31 March 2015 £'000
Due to brokers	-	424
Management fee	219	241
Loan from subsidiary undertaking	250	250
Accrued expenses	101	96
Unrealised losses on foreign exchange currency contracts	12	-
	582	1,011

11. BANK LOAN	30 September 2015 £'000	31 March 2015 £'000
£18 million term loan maturing 28 September 2017	18,000	18,000

On 28 September 2012, the Company drew down an £18 million term loan from JPMorgan Chase Bank. This term loan is secured on the majority of the assets of the Company and carries interest at a fixed rate of 3.15 per cent per annum. Interest on the term loan is payable quarterly in arrears. An administration fee of £18,000 is payable annually in addition.

The term loan contains certain financial covenants with which the Company must comply. These include a financial covenant to the effect that the percentage of the total amounts drawn down under the term loan (together with any other borrowings) should not exceed 45 per cent of the Company's Eligible Total Secured Assets. The Company has complied with the required financial covenants throughout the period.

The fair value of the fixed rate £18m term loan, on a marked to market basis, was £18,123,000 at 30 September 2015 (31 March 2015: £18,103,000).

INVESTORS CAPITAL TRUST PLC

Notes to the Accounts

12. SHARE CAPITAL

As at 30 September 2015

	Nominal Value £
Authorised share capital	
225,000,000 A Shares of 0.1p each at 31 March 2015 and 30 September 2015	225,000
75,000,000 B Shares of 0.1p each at 31 March 2015 and 30 September 2015	75,000
	300,000

Allotted, Issued and Fully Paid

	Listed		Held in Treasury		In Issue	
	Number	Par value £	Number	Par value £	Number	Par value £
A Shares of 0.1p each						
Balance at 1 April 2015	102,067,144	102,067	(11,789,000)	(11,789)	90,278,144	90,278
Balance at 30 September 2015	102,067,144	102,067	(11,789,000)	(11,789)	90,278,144	90,278
B Shares of 0.1p each						
Balance at 1 April 2015	32,076,703	32,077	-	-	32,076,703	32,077
Balance at 30 September 2015	32,076,703	32,077	-	-	32,076,703	32,077

The Company did not buy back or issue any new shares during the period to 30 September 2015. At 30 September 2015 the Company held 11,789,000 A Shares and nil B Shares in treasury.

The Company has two classes of shares: A Shares and B Shares. The rights of each class of shares are identical, save in respect of the right to participate in dividends and capital returns. A Shares are entitled to all dividends paid by the Company and no dividends may be paid to B Shareholders. B Shareholders are entitled to capital distributions from the Company at an amount per share equal to, but not exceeding, any dividend paid per share to A Shareholders.

The net asset value attributable to each class of share is the same. Apart from voting rights entitlements at separate class meetings, every A Share and every B Share carries equal voting rights. Upon a winding up or reconstruction of the Company, each A Share and each B Share shall have an equal right to share in the residual assets of the Company.

INVESTORS CAPITAL TRUST PLC

Notes to the Accounts

13. SHARE PREMIUM ACCOUNT	**£'000**
As at 1 April 2015	153
As at 30 September 2015	153

The Court of Session has confirmed the cancellation of the entire amount standing to the credit of the share premium account and the creation of two distinct reserves, the first reserve relating to that part of the cancelled share premium account arising from premiums paid on the A Shares (the "buy back reserve") and the second reserve relating to that part of the cancelled share premium account arising from premiums paid on the B Shares (the "special capital reserve").

The Company will apply these two reserves as follows:

- the buy back reserve will be available as distributable profits to be used for the buy back of both A and B shares; and
- the special capital reserve will be used for the purpose of paying capital returns on the B Shares.

14. RESERVES

Capital Redemption Reserve	**£'000**
As at 1 April 2015	5
As at 30 September 2015	5

Buy Back Reserve	**£'000**
As at 1 April 2015	86,425
As at 30 September 2015	86,425

14. RESERVES (CONTINUED)

Special Capital Reserve	**£'000**
As at 1 April 2015	22,524
Capital returns paid on B shares	(735)
As at 30 September 2015	21,789

Capital Reserve – investments sold	**£'000**
As at 1 April 2015	(15,844)
Gains on sale of during the period	2,912
Exchange differences	24
Management fees charged to capital	(312)
Finance cost charged to capital	(208)
Taxation charged to capital	-
As at 30 September 2015	(13,428)

Capital Reserve – investments held	**£'000**
As at 1 April 2015	28,567
Movement in fair value of investments during the period	(12,273)
Unrealised exchange differences	(27)
As at 30 September 2015	16,267

Revenue Reserve	**£'000**
As at 1 April 2015	4,922
Transfer from revenue column of income statement	2,435
Dividends paid on A shares	(2,067)
As at 30 September 2015	5,290

INVESTORS CAPITAL TRUST PLC

Notes to the Accounts

15. NET ASSET VALUE PER ORDINARY SHARE

The net asset value per equity share and the net assets attributable to the equity shares were as follows:

	30 September 2015 £'000	**31 March 2015 £'000**
Net assets attributable	£116,635,000	£126,886,000
Total number of A and B shares in issue	122,354,847	122,354,847
Net asset value per equity share	95.3p	103.7p