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THE BRUNNER INVESTMENT TRUST PLC

Final Results for the year ended 30 November 2023.

The following comprises extracts from the company's Annual Financial Report for the year ended 30 November 2023. The full annual financial report is being made available to be viewed on or downloaded from the company's website at www.brunner.co.uk. Copies will be posted to shareholders shortly.

MANAGEMENT REPORT

Chair's Statement

Dear Shareholder,

Review of the 2023 Financial Year and Performance

2023 was another year of difficult and volatile stock markets in uncertain economic conditions. The sheer pace and reach of how news now travels round the world, coupled with the amount of short-term trading done in markets by maths models, may mean that this is how most years will look in the future.

Global equities climbed out of a dip through December 2022 and January 2023, but over February and early-March gave back most gains. It was a repeating picture over the remainder of the year as gains from March to August were largely given back up to a point in October which was barely above the start of the year. From that point though markets rallied to finish the calendar year strongly ahead. Our financial year reporting period is from 1 December 2022 to 30 November 2023 and therefore captures only a proportion of the gains from the 2023 year-end rally, but the strong December will be in our 2024 fiscal year.

Globally inflation continued to be more persistent than expected, subduing only towards the end of the year. This allowed central banks to make more optimistic statements about future cuts in interest rates, spurring the year end stock market rally.

In geopolitical terms we are approaching the second anniversary of the war in Ukraine and are in the middle of another war in the Middle East; neither conflict has a clear end in sight. Our thoughts remain firmly with all those affected by conflicts and political instability around the world, as well as those affected by the many natural disasters seen in 2023.

In environmental terms, global temperatures broke new records and COP-28 saw nations further galvanise behind the movement away from fossil fuels, though how that is achieved remains unclear.

The development and scale of implementation of Artificial Intelligence dominated headlines through the year. The mega-capitalisation companies – dubbed 'The Magnificent Seven' (Alphabet, Amazon, Apple, Meta, Microsoft, NVIDIA, and Tesla) were significant beneficiaries of this. AI offers both opportunity and concern from the perspective of humanity. Whilst that debate is not one to have here, from an investment perspective it will be crucial to understand if regulation will be imposed and if it will ultimately help or hinder those firms at the cutting edge.

Against this volatile backdrop, Brunner once again beat its benchmark over the year to 30 November 2023. Brunner's Net Asset Value (NAV) per ordinary share total return (calculated on a net dividends reinvested basis with debt at fair value) was +8.7%, versus +5.5% for the composite benchmark (70% FTSE World Ex. UK / 30% FTSE All-Share). This marks the 5th consecutive year of outperformance of the benchmark by the trust. As we are only relatively small holders of the noted stocks that led markets forward, the board is particularly happy to report this consistent progress to shareholders.

The four largest contributors to performance were Microsoft, Jumbo SA (a Greek listed retailer), Novo Nordisk and Munich Re, demonstrating the variety of companies and sectors the manager selects to meet the company's performance and risk objectives.

Brunner should be viewed as an 'all weather global equity portfolio'. Over time we aim to demonstrate the substance of this claim, providing solid outperformance through a variety of market and macroeconomic conditions.

The portfolio is constructed with a focus on high quality companies that are expected to perform well over the long term. The managers do not look to build a portfolio that will perform on a particular economic condition or trigger – rather they remain aware of these external factors and review how they might impact the individual companies within the portfolio. You can read more about the portfolio managers' analysis of what happened to the portfolio during the period on pages 23 to 58 of the annual report. The portfolio managers also observe that stock market returns bear little resemblance to economic factors or drivers over time. "Over time" is of course the important factor there as markets can be over-sensitive to news flow and economic data. "Over time" perfectly describes a key tenet of our investment philosophy though – thinking about performance over longer time periods, not trying to time or profit from short-term market movements.

Environmental, Social and Governance (ESG)

Whilst the strategy of the trust does not aim to meet any specific sustainability criteria, the board considers that it is in shareholders' interests to be aware of and consider environmental, social and governance factors when selecting and retaining investments. Active stewardship is a key task of any responsible asset owner.

Understanding the manager's approach to ESG and how it has been integrated within the investment process has continued to be a focus for the board over the past year. We take account of our performance in this area against our objectives using both the manager's internal analysis and external measures and benchmarks.

We give a full and clear account of ESG considerations within the annual report (see page 21). We also have a page on our website that describes the manager's ESG processes in more detail. Since the beginning of 2020 we have included quarterly updated ESG measurements on our monthly factsheet, showing the rating of the Brunner portfolio on ESG risks and combined ESG risk measurements compared to the rating of the benchmark, however imperfect that comparison may still be.

We are pleased to see continued efforts by regulators and the industry in general to harmonise nomenclature and measurement, the latest just at the end of 2023 coming from the FCA. We see this as a further step forward towards more universal descriptions and reliable measurement for the benefit of all investors.

Earnings per Share

Over the past year most companies have been able to continue paying dividends at or above previous levels and there has been a contribution from special dividends. This meant the portfolio's generation of income and earnings grew once more through 2023, with earnings per share for the year rising by 16.3%, from 22.7p to 26.4p. This has put Brunner in the strong position once again to be able to cover our increased dividend payment to shareholders and still put a sizeable amount into revenue reserves for a future 'rainy day'.

Dividend

The proposed final dividend of 6.05p, if approved by shareholders, will be paid on 4 April 2024 to shareholders on the register on 1 March 2024. In line with board's dividend policy, which is outlined on page 14 of the annual report, the total dividend for 2023, including the proposed final dividend, will be 22.7p. This represents an increase of 5.6% over the 2022 dividend of 21.5p and means Brunner has now reached 52 years of consecutive dividend increases, cementing its place near the top of the AIC's "Dividend Heroes" list.

Revenue reserves will remain strong at 29.6p after the payment of the proposed final dividend.

Board Succession

As noted in the previous report, Elizabeth Field joined the board at the start of the financial year on 1 December 2022. In addition, Andrew Hutton was appointed as Senior Independent Director at the Annual General Meeting in 2023, succeeding Peter Maynard who stepped down.

Portfolio Management Team

At the Annual General Meeting at the end of March 2023, Julian Bishop became Co-lead Portfolio Manager alongside Christian Schneider. Christian who was Deputy CIO for AllianzGI's Global Growth franchise has since been promoted to the CIO role, leading that team. Simon Gergel, AllianzGI's CIO UK Equities, continues his involvement with the portfolio, having worked closely on the management of Brunner for many years.

The Brunner Investment Trust will continue to be managed as an all-weather portfolio appropriate for a multitude of different market conditions with its balanced approach to portfolio construction and strong focus on valuation.

Marketing and Discount

Promoting Brunner to as wide an audience as possible remains a priority and the board supports the manager's marketing efforts to further that aim. The trust's balanced nature means it is a long-term holding that can, in our view, form the cornerstone of an investor's diversified portfolio. Attracting more investors, particularly individual investors, generally has the effect of improving liquidity of the trust's shares.

As noted in previous reporting, in 2022 we agreed that we should refer to Brunner as "An all-weather global equity portfolio". We would like to think that Brunner has been "doing what it says on the tin". It is something of an obvious 'line' given the prevailing economic and fiscal conditions. Anyone can claim to be 'all-weather': we believe we have been living and breathing it for a long time; the consistent results achieved are the proof.

Despite the strong performance noted, Brunner traded at a larger than average discount through most of the period. Some of this is sector-wide – investment trusts in general have had a difficult year as investors shied away in the prevailing macro environment. The AIC's statistics for 2023 show the impact on average discounts. Although not within the reporting period, as I write at the beginning of 2024 it has been pleasing to see the investment trust sector rally from 2023 lows.

We have seen the discount of Brunner relative to its peers begin to narrow which we believe is a reflection of the portfolio's out-performance and the effectiveness of our marketing campaign. As a board, we are disappointed that a trust that has delivered 5 consecutive years of outperformance over one of the most volatile periods in stock market history, trades at a discount and continue our strenuous efforts in marketing, sales and investor relations to gain greater investor knowledge. We have been heartened by the steady increase in ownership from private investors achieved.

Outlook

2024 will likely be another significant year in terms of 'headline' events with 64 countries plus the European Union holding elections. Associated 'news' is likely to be rampant. Along with two major conflicts, the geopolitical landscape remains dangerous.

Markets have been acutely concerned with inflation and second-guessing central bank's rate rhetoric. Inflation appears to be more under control but events in the Middle East have the potential to disrupt that.

Not all economies are built equally, and we have already seen divergence in economic performance. As you will read in the Investment Manager's Review on pages 24 to 39 of the annual report, the portfolio managers are largely agnostic to where a stock happens to be listed. A large proportion of world class businesses derive their revenues from a diverse range of locations around the globe,

often unconnected with where their stock is listed. The managers also argue in their report that the 'macro' factors, which undoubtedly move markets (possibly dramatically) in the short term, ultimately have limited impact on the long-term outcomes for individual businesses and thus for stock market returns over the long term.

As ever this scenario provides a good hunting ground for stock pickers who can look past the immediate noise and focus on the long-term opportunities available from individual businesses, crafting a balanced portfolio of such opportunities.

Annual General Meeting

At our 2023 Annual General Meeting in March, it was a pleasure to introduce our now co-lead manager Julian Bishop to the audience. The event was well attended by shareholders, with an interesting range of questions and discussion. We look forward to welcoming shareholders once again this year to the AGM which is to be held at Trinity House, Trinity Square, Tower Hill, London, EC3N 4DH, at 12 noon on Monday 25 March 2024. Attending shareholders will receive a presentation from the portfolio managers before the formal business takes place. We would be delighted to meet with all those shareholders who are able to attend.

Shareholders can send any questions to be answered at the AGM by the board and manager care of the company secretary at investment-trusts@allianzgi.com or in writing to the registered office (further details are available on page 113 of the annual report) and we will publish questions and answers on the website after the meeting. We encourage all shareholders to exercise their votes in advance of the meeting by completing and returning the form of proxy.

Carolyn Dobson,
Chair
13 February 2024

Risk Management Policy

The board operates a risk management policy to ensure that the level of risk taken in pursuit of the board's objectives and in implementing its strategy are understood. The principal risks identified by the board are set out in the tables below together with the actions taken to mitigate these risks. The process by which the directors monitor risk is described in the Audit Committee Report on page 78 of the annual report and includes a review of a more detailed version of these tables, in the form of a risk matrix, at least twice yearly.

Risk Appetite

The directors assess the likelihood of occurrence and perceived impact of each risk after mitigating actions and consider the extent to which the resulting residual risk is acceptable, which is defined as the board's risk appetite. The results of this exercise are shown in the heat map on page 16 of the annual report. Risks are rated as 'red' when the risk is of concern and sufficient mitigation measures are not possible; 'amber' when the risk is of concern but sufficient measures are defined and have been or are being implemented; and 'green' when the risk is acceptable and no additional measures are needed.

Principal Risks identified	Controls and mitigation	Risk Appetite
<p>1.1 Market volatility Significant market movements may adversely impact the investments held by the company increasing the risk of loss or challenges to the investment strategy, reduction of dividends across the market affecting the portfolio yield and the ability to pay in line with dividend policy.</p> <p>Macroeconomic factors could also cause significant market falls, unexpected volatility, threat to income or increase in gearing.</p>	<p>The board meets with the portfolio managers and considers asset allocation, stock selection and levels of gearing on a regular basis and has set investment restrictions and guidelines that are monitored and reported on by AllianzGI. The board monitors yields and can modify investment parameters and consider a change to dividend policy.</p> <p>Macroeconomic factors and their causes may mean mitigation may not be possible for significant market movements caused by factors outside the board's control.</p>	Red
<p>1.2 Market liquidity and pricing Failure of investments.</p>	<p>The board receives reports from the manager on the stress testing of the portfolio at least twice each year and contact is made with the Chair and board if necessary between board meetings.</p>	Green
<p>1.3 Counterparty risk Non-delivery of stock by a counterparty.</p>	<p>The manager operates on a delivery versus payment system, reducing the risk of counterparty default.</p>	Green
<p>1.4 Currency Exposure to significant exchange rate volatility could affect the performance of the investment portfolio.</p>	<p>Currency movements are monitored closely and are reported to the board.</p>	Green
<p>2.1 Investment Strategy An inappropriate investment strategy e.g., asset allocation or the level of gearing may lead to underperformance against the company's benchmark index and peer group companies, resulting in the company's shares trading on a wider discount.</p>	<p>The board manages these risks by diversification of investments through its investment restrictions and guidelines which are monitored and on which the board receives reports at every meeting. The board monitors the implementation and results of the investment process with the investment managers, who attend all board meetings, and reviews data which shows risk factors and how</p>	Green

	they affect the portfolio. The manager employs the company's gearing tactically within a strategic range set by the board. The board also meets annually specifically to discuss strategy, including investment strategy.	
<p>2.2 Shareholder relations The investment objectives, or views on decisions such as gearing, discount management, dividend policy, of existing shareholders may not coincide with those of the board leading investors to sell their shares.</p>	Reports on shareholder sentiment are received from the manager and brokers and reviewed by the board. Shareholders are actively encouraged to make their views known.	Green
<p>2.3 Investment performance Persistent poor performance against benchmark or peers leads to decline in attractiveness of the company to investors.</p>	The investment manager attends all board meetings to discuss performance with the directors. The board manages these risks by giving investment guidelines which are monitored at each meeting. The board reviews the investment performance of the company against the benchmark and peer group.	Amber
<p>2.4 Financial Range of risks including incorrect calculation of NAV, inaccurate revenue forecasts, incorrectly calculated management fees, issues with title to investment holdings.</p>	A rolling income forecast (including special dividends), balance sheet and expenses are reviewed at every board meeting. Reporting from the custodian covering internal controls in place over custody of investments and over appointment and monitoring of sub-custodians is produced and reviewed at least annually. The board's investment restrictions are input in trading systems to impose a pre-trade check.	Green
<p>2.5 Liquidity and gearing Insufficient income generated by the portfolio and due to stock market falls, gearing increases to levels unacceptable to shareholders and the market which in extreme circumstances results in a breach of loan covenants.</p>	The board meets with the portfolio managers and considers asset allocation, stock selection and levels of gearing on a regular basis. Investment restrictions and guidelines are monitored and reported on by AllianzGI. Regular compliance information is prepared on covenant requirements.	Green
<p>2.6 Market demand The level of discount of the share price to the NAV moves to unacceptable levels, threatening confidence in the company's shares.</p>	The board regularly reviews the level of premium and discount and existing shares can be bought back by the company when the board considers this expedient.	Green
<p>3.1 Organisation set up and process Failure in the operational set up of the company, through people, processes, systems or external events could result in financial loss to the company or its inability to operate.</p>	The manager and the other key service providers report on business continuity plans and the resilience of their response to extreme situations. Third party internal controls reports are also received from these service providers.	Green
<p>3.2 Outsourcing and third party Risk of inadequate procedures for the identification, evaluation and management of risks at outsourced providers including AllianzGI and its outsourced administration provider, State Street Bank & Trust Company, HSBC Bank plc (Depositary and Custodian) and Link Group (Registrar).</p>	AllianzGI carries out regular monitoring of outsourced administration functions, which includes compliance visits and risk reviews where necessary. Results of these reviews are monitored by the board. And since the pandemic the board has been obtaining additional assurances on business resilience and cyber security. Agreed Service Level Agreements (SLAs) and Key Performance Indicators (KPIs) are in place and the board	Amber

	receives reports against these.	
3.3 Regulatory Failure to be aware of or comply with legal, accounting and regulatory requirements which could result in censure, financial penalty or loss of investment company status.	The board maintains close relations with its advisers and makes preparations for mitigation of these risks as and when they are known or can be anticipated.	Green
3.4 Corporate governance Weak adherence to best practice in corporate governance can result in shareholder discontent and potential reputational damage to the company.	The board is highly experienced and knowledgeable about corporate governance best practice and includes directors who are board members of other UK plcs and other investment companies. The board takes regular advice on best practice.	Green
3.5 Key person Departure of the portfolio manager, certain professional individuals, and/or board members, may impact the management of the portfolio, the achievement of the company's investment objective and/or disruption to its operations.	Manager and board succession plans are in place. Cover is available for core members of the relevant teams of the manager, and work can be carried out by other team members should the need arise.	Green
3.6 Financial crime, fraud and cyber security and AI That the company and the manager's firm, its employees, or clients are subject to financial crime or breach elements of the Bribery Act. Risk of increased cyber attacks. Risk from traditional and generative Artificial Intelligence (AI) in respect of malicious AI, its rapid growth and the lack of regulation.	AllianzGI has anti-fraud, anti-bribery policies and robust procedures in place. The board is alert to the risks of financial crime and threat of cyber attacks and reviews how third party service providers handle these threats. These reports confirm that all systems are secure and are updated in response to any new threats as they arise. The board asks for and receives assurance from key suppliers on information security and AI developments and threats.	Green
3.7 Reputational Association with poor governance in portfolio companies and operational issues in service providers which can affect the reputation of the company.	The portfolio management team is in constant interaction with AllianzGI's Environmental, Social and Governance (ESG) and Stewardship function and actively engages with investee companies on ESG issues and makes investments incorporating ESG factors in the decision process. Service providers are monitored and the manager provides oversight.	Green
4.0 Emerging Geopolitical uncertainties, including the Israel - Gaza war, the supply chain issues in the Red Sea, the ongoing invasion of Ukraine by Russian armed forces and tension between the US and China, any of which could cause significant market falls, threat to income or increase in gearing. Impact of AI on the investment portfolio.	The board carries out horizon scanning by keeping informed through its manager and advisers on the political, economic and legal landscape, and reviews updates received on regulatory changes that affect the company. The board has asked the manager to report on its own careful consideration of AI developments and threats within its own organisation and in its oversight of investments. The board maintains close relations with its	Red

	advisers (auditors, lawyers and manager) and will make preparations for mitigation of emerging risks as and when they are known or can be anticipated.	
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Going Concern

The directors have considered the company's investment objective and capital structure both in general terms and in the context of the current macroeconomic background. Having noted that the portfolio, which is constructed by the portfolio manager on a bottom up basis, consists mainly of securities which are readily realisable, the directors have also continued to consider the risks and consequences of such external factors on the operational aspects of the company and have concluded that the company has the ability to continue in operation and meet its objectives in the foreseeable future. For this reason the directors continue to adopt the going concern basis in preparing the financial statements.

The company held some short term debt as a current liability as at 30 November 2023, in the form of a Revolving Credit Facility (RCF), which is renewable within one year. While the company is in a net current liability position as at 30 November 2023, if an obligation arose investments could be sold to raise cash.

Viability Statement

Brunner is an investment company and has operated as an investment vehicle since 1927 with the aim of offering a return to investors over the long term. The directors have formally assessed the prospects of the company for a period of longer than a year. The directors believe that five years is the suitable outlook period for this review as there is a realistic prospect that the company will continue to be viable whilst seeking to achieve its aim to provide growth in capital value and dividends over the long term. This reflects the longevity of the company and the expectation that investors will want to hold on to their shares for some time. The board also notes that as a high conviction investor, the portfolio manager has a five year view on stocks in the portfolio.

The board has assessed the long-term viability of the company against the principal risks faced by the company, outlined in the reporting under Risk Management Policy on page 16 of the annual report. Many of these matters are subject to ongoing review and the final assessment, to enable this statement to be made, has been formally reviewed by the board.

The factors considered at each board meeting are:

- The company's investment strategy and the long-term performance of the company, together with the board's view that it can continue to provide attractive returns to investors;
- As an investment company Brunner is able to put aside revenue reserves in years of good income to cover a smooth payment of growing dividends in years when there are challenges to portfolio revenues;
- The financial position of the company, including the impact of foreseeable market movements on future earnings and cash flows. The board monitors the financial position in detail at each board meeting and at least twice each year it stress-tests the portfolio against significant market falls;
- In the current environment the board is reviewing earnings prospects, gearing and debt covenants on a continuous basis with the managers; and
- The liquidity of the portfolio, and the company's ability to pay dividends and to meet the budgeted expenses, including interest payments, of running the company.

Based on the results of this assessment, the directors have a reasonable expectation that the company will be able to continue in operation and meet its liabilities as they fall due over the five year period of their review.

The future

As we show in our page on the history of the trust on the inside cover of the annual report, the longevity of the trust and its importance to our investors continues to be a focus. The future attractiveness of Brunner as an investment proposition with relevance to a wide variety of investors is something we debate and evaluate continuously. We have to consider the investment environment and wider economic considerations, such as increasing inflationary pressures, and take soundings on the prospects for our markets, the return on assets, economic growth and numerous other factors.

Taking all this into account the board continues to believe that there is a place for Brunner in the range of options available to the investor and that the company remains viable for the five year period here under review.

The Strategy for the future

The development of the company is dependent on the success of the company's investment strategy against the economic environment and market developments. I give my view in the Chair's Statement on page 5 of the annual report and the portfolio managers discuss their view of the outlook for the company's portfolio in their review on page 33 of the annual report.

On behalf of the board

Carolan Dobson
Chair
13 February 2024

Statement of Directors' Responsibilities in respect of the financial statements

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law).

Under company law directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements and the Directors' Remuneration Report comply with the Companies Act 2006.

The directors are responsible for the maintenance and integrity of the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors' confirmations

Each of the directors, whose names and functions are listed in Directors, Managers and Advisers on pages 60 to 62 of the annual report, confirm that, to the best of their knowledge:

- the company financial statements, which have been prepared in accordance with United Kingdom Accounting Standards, comprising FRS 102, give a true and fair view of the assets, liabilities, financial position and profit of the company; and
- the Strategic Report includes 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.

In the case of each director in office at the date the directors' report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

THE BRUNNER INVESTMENT TRUST PLC
Final Results for the year ended 30 November 2023

This responsibility statement was approved by the board of directors on 13 February 2024 and signed on its behalf by:

Carolan Dobson
Chair

PORTFOLIO BREAKDOWN as at 30 November 2023

Region	% of Invested Funds
North America	44.29
Continental Europe	26.15
United Kingdom	25.09
Pacific Basin	2.41
Japan	2.06
Total	100.00

TOP 20 HOLDINGS as at 30 November 2023

Name	Value (£)	% of Invested Funds	Sector
Microsoft	37,146,255	6.7	Software & Computer Services
United Health	24,464,485	4.4	Health Care Providers
Visa	21,878,979	4.0	Industrial Support Services
Microchip Technology	15,995,821	2.9	Technology Hardware & Equipment
Shell	15,130,484	2.7	Oil, Gas & Coal
Schneider Electric	14,306,587	2.6	Electronic & Electrical Equipment
Partners Group	14,200,035	2.6	Investment Banking & Brokerage
Thermo Fisher Scientific	14,166,513	2.6	Medical Equipment & Services
Charles Schwab	13,891,300	2.5	Investment Banking & Brokerage
Arthur J. Gallagher & Co.	13,204,751	2.4	Non-Life Insurance
Taiwan Semiconductor	13,059,369	2.4	Technology Hardware & Equipment
TotalEnergies	12,876,533	2.3	Oil, Gas & Coal
Munich Re	12,500,544	2.3	Non-Life Insurance
AMETEK	12,138,291	2.2	Electronic & Electrical Equipment
Intercontinental Hotels	12,026,666	2.2	Travel & Leisure
Itochu	11,411,833	2.1	General Industrials
ASML Holding	11,295,883	2.0	Technology Hardware & Equipment
Accenture	11,186,407	2.0	Industrial Support Services
DNB Bank	10,710,122	1.9	Banks
Atlas Copco	10,399,381	1.9	Industrial Engineering
	301,990,239	54.6	% of Total Invested Funds

INCOME STATEMENT

for the year ended 30 November 2023

	Revenue £	2023 Capital £	Total Return £ (Note C)
Gains (losses) on investments held at fair value through profit or loss	-	32,247,788	32,247,788
Losses on foreign currencies	-	(294,696)	(294,696)
Income	14,426,006	-	14,426,006
Investment management fee	(716,931)	(1,672,839)	(2,389,770)
Administration expenses	(855,035)	(1,887)	(856,922)
Profit before finance costs and taxation	12,854,040	30,278,366	43,132,406
Finance costs: interest payable and similar charges	(407,927)	(898,583)	(1,306,510)
Profit on ordinary activities before taxation	12,446,113	29,379,783	41,825,896
Taxation	(1,195,066)	-	(1,195,066)
Profit after taxation attributable to ordinary shareholders	11,251,047	29,379,783	40,630,830
Earnings per ordinary share (basic and diluted) (Note B)	26.35p	68.82p	95.17p

BALANCE SHEET as at 30 November 2023

	2023 £
Fixed assets	
Investments held at fair value through profit or loss	553,377,318
Current assets	
Other receivables	1,661,906
Cash at bank and in hand	9,864,904
	11,526,810
Current liabilities	
Other payables	(11,593,648)
Net current liabilities	(66,838)
Total assets less current liabilities	553,310,480
Creditors - amounts falling due after more than one year	(25,100,721)
Total net assets	528,209,759
Capital and reserves	
Called up share capital	10,673,181
Capital redemption reserve	5,326,819
Capital reserve	494,630,516
Revenue reserve	17,579,243
Total shareholders' funds	528,209,759
Net asset value per ordinary share	1,237.2p

INCOME STATEMENT

for the year ended 30 November 2022

	Revenue £	2022 Capital £	Total Return £ (Note C)
Losses on investments held at fair value through profit or loss	-	(3,737,462)	(3,737,462)
Losses on foreign currencies	-	(50,522)	(50,522)
Income	12,622,989	-	12,622,989
Investment management fee	(688,660)	(1,606,874)	(2,295,534)
Administration expenses	(789,354)	(1,975)	(791,329)
Profit (loss) before finance costs and taxation	11,144,975	(5,396,833)	5,748,142
Finance costs: interest payable and similar charges	(303,980)	(654,611)	(958,591)
Profit (loss) on ordinary activities before taxation	10,840,995	(6,051,444)	4,789,551
Taxation	(1,167,023)	-	(1,167,023)
Profit (loss) after taxation attributable to ordinary shareholders	9,673,972	(6,051,444)	3,622,528
Earnings per ordinary share (basic and diluted) (Note B)	22.66p	(14.17p)	8.49p

BALANCE SHEET as at 30 November 2022

	2022 £
Fixed assets	
Investments held at fair value through profit or loss	522,829,082
Current assets	
Other receivables	2,747,156
Cash at bank and in hand	7,918,710
	<u>10,665,866</u>
Current liabilities	
Other payables	(11,306,871)
	<u>(641,005)</u>
Net current liabilities	
	<u>522,188,077</u>
Total assets less current liabilities	
Creditors - amounts falling due after more than one year	(25,091,114)
Total net assets	<u>497,096,963</u>
Capital and reserves	
Called up share capital	10,673,181
Capital redemption reserve	5,326,819
Capital reserve	465,250,733
Revenue reserve	15,846,230
Total shareholders' funds	<u>497,096,963</u>
Net asset value per ordinary share	1,164.4p

STATEMENT OF CHANGES IN EQUITY

For the year ended 30 November 2023

	Called up Share Capital £	Capital Redemption Reserve £	Capital Reserve £	Revenue Reserve £	Total £
Net assets at 1 December 2021	10,673,181	5,326,819	471,302,177	15,150,107	502,452,284
Revenue profit	-	-	-	9,673,972	9,673,972
Dividends on ordinary shares	-	-	-	(8,986,818)	(8,986,818)
Unclaimed dividends	-	-	-	8,969	8,969
Capital loss	-	-	(6,051,444)	-	(6,051,444)
Net assets at 30 November 2022	10,673,181	5,326,819	465,250,733	15,846,230	497,096,963
Net assets at 1 December 2022	10,673,181	5,326,819	465,250,733	15,846,230	497,096,963
Revenue profit	-	-	-	11,251,047	11,251,047
Dividends on ordinary shares	-	-	-	(9,520,477)	(9,520,477)
Unclaimed dividends	-	-	-	2,443	2,443
Capital profit	-	-	29,379,783	-	29,379,783
Net assets at 30 November 2023	10,673,181	5,326,819	494,630,516	17,579,243	528,209,759

CASH FLOW STATEMENT

For the year ended 30 November 2023

	2023 £	2022 £
Operating activities		
Profit before finance costs and taxation*	43,132,406	5,748,142
(Less) add: (gains) losses on investments held at fair value through profit or loss	(32,247,788)	3,737,462
Less: Overseas tax suffered	(1,195,066)	(1,167,023)
Add: Losses on foreign currency	294,696	50,522
Purchase of fixed asset investments held at fair value through profit or loss	(115,960,271)	(79,629,586)
Sales of fixed asset investments held at fair value through profit or loss	118,633,336	85,530,947
Decrease (increase) in other receivables	111,737	(72,588)
Increase (decrease) in other payables	142,596	(93,914)
Net cash inflow from operating activities	12,911,646	14,103,962
Financing activities		
Interest paid and similar charges	(1,130,222)	(829,048)
Dividend paid on cumulative preference stock	(22,500)	(22,500)
Dividends paid on ordinary shares	(9,520,477)	(8,986,818)
Unclaimed dividends over 12 years	2,443	8,969
Net cash outflow from financing activities	(10,670,756)	(9,829,397)
Increase in cash and cash equivalents	2,240,890	4,274,565
Cash and cash equivalents at the start of the year	7,918,710	3,694,667
Effect of foreign exchange rates	(294,696)	(50,522)
Cash and cash equivalents at the end of the year	9,864,904	7,918,710
Comprising:		
Cash at bank	9,864,904	7,918,710

* Cash inflow from dividends was £12,717,117 (2022 - £11,034,636) and cash inflow from interest was £196,203 (2022 - £12,814).

NOTES

Note A

The financial statements have been prepared under the historical cost convention, except for the revaluation of financial instruments held at fair value through profit or loss and in accordance with applicable United Kingdom law and UK Accounting Standards (UK GAAP), including Financial Reporting Standard 102 – the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the requirements of the Companies Act 2006 and in line with the Statement of Recommended Practice “Financial Statements of Investment Trust Companies and Venture Capital Trusts” issued by the Association of Investment Companies (AIC SORP) in July 2022.

Note B

The earnings per ordinary share is based on a weighted number of shares 42,692,727 (2022 - 42,692,727) ordinary shares in issue.

Note C

The total return column of this statement is the profit and loss account of the company.

The supplementary revenue return and capital return columns are both prepared under the guidance published by the Association of Investment Companies.

All revenue and capital items in the Income Statement derive from continuing operations. No operations were acquired or discontinued in the year.

Profit after taxation attributable to ordinary shareholders disclosed in the Income Statement represents the company’s total comprehensive income.

Transaction costs and stamp duty on purchases amounted to £231,783 (2022 - £187,149) and transaction costs on sales amounted to £38,689 (2022 - £18,885).

Note D

Investments – As the company’s business is investing in financial assets with a view to profiting from their total return in the form of increases in fair value, financial assets are held at fair value through profit or loss in accordance with FRS 102 Section 11: ‘Basic Financial Instruments’ and Section 12: ‘Other Financial Instruments’. The company manages and evaluates the performance of these investments on a fair value basis in accordance with its investment strategy, and information about investments is provided on this basis to the board.

Note E

Dividends on Ordinary Shares

	2023	2022
	£	£
Dividends paid on ordinary shares:		
Third interim dividend - 5.15p paid 12 December 2022 (2021 - 4.70p)	2,198,675	2,006,558
Final dividend - 6.05p paid 4 April 2023 (2022 - 6.05p)	2,582,910	2,582,910
First interim dividend - 5.55p paid 25 July 2023 (2022 - 5.15p)	2,369,446	2,198,675
Second interim dividend - 5.55p paid 15 September 2023 (2022 - 5.15p)	2,369,446	2,198,675
	9,520,477	8,986,818

Dividends payable at the year end are not recognised as a liability under FRS 102 Section 32 'Events After the End of the Reporting Period' (see page 90 of the annual report - Statement of Accounting Policies). Details of these dividends are set out below.

	2023	2022
	£	£
Third interim dividend - 5.55p paid 12 December 2023 (2022 - 5.15p)	2,369,446	2,198,675
Final proposed dividend - 6.05p payable 4 April 2024 (2023 - 6.05p)	2,582,910	2,582,910
	4,952,356	4,781,585

The proposed final dividend accrued is based on the number of shares in issue at the year end. However, the dividend payable will be based on the numbers of shares in issue on the record date and will reflect any changes in the share capital between the year end and the record date.

All dividends disclosed in the tables above have been paid or are payable from the revenue reserves.

Note F

The financial information for the year ended 30 November 2023 has been extracted from the statutory accounts for that year. The auditor's report on those accounts was unqualified and did not contain a statement under either section 498(2) or (3) of the Companies Act 2006. The annual financial report has not yet been delivered to the registrar of companies.

The financial information for the year ended 30 November 2022 has been extracted from the statutory accounts for that year which have been delivered to the registrar of companies. The auditor's report on those accounts was unqualified and did not contain a statement under either section 498(2) or section 498(3) of the Companies Act 2006.

The full annual financial report will shortly be available to be viewed on or downloaded from the company's website at www.brunner.co.uk. Neither the contents of the company's website nor the contents of any website accessible from hyperlinks on the company's website (or any other website) is incorporated into, or forms part of this announcement.