



**Manchester & London
Investment Trust
Public Limited Company**

INTERIM REPORT
FOR THE SIX MONTHS ENDED
31 JANUARY 2016

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Trust Performance

	At 31 January 2016	At 31 July 2015	Percentage Change
Net assets attributable to Equity Shareholders (£'000)	64,677	63,074	2.5
Net asset value per ordinary share (p)	301.53	293.35	2.8
Dow Jones U.K. Total Stock Market Return Index (GBP)	6,123.81	6,616.32	(7.4)
Interim ordinary dividend per ordinary share (p)	0.40	1.50	(73.3)
First special dividend per ordinary share (p)	0.46	2.30	(80.0)
Second special dividend per ordinary share (p)	2.10	0.25	740.0
Ex-dividend date	14 April 2016		
Record date	15 April 2016		
Payment date	29 April 2016		

The price and net asset value is published in the Investment Companies Sector of The Financial Times.

ISA and Savings Schemes - cost efficient ways to invest in the Company.

The shares of Manchester & London Investment Trust plc ("MLIT" or the "Company") are listed on the Official List and traded on the London Stock Exchange. Private investors can buy or sell shares by placing an order either directly with a stockbroker or through an Independent Financial Adviser. Alternatively, investments can be made through the Company's Share Savings Plan or the MLIT Individual Savings Account ("ISA").

1. The MLIT Investment Plan

MLIT operates a zero-charge Savings Plan and all cash (whether from subscriptions or dividends) is reinvested in the Company's shares. Investors have the option of making a lump sum payment to the Plan or regular payments on a monthly or quarterly basis, whichever is preferred. The Plan can be held jointly or set up for the benefit of children and there is no upper limit on the amount which can be invested.

2. The MLIT ISA

Like the Savings Plan, the MLIT zero-charge ISA consists solely of MLIT shares and all cash (whether from subscriptions or dividends) is reinvested in the Company's shares. There are no commissions or annual administration charges on the ISA. Subscriptions may be made either by lump sum or by monthly payments. The current lump sum minimum payment is £2,000 with a maximum subscription per year of £15,240.

3. The transfer of other ISAs into the MLIT ISA

Equity ISAs and cash ISAs which are currently held by other managers may be transferred into an MLIT ISA free of charge. The costs of selling the existing holdings and purchasing the MLIT shares will also be free of charge.

Disposal of other shareholdings

MLIT offers a facility whereby holders may sell any of their existing shares without incurring any commission costs as long as the full proceeds are reinvested into MLIT shares. The purchase of the MLIT shares will also be undertaken free of commission.

Please contact Midas Investment Management Limited on **0161 228 1709** should you require further details on these savings plans and for the full terms and conditions.

Chairman's Statement

Results for the half year ended 31 January 2016

The fund's net asset value per share increased 2.8 per cent over the period, against a 7.4 per cent decline in the benchmark.

Whilst the Investment Manager's underlying model of buying quality global blue chip stocks is unchanged, the additional emphasis that has been put on buying business models that are aligned with key forward looking trends appears to have worked during this period.

Dividends

As explained last year, we have split our dividend payments to better reflect the sources of that income. Recurring income from dividends on our underlying holdings has been paid out as ordinary dividends, whilst non-recurring trading income has been paid out as special dividends.

With these results we have announced an ordinary dividend of 0.40p, a first special dividend of 0.46p and a further special dividend per share of 2.10p. The aggregate of all these three is 2.96p per share compared to what was paid in aggregate last year of 4.05p which is a decrease of 26.9 per cent.

We are fully cognisant that shareholders are disappointed with the decline in our dividend yield over the last few years and we hope to see the aforementioned aggregate amount increase from here and onwards.

Outlook

Performance is improving. We hope that this continues through to the year end.

Mr P H A Stanley.
Chairman
April 2016.

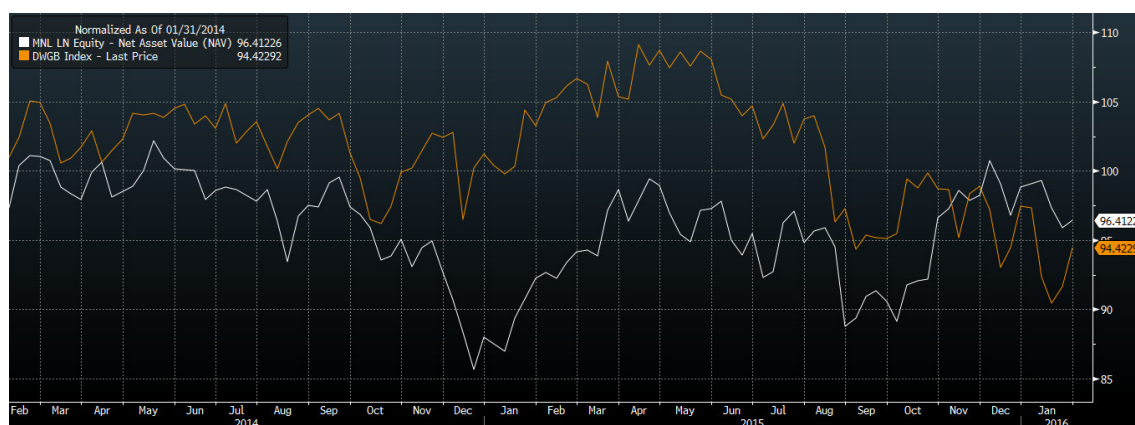
Investment Manager's Report

Investment Manager's Review

Performance

Our Consumer and Technology positions performed well, contributing ~3.1 per cent and ~2.3 per cent to Total Portfolio Return respectively. We avoided some of the worst performing sectors, being Financials, Mining and Oil and Gas. We continue to see these sectors as structurally challenged over the medium to long term and are likely to remain significantly underweight for the foreseeable future, even though this may leave us vulnerable to short term cyclical rebounds in these areas. Finally, the decline in the value of the pound against the dollar was a key positive given our exposure to US stocks and cash holdings in USD.

Net Asset Value per Share (Capital Only) vs the Dow Jones UK Total Stock Market Index (Capital Only) over the 2 year period to 31 January 2016



Source: Bloomberg

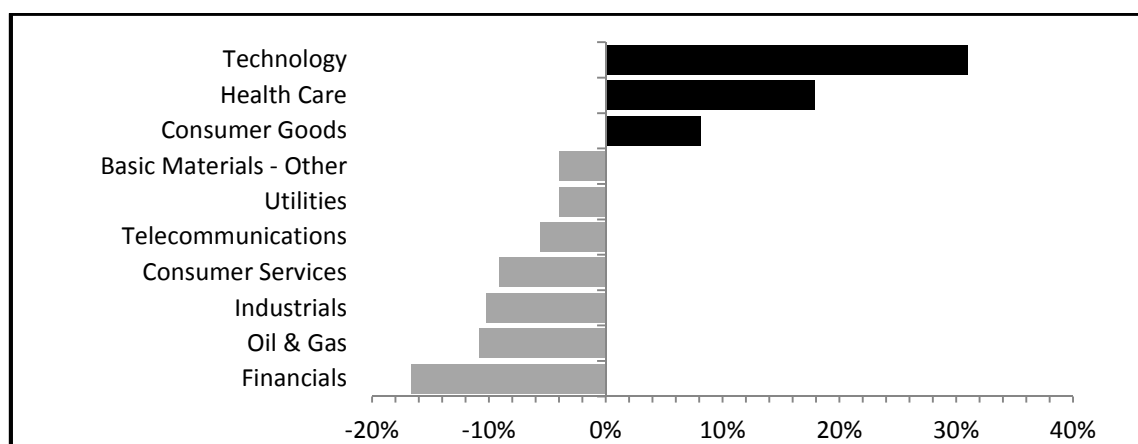
Overview

With the exception of Healthcare our strategy of repositioning in the three core areas of Technology, Healthcare and Consumer Stocks has worked well. We remain committed to this and are not tempted by value plays in sectors facing technological disruption even if traditional valuation metrics look inexpensive.

The start of the 2016 calendar year has been volatile as the secondary impacts of the decline in China's growth rates and the fall in energy prices have caused volatility. Whilst we have seen a few recent weeks of recovery, we remain expectant of further market volatility throughout the year.

Asset Allocation Review

Portfolio sector weightings vs benchmark as at 31 January 2016



Source: Manchester & London Investment Trust plc

Manchester & London Investment Trust plc

Investment Manager's Report (continued)

Consumer

Standout performers were Amazon.com Inc., Beiersdorf AG (position was reduced as valuation improved) and Heineken NV with positive contributions also seen from Davide Campari-Milano Spa, Pernod Ricard SA, Unilever plc and Svenska Cellulosa AB.

Detractors included Jimmy Choo plc (position was reduced during the period) and TomTom NV.

Technology

Technology remains a key overweight for us versus our benchmark and we remain attracted by the growth potential in key themes such as the Public Cloud, Internet of Things, Wearable Devices, Virtual Reality, Driverless Cars, Big Data and Machine Learning.

The standout performer was Alphabet Inc., which alone contributed ~1.9 per cent to Total Return. We also saw positive contributions from Facebook Inc., ARM Holdings plc, Microsoft Corp, LinkedIn Corp (has subsequently been disappointing) and Paypal Holdings Inc.

Key detractors were Apple Inc., Yahoo! Inc., Scottish Mortgage Investment Trust plc and Polar Capital Technology Trust plc.

Healthcare

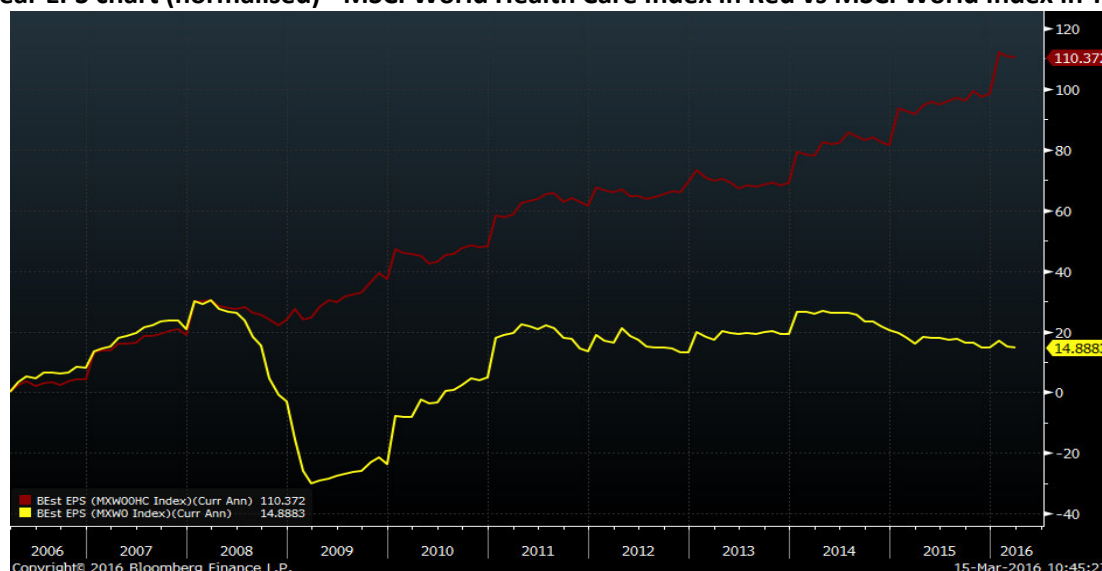
Healthcare saw a negative return over the period, contributing minus ~2.4 per cent to Total Return. The MSCI World Healthcare Index was down ~15 per cent over the period and sub-sectors such as Biotech performed even worse.

Positive contributors for us included Baxalta Inc., GlaxoSmithKline plc and Skyepharma Plc.

The key negative performer for us was Shire plc, which contributed around minus ~1.5 per cent to Total Portfolio Return. AstraZeneca plc (position now divested), Mallinckrodt plc (position now divested), Spire Healthcare plc and Worldwide Healthcare Trust plc were also notable detractors to performance.

While the performance of this sector has been disappointing, we remain attracted by the long term growth versus valuation metrics. The MSCI World Health Care Index now trades at an approximately ten percentage point EV/EBITDA premium to the MSCI World Index despite the MSCI World Health Care Index having a significantly superior EPS growth track record over the last 10 years.

10 year EPS chart (normalised) - MSCI World Health Care Index in Red vs MSCI World Index in Yellow



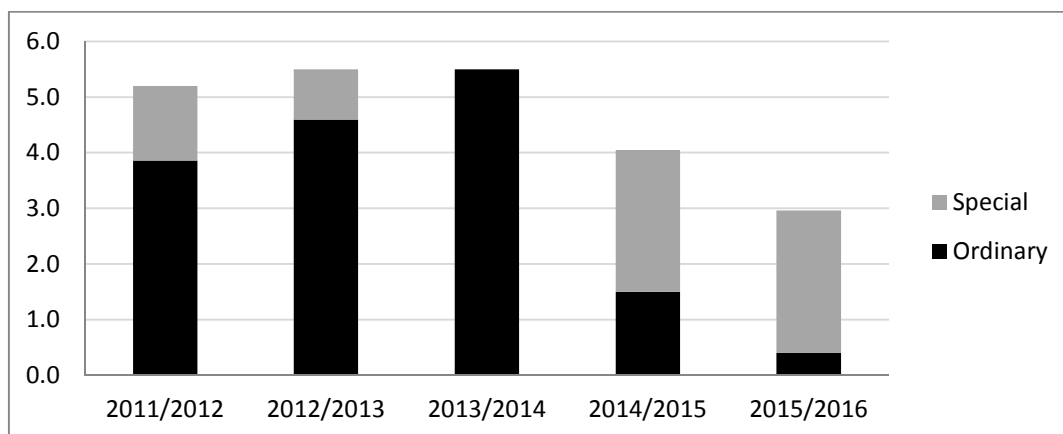
(Source: Bloomberg)

Investment Manager's Report (continued)

Dividends

It is to be expected that a more forward focused portfolio will pay a lower dividend yield and we are aware that the current lower dividend yield will disappoint some shareholders. In addition, Trading Income in this period was lower than last year. However, we remain focused on generating further potential trading income which can be paid out to shareholders as dividends.

Dividend per Share paid with Interims



Source: Manchester & London Investment Trust plc,
M & L Capital Management Limited

Conclusion & Thanks

We thank you for your continued support and patience during a difficult but slowly improving period.

Equity Exposures (Longs)

As at 31 January 2016

Company	Sector	Value £'000	% of Net Assets
Baxalta Inc.	Healthcare & Pharmaceuticals	4,242	6.6
Alphabet Inc.	Technology	3,622	5.6
Heineken N.V.	Consumer Goods	3,285	5.1
Amazon.com, Inc.	Technology	3,153	4.9
Smith & Nephew plc	Healthcare & Pharmaceuticals	3,079	4.8
VPC Specialty Lending plc	Alternative Finance Funds	2,820	4.4
GlaxoSmithKline plc	Healthcare & Pharmaceuticals	2,802	4.3
GLI Alternative Finance plc	Alternative Finance Funds	2,318	3.6
Facebook Inc.	Technology	2,265	3.5
Unilever plc	Consumer Goods	2,237	3.4
Apple Inc.	Technology	2,235	3.4
Paypal Holdings Inc.	Technology	2,227	3.4
Microsoft Corporation	Technology	2,224	3.4
Polar Capital Technology Trust plc	Technology	2,177	3.4
Pernod Ricard SA	Consumer Goods	2,134	3.3
Scottish Mortgage Investment Trust plc	Technology	2,134	3.3
Shire plc	Healthcare & Pharmaceuticals	2,111	3.3
Beiersdorf AG	Consumer Goods	2,070	3.2
Syngenta AG	Technology	2,061	3.2
Worldwide Healthcare Trust plc	Healthcare & Pharmaceuticals	1,841	2.8
ARM Holdings plc	Technology	1,748	2.7
Yahoo! Inc.	Technology	1,699	2.6
Davide Campari-Milano S.p.A.	Consumer Goods	1,533	2.4
Svenska Cellulosa Aktiebolaget SCA	Consumer Goods	1,396	2.2
LinkedIn Corporation	Technology	1,112	1.7
Spire Healthcare Group plc	Healthcare & Pharmaceuticals	840	1.3
Other Listed Investments (under 1.0%)	Various	5,470	8.4
Listed Investments		64,835	100.2
Other Investments		191	0.3
Cash and Net Current Assets		(349)	(0.5)
Net Assets		64,677	100.0

Shareholder Benefits

All shareholders with 2,500 shares (excluding the officers of the Company) are eligible to participate in a draw undertaken by the Directors before the Annual General Meeting in respect of The All England Lawn Tennis Ground plc Debentures listed below. Once a party's holding exceeds 2,500 shares, the probability of success in this draw may increase for every additional share held. The investment policy of the Company may result in some, or all, of the Debentures being sold in which event the benefit would cease.

Centre Court

The Company owns two Debentures normally entitling it to two Centre Court seats (together with two badges admitting entry to the Debenture Holders' Lounge) for the thirteen days play of the Championships. There are normally thirteen draws, each draw entitling the successful shareholder to one pair of adjacent seats for one day's play.

Investment Objective

The investment objective of the Company is to achieve capital appreciation together with a reasonable level of income.

Investment Policy

Asset allocation

The Company's investment objective is sought to be achieved through a policy of actively investing in a diversified portfolio, comprising UK and overseas equities and fixed interest securities. The Company seeks to invest in companies whose shares are admitted to trading on a regulated market. However, it may invest in a small number of equities and fixed interest securities of companies whose capital is not admitted to trading on a regulated market. Investment in overseas equities is utilised by the Company to increase the risk diversification of the Company's portfolio and to reduce dependence on the UK economy in addressing the growth and income elements of the Company's investment objective.

The Company may invest in derivatives, money market instruments, currency instruments, contracts for differences ("CFDs"), futures, forwards and options for the purposes of (i) holding investments and (ii) hedging positions against movements in, for example, equity markets, currencies and interest rates.

There are no maximum exposure limits to any one particular classification of equity or fixed interest security. The Company's investments are not limited to any one industry sector and its current investment portfolio is spread across a range of sectors. The Company has no specific criteria regarding market capitalisation or credit ratings in respect of investee companies.

Risk diversification

The Company intends to maintain a relatively focused portfolio, seeking capital growth by investing in approximately 20 to 40 securities. The Company will not invest more than 15 per cent of the gross assets of the Company at the time of investment in any one security. However, the Company may invest up to 50 per cent of the gross assets of the Company at the time of investment in an investment company subsidiary, subject always to other restrictions set out in this investment policy and the Listing Rules.

The Company intends to be fully invested whenever possible. However, during periods in which changes in economic conditions or other factors so warrant, the Investment Manager may reduce the Company's exposure to one or more asset classes and increase the Company's position in cash and/or money market instruments.

Investment Policy (Continued)

Gearing

The Company may borrow to gear the Company's returns when the Investment Manager believes it is in shareholders' interests to do so. The Company's investment policy and the Articles permit the Company to incur borrowing up to a sum equal to two times the adjusted total of capital and reserves. Any change to the Company's borrowing policy will only be made with the approval of shareholders by special resolution.

The effect of gearing may be achieved without borrowing by investing in a range of different types of investments including derivatives. The Company will not enter into any investments which have the effect of increasing the Company's net gearing beyond the above limit.

General

In addition to the above, the Company will observe the investment restrictions imposed from time to time by the Listing Rules which are applicable to investment companies with shares listed on the Official List of the UKLA under Chapter 15.

In accordance with the Listing Rules, the Company will manage and invest its assets in accordance with the Company's investment policy. Any material changes in the principal investment policies and restrictions (as set out above) of the Company will only be made with the approval of shareholders by ordinary resolution.

In the event of any breach of the investment restrictions applicable to the Company, shareholders will be informed of the remedial actions to be taken by the Board and the Investment Manager by an announcement issued through a Regulatory Information Service approved by the FCA.

Benchmark Index

Performance is measured against the Dow Jones U.K. Total Stock Market Return Index (GBP). The Company sources index and price data from Bloomberg.

Consolidated Statement of Comprehensive Income

For the six months ended 31 January 2016

	(Unaudited) Six months ended 31 January 2016			(Unaudited) Six months ended 31 January 2015			(Audited) Year ended 31 July 2015		
	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000	Revenue £'000	Capital £'000	Total £'000
Gains on investments at fair value	-	2,030	2,030	-	14	14	-	1,402	1,402
Trading income	362	-	362	433	-	433	971	-	971
Investment income	301	-	301	610	-	610	1,185	-	1,185
Gross return	663	2,030	2,693	1,043	14	1,057	2,156	1,402	3,558
Expenses									
Management fee	(159)	-	(159)	(158)	-	(158)	(311)	-	(311)
Transaction costs	(143)	-	(143)	(178)	-	(178)	(303)	-	(303)
Other expenses	(135)	-	(135)	(87)	-	(87)	(180)	-	(180)
Total expenses	(437)	-	(437)	(423)	-	(423)	(794)	-	(794)
Finance costs	(40)	(73)	(113)	(32)	(119)	(151)	(62)	(219)	(281)
Profit/(loss) before tax	186	1,957	2,143	588	(105)	483	1,300	1,183	2,483
Taxation	-	-	-	-	-	-	-	-	-
Profit/(loss) attributable to equity shareholders	186	1,957	2,143	588	(105)	483	1,300	1,183	2,483
Earnings/(loss) per share (p)	0.87	9.10	9.97	2.70	(0.48)	2.22	6.00	5.47	11.47

The total column of this statement represents the Group's Statement of Comprehensive Income, prepared in accordance with IFRS. The supplementary revenue and capital return columns are both prepared under guidance published by the Association of Investment Companies.

All items in the above statement are derived from continuing operations.

Consolidated Statement of Changes in Equity

For the six months ended 31 January 2016

Unaudited Six months ended 31 January 2016								
	Share Capital £'000	Share Premium £'000	Treasury Shares £'000	Other Reserves £'000	Capital Reserve Unrealised £'000	Capital Reserve Realised £'000	Retained Earnings £'000	Total £'000
Balance at 1 August 2015	5,614	35,132	(2,395)	(79)	5,151	17,177	2,474	63,074
Total comprehensive income	-	-	-	-	-	-	2,143	2,143
Buybacks of ordinary shares	-	-	(121)	-	-	-	-	(121)
Transfer of capital	-	-	-	-	149	1,808	(1,957)	-
Equity dividends paid	-	-	-	-	-	-	(419)	(419)
Balance at 31 January 2016	5,614	35,132	(2,516)	(79)	5,300	18,985	2,241	64,677

Unaudited Six months ended 31 January 2015								
	Share Capital £'000	Share Premium £'000	Treasury Shares £'000	Other Reserves £'000	Capital Reserve Unrealised £'000	Capital Reserve Realised £'000	Retained Earnings £'000	Total £'000
Balance at 1 August 2014	5,614	35,132	(1,306)	(79)	15,239	5,906	3,855	64,361
Total comprehensive income	-	-	-	-	-	-	483	483
Buybacks of ordinary shares	-	-	(786)	-	-	-	-	(786)
Transfer of capital	-	-	-	-	(4,791)	4,686	105	-
Equity dividends paid	-	-	-	-	-	-	(2,305)	(2,305)
Balance at 31 January 2015	5,614	35,132	(2,092)	(79)	10,448	10,592	2,138	61,753

Audited Year ended 31 July 2015								
	Share Capital £'000	Share Premium £'000	Treasury Shares £'000	Other Reserves £'000	Capital Reserve Unrealised £'000	Capital Reserve Realised £'000	Retained Earnings £'000	Total £'000
Balance at 1 August 2014	5,614	35,132	(1,306)	(79)	15,239	5,906	3,855	64,361
Total comprehensive income	-	-	-	-	-	-	2,483	2,483
Buybacks of ordinary shares	-	-	(1,089)	-	-	-	-	(1,089)
Transfer of capital	-	-	-	-	(10,088)	11,271	(1,183)	-
Equity dividends paid	-	-	-	-	-	-	(2,681)	(2,681)
Balance at 31 July 2015	5,614	35,132	(2,395)	(79)	5,151	17,177	2,474	63,074

Consolidated Statement of Financial Position

As at 31 January 2016

	(Unaudited) 31 January 2016 £'000	(Unaudited) 31 January 2015 £'000	(Audited) 31 July 2015 £'000
Non-current assets			
Investments held at fair value through profit and loss	36,242	28,313	28,040
	36,242	28,313	28,040
Current assets			
Unrealised derivative financial assets	1,887	2,669	2,387
Trade and other receivables	50	23	24
Cash and cash equivalents	29,439	33,454	34,233
	31,376	36,146	36,644
Gross assets	67,618	64,459	64,684
Current liabilities			
Unrealised derivative financial liabilities	(2,717)	(2,569)	(1,410)
Trade and other payables	(224)	(137)	(200)
	(2,941)	(2,706)	(1,610)
Net assets	64,677	61,753	63,074
Equity attributable to equity holders			
Ordinary share capital	5,614	5,614	5,614
Shares held in treasury	(2,516)	(2,092)	(2,395)
Share premium	35,132	35,132	35,132
Capital reserves	24,285	21,040	22,328
Goodwill reserve	(79)	(79)	(79)
Retained earnings	2,241	2,138	2,474
Total equity shareholders' funds	64,677	61,753	63,074
Net asset value per share (p)	301.5	285.5	293.4

Consolidated Statement of Cash Flows

For the six months ended 31 January 2016

	(Unaudited) 31 January 2016 £'000	(Unaudited) 31 January 2015 £'000	(Audited) 31 July 2015 £'000
Cash flow from operating activities			
Profit after tax	2,143	483	2,483
Interest paid	56	151	54
Losses on investments	1,158	3,298	1,215
(Increase)/decrease in receivables	(26)	77	76
Increase in payables	24	3	66
Decrease/(increase) in derivative financial instruments	1,771	(994)	(1,871)
Net cash generated from operating activities	5,126	3,018	2,023
Cash flow from investing activities			
Purchase of investments	(27,363)	(25,564)	(47,247)
Sale of investments	18,039	39,617	63,656
Net cash (used in)/generated from investing activities	(9,324)	14,053	16,409
Cash flow from financing activities			
Equity dividends paid	(419)	(2,305)	(2,681)
Buybacks of ordinary shares	(121)	(786)	(1,089)
Interest paid	(56)	(151)	(54)
Net cash used in financing activities	(596)	(3,242)	(3,824)
Net (decrease)/increase in cash and cash equivalents	(4,794)	13,829	14,608
Cash and cash equivalents at the beginning of the period	34,233	19,625	19,625
Cash and cash equivalents at the end of the period	29,439	33,454	34,233

Notes to the Group Results

1. Accounting policies

The interim report and condensed consolidated financial statements have been prepared in accordance with IAS 34 “Interim Financial Reporting”. They do not include all disclosures that would otherwise be required in a complete set of financial statements and should be read in conjunction with the consolidated financial statements for the year ended 31 July 2015. The accounting policies are consistent with the preceding annual accounts.

The results are based on unaudited Group consolidated accounts prepared under the historical cost basis except where International Financial Reporting Standards (“IFRS”) require an alternative treatment.

2. Comparative information

The financial information contained in this interim report does not constitute statutory accounts and, in addition, those relating to the six month periods to 31 January 2015 and 31 January 2016 have not been audited.

The financial information for the year ended 31 July 2015 has been extracted from the latest published audited accounts which have been filed with the Registrar of Companies and prepared under IFRS. The report of the auditors on those accounts contained no qualification or statement under the provisions of the Companies Act 2006.

3. Significant accounting policies

Investments held at fair value through profit or loss are initially recognised at fair value. 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 at 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 Group is provided internally on this basis to the entity's key management personnel.

After initial recognition, investments which are classified as fair value through profit and loss are measured at fair value. Gains or losses on investments designated as fair value through profit or loss are included in net profit or loss as a capital item, and material transaction costs on acquisition and disposal of investments are expensed and included in the revenue column of the income statement. For investments that are actively traded in organised financial markets, fair value is determined by reference to the Stock Exchange quoted market last price, at the close of business at the end of the reporting period.

In respect of unquoted investments, or where the market for a financial investment is not active, fair value is established by using an appropriate valuation technique. Where a reliable fair value cannot be estimated for such unquoted equity instruments, they are carried at cost, subject to any provision for impairment. All purchases and sales of investments are recognised on the trade date i.e. the date that the Group commits to purchase or sell an asset.

Notes to the Group Results (Continued)

Significant accounting policies (continued)

Dividend income from investments is recognised as income when the shareholders' rights to receive payment has been established, normally the ex-dividend date. When special dividends are received, the underlying circumstances are reviewed on a case by case basis in determining whether the amount is capital, or income, or a mixture of both, in nature. Amounts recognised as income will form part of the Company's distribution.

4. Principal risks and uncertainties

The principal risks and uncertainties associated with the Company's business fall into the following categories: financial risk; strategic risk; and accounting, legal and regulatory risk. A detailed explanation of the risks and uncertainties in each of these categories can be found in the Company's published Annual Report and Accounts for the year ended 31 July 2015.

5. Directors' responsibilities

The Directors (P H A Stanley, D Harris and B Miller, all of whom are non-executive) are of the opinion that it is appropriate to continue to adopt the going concern basis in accordance with the FRCs "Going Concern and Liquidity Risk: Guidance for Directors of UK Companies 2009" in the preparation of the accounts as the assets of the Company consist predominantly of securities that are readily realisable and, accordingly, the Company has adequate financial resources to continue in operational existence for the foreseeable future.

The Directors confirm that, to the best of their knowledge, this set of condensed financial statements has been prepared in accordance with IAS 34 "Interim Financial Reporting".

Where presentational guidance, set out in the Statement of Recommended Practice ("SORP") for investment trusts revised by the Association of Investment Companies ("AIC"), is inconsistent with the requirements of IFRS, the Directors have sought to prepare the financial statements on a basis compliant with the recommendations of the SORP.

The Interim Management Report, in the form of the Chairman's Statement and Investment Manager's Review, includes a fair review of the information required by DTR 4.2.7 and 4.2.8 of the FCA's Disclosure and Transparency Rules.

6. Related party

M & L Capital Management Limited ('MLCM'), a company controlled by Mr. M. Sheppard, acts as Investment Manager to the Company. Details of the fee arrangements are given in note 7. Mr. M. Sheppard is also a director of M&M Investment Company Plc which is the holding company of Manchester and London Investment Trust plc.

Midas Investment Management Limited ("Midas"), a company also controlled by Mr. M Sheppard also provides services as detailed in note 7.

7. Related party transactions

The management fee charged by MLCM is payable quarterly in arrears and is equal to 0.5 per cent of the Net Asset Value of the Group on an annualised basis.

Investment management fees are charged to revenue.

Notes to the Group Results (Continued)

Related party transactions (continued)

Fees charged by Midas include a monthly financial advisory fee and commissions on the purchase and sale of investments and the provision of the ISA & Savings schemes.

Monthly company secretarial and office administration costs incurred by the holding company, M&M Investment Company Plc, on behalf of the Company were also recharged to the Company in the period.

There are no other related party transactions.

8. Corporate governance

a. Auditor rotation

The rotation of senior statutory auditor takes place at least every five years. The last change to senior statutory auditor was in respect of the 2013 financial year.

b. Environmental, social and governance

As an investment trust, the Company has adopted the environmental, social and governance policy ("ESG") of its Investment Manager. This ESG policy can be found at our Investment Manager's website at www.mlcapman.com.

In addition, the Company's ethical policy is focused on ensuring that the Company's resources are properly managed and invested within the guidelines approved by the Board.

The Company's Investment Manager, ensures that investments are made in companies that it considers to be well managed and subject to appropriate corporate governance. A well-managed company is considered to be one which complies with all the relevant legislation and which meets the environmental, social, community and ethical requirements of the country in which it operates. It is important to recognise that local laws and requirements of some markets do not necessarily equate with those of developed countries.

The Investment Manager performs extensive investment analysis, in assessing both the risk and return of targeted investments for the Company. The depth of its research provides comprehensive insights into the many factors that affect the value of an investment, which also include environmental, social and governance issues. This analysis is monitored by the Administrator and reported to the Board.

The Company's ultimate objective however is to maximise investment return for its shareholders. Accordingly, the Manager will seek to favour companies that pursue best practice in governance.

ESG in practice

We have detailed some examples of our ESG policy in practise below:

- We are committed to caring for our environment and ensuring that our carbon footprint is minimised. One of our main policies to achieve this is the encouragement of the use of electronic communication with shareholders, in order to save paper, printing consumables and energy.
- The portfolio holds no exposure to Mining or Oil & Gas Exploration companies.
- The Fund Manager's Investment Team only own cars which are Electric Vehicles.
- The Fund Manager's Investment Team travel to work on public transport and maximise their use of public transport.

Notes to the Group Results (Continued)

Corporate governance (continued)

c. Committee membership summary

Following feedback from shareholders Mr. David Harris has replaced Mr. Brett Miller as a Chairman of the Remuneration Committee. The members of the various committees will be as follows moving forward:

	Board Meetings	Nomination Committee	Remuneration Committee	Management Committee	Audit Committee
Membership summary:					
P H A Stanley	•	•	•	•	•
D Harris	•	•	•	•	•
B Miller	•	•	•		•

The nomination committee has also reviewed the mix of diversity, skills, experience and so effectiveness of the Board as well as succession planning for the Board.

During the period the Board held two meetings. The Board considers that it met sufficiently often to enable the directors to discharge their duties effectively.

The Board and Committee agendas were shaped to ensure that discussion was focused on the Group's strategic priorities, key monitoring activities, reviews of significant issues and key elements of the portfolio.

There is always a balance between the value of succession and experience and the Board considers this on a regular basis.

Diversity is considered key to provide a wide range of views with regard to the strategy of the company. The current board has representatives from three different decades of birth, born from two different continents with at least two different religious beliefs.

d. Contact with shareholders (apart from the AGM)

The Investment Manager sends a monthly Factsheet to all shareholders who are interested. The factsheet is also posted on the company's web site. Should you wish to receive the factsheet please email info@mlcapman.com.

Since the period end the Investment Manager has contacted over twenty shareholders and private client investment managers who manage shareholdings in the company. These contacts and any subsequent meetings are reported to the Directors. After each meeting, contact with the Chairman is offered to shareholders should any of their concerns remain unrectified in the meeting with the Investment Manager.

Notes to the Group Results (Continued)

In accordance with DTR 4.2.9(2) of the UK Disclosure and Transparency Rules (DTRs), it is confirmed that this publication has not been audited by auditors pursuant to the Auditing Practices Board (APB) guidance on Review of Interim Financial Information, but has been reviewed by the auditors pursuant to the APB's guidance on Review of Interim Financial Information.

Responsibility Statement

We confirm that to the best of our knowledge:

- a) the condensed set of financial statements has been prepared in accordance with IAS 34 'Interim Financial Reporting';
- b) the interim report includes a fair review of the information required by DTR 4.2.7R (indication of important events during the first six months and description of principal risks and uncertainties for the remaining six months of the year); and
- c) the interim report includes a fair review of the information required by DTR 4.2.8R (disclosure of related party transactions and changes therein).

Mr D Harris
Chairman of Audit Committee

This Half Yearly Report was approved by the Board on 5 April 2016.

Copies of the Half-Yearly Financial Report for the six months ended 31 January 2016 will be available from the Company's registered office at 2nd Floor, Arthur House, Chorlton Street, Manchester, M1 3FH, as well as on the Company's website at www.manchesterandlondon.co.uk.

Independent Review Report to Manchester & London Investment Trust plc

Introduction

We have been engaged by the company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 31 January 2016 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Changes in Equity, the Consolidated Statement of Financial Position, the Consolidated Statement of Cash Flows and the related condensed notes. We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

This report is made solely to the company in accordance with International Standard on Review Engagements (UK and Ireland) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Auditing Practices Board for use in the United Kingdom. Our work has been undertaken so that we might state to the company those matters we are required to state to them in an independent review 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 for our review work, for this report, or for the conclusions we have formed.

Directors' Responsibilities

The half-yearly financial report is the responsibility of, and has been approved by, the directors. The directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure and Transparency Rules of the United Kingdom's Financial Conduct Authority.

As disclosed in note 1, the annual financial statements of the group are prepared in accordance with IFRSs as adopted by the European Union. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with International Accounting Standard 34, "Interim Financial Reporting", as adopted by the European Union.

Our Responsibility

Our responsibility is to express to the company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Auditing Practices Board for use in the United Kingdom. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK and Ireland) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 31 January 2016 is not prepared, in all material respects, in accordance with International Accounting Standard 34 as adopted by the European Union and the Disclosure and Transparency Rules of the United Kingdom's Financial Conduct Authority.

CLB Coopers, Statutory Auditors and Chartered Accountants, Manchester.
5 April 2016

Corporate Information

Directors

P H A Stanley (Chairman)
D Harris
B Miller

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Company Number 01009550

Investment Manager

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Fax: 0207 589 3923

Secretary

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Chorlton Street
Manchester
M1 3FH

Registrar

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The Pavillions
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Bristol
BS13 8AE

Bankers

National Westminster Bank plc
11 Spring Gardens
Manchester
M60 2DB

Independent Auditors

CLB Coopers
Ship Canal House
98 King Street
Manchester
M2 4WU

Website and Price Information

The Company has a dedicated website which may be found at www.manchesterandlondon.co.uk. The website has been designed to be utilised as the Company's primary method of electronic communication with shareholders and contains copies of the Report and Accounts, other documents published by the Company and announcements made by the Company to the market.

The Company releases its Net Asset Value to the market on a weekly basis. Share price information may also be found in the Financial Times.

Should shareholders wish to receive our Monthly Factsheets directly please provide your email address to the Investment Manager.

Shareholders Notes