



London Finance & Investment Group PLC



Annual Report and Financial Statements

30 June 2024

LONDON FINANCE & INVESTMENT GROUP PLC
("Lonfin" or the "Company")

Lonfin is a United Kingdom investment finance and management company. Its core portfolio centres on quality companies in the FTSE Eurofirst 300 and S&P 500 indices. Additionally, Lonfin has held investments in United Kingdom listed companies where it has Directors in common.

Lonfin's shares are quoted in the official lists of the London and Johannesburg stock exchanges. The current price of the Company's shares can be found on the website of the London Stock Exchange (www.londonstockexchange.com) and in the business section of some of the major South African newspapers.

CITY GROUP PLC
("City Group")

City Group, which is owned by Lonfin, provides office accommodation, company secretarial, finance and head office services to Lonfin and other clients requiring a London presence, including companies in which Lonfin has an investment.

The Company and its subsidiaries, all of which are incorporated in England, have their principal place of business and their registered office at Suite 1.01, Central Court, 25 Southampton Buildings, London WC2A 1AL.

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London Finance & Investment Group PLC _____

Directors

W.H. MARSHALL, Chairman ♦

Warwick Marshall joined the Board in January 2019. Warwick is a son of David Marshall, who was the Company's Chairman until his retirement on 29 February 2024. On that date, Warwick was appointed as Chairman. Warwick established the trading division of the Monteagle Group in 1993 initially trading in retailer branded fast moving consumer goods, and then later diversifying into metals, minerals, logistics and trade finance. Warwick lives in Zug, Switzerland and he is a director of various other group operating companies and has extensive investment experience in his private capacity.

D.C. MARSHALL, Non-Executive Chairman (retired 29 February 2024)

E.J. BEALE, Non-Executive ♦

Edward Beale is a Chartered Accountant and is the Financial Director of Marshall Monteagle PLC. He was a member of the Accounting Council of the Financial Reporting Council for 6 years until August 2013. He is currently a member, and previously was chairman, of the Corporate Governance Expert Group of the Quoted Companies Alliance. He is a non-executive director of Western, Heartstone Inns Limited and Industrial & Commercial Holdings PLC. He joined the Board in April 2016.

J.H. MAXWELL, CA, CCMI, Senior Independent Non-Executive * □ •

John Maxwell, who is a Chartered Accountant, was appointed a Director of the Company in November 2003. He currently serves as Chief Executive Officer of Vulcan Industries Plc and as a non-executive director of The Grosvenor Waterside Residents Company Limited. John is Chairman of the Remuneration and Nomination Committees.

F.W.A. LUCAS, BSc, PhD, Independent Non-Executive * □ •

Frank Lucas was appointed a Director in August 1999. He is a mining geologist by profession and one of the founding shareholders and a Director of Loeb Aron & Company Ltd. Frank is Chairman of the Audit Committee.

* Member of the Audit Committee

♦ Member of the Investment Committee

□ Member of the Nomination Committee

• Member of the Remuneration Committee

Corporate Contacts

	United Kingdom	Republic of South Africa
Company Secretary	City Group PLC	
Registered Office	Suite 1.01, Central Court 25 Southampton Buildings London, WC2A 1AL United Kingdom Tel: + 44 (0) 20 3709 8740	11 Sunbury Park La Lucia Ridge Office Estate La Lucia 4051 Durban, South Africa Tel: +27 (0)31 566 7600
Company Registered Number	201151	
Website	www.city-group.com/london-finance-investment-group-plc	
Registrars	Neville Registrars Limited Neville House Steelpark Road Halesowen West Midlands B62 8HD Tel: +44 (0)121 585 1131	Computershare Investor Services (Pty.) Limited 70 Marshall Street Johannesburg, 2001, South Africa (P.O. Box 61051, Marshalltown 2107) Tel: +27 11 370 5000
Sponsor		<i>JSE Limited Sponsor:</i> Questco Corporate Advisory Ground Floor, Block C, Investment Place, 10th Road, Hyde Park, 2196 Johannesburg, South Africa Tel: +27 11 011 9212
Independent Auditor	PKF Littlejohn LLP Statutory Auditor 15 Westferry Circus Canary Wharf London E14 4HD	

London Finance & Investment Group PLC

Summary of Net Assets

At 30 June

	2024 £000	2023 £000
Strategic Investments at fair value:		
Western Selection Ltd	37	3,144
	<u>37</u>	<u>3,144</u>
General Equity Portfolio at fair value	14,032	15,496
Tangible non-current assets	3	3
Right of use asset	-	16
Cash, bank balances and deposits	9,460	1,264
Other net current liabilities	(621)	(238)
Lease liabilities	-	(33)
Deferred taxation	(568)	(1,012)
Non-Controlling interests	-	(157)
	<u>22,343</u>	<u>18,483</u>
Net assets attributable to shareholders, including investments at fair value		
	<u>22,343</u>	<u>18,483</u>
Net assets per share	71.6p	59.2p
Dividends*		
Interim	0.60p	0.55p
Proposed Final	0.60p	0.60p
Mid-market price on 30 June	62.5p	38.5p

*Information on Dividends is set out in note 8

Financial Calendar

Announcement of Final Results for the year ended 30 June 2024	26 September 2024
Annual General Meeting	28 November 2024
Final Dividend for 2024	Payable on 18 December 2024 to shareholders on the register of members at 6 December 2024
Half year results to 31 December 2024	to be announced in February 2025
Interim Dividend for 2024	to be announced in February 2025

Strategic Report

Strategy, Business Model and Investment Policy

Lonfin is an investment company whose objective is to generate growth in shareholder value in real terms over the medium to long term whilst maintaining a progressive dividend policy.

The Group's investment policy is to invest, in a range of 'Strategic', 'General Portfolio' and from time to time 'Other Investments'. 'Other Investments' are typically property and other physical assets. Strategic Investments are significant investments in smaller UK quoted companies. These are balanced by the General Portfolio, which consists of a broad range of investments in major USA, UK and other European companies which provides a diversified exposure to international equity markets.

Further information on the Group's Investment Policy can be found in the Directors' Report on page 43. The Group's net assets for 2024 have increased from £18,640,000 for the previous year (restated) to £22,343,000 and have increased 41.5% over the last five years. Shareholders' total dividends for 2024 will be 1.2p per share. Information on the Group's performance against the Board's key performance indicators (KPIs) is set out on page 8 of this report.

Results

- * Net assets per share have increased to 71.6p (2023 – 59.2p per share)
- * The restructuring of Western Selection, which is our only Strategic investment, resulted in a return of capital of £6,291,000 and a decrease in value of the Strategic Investments, from £3,144,000 to £36,858.
- * The value of the General Portfolio has decreased, including investment purchases and sales, over the year, by 9.4% from £15,496,000 to £14,032,000.
- * The unrealised fair value adjustment to the General Portfolio investments over the period has decreased by £1,925,000.
- * The decrease in Group operating costs is mainly a result of lower office costs
- * A final dividend of 0.60p per share is recommended, making a total of 1.2p per share for the year (2023 – 1.15p)

The Company and its subsidiaries (the "Group") recorded an operating profit for the year, before interest, tax, profit on bargain purchase and changes to the fair value adjustments of investments of £3,830,000, compared to operating profit for the previous year, before tax and changes to the fair value adjustments of investments, of £762,000. Basic and headline earnings per share are 13.6p (2023 restated – 5.7p).

Strategic Report (continued)

Western Selection Ltd (“Western”)

The Company’s remaining strategic investment has decided to cease operations and return capital to shareholders. As a consequence, in February 2024, we received £6,291,000 and subsequent to the year-end a further £92,000. To assist in this process, in June 2024, the Company acquired Western’s shareholding in City Group for £50,000, bringing ownership up to 100%, and Western’s shareholding in Industrial & Commercial Holdings plc for £50,000. The shareholding in Industrial & Commercial Holdings plc was subsequently sold in August 2024 for £50,000.

At 30 June 2024, the Group held 45,786 ordinary shares, being 43.8% of the issued share capital of Western.

Following the year-end, Western shareholders approved a final return of capital and a capital reduction. As a result, Western’s issued share capital has reduced from 104,555 ordinary shares to one ordinary share which is held by the Company’s subsidiary, Lonfin Investments Limited. Steps will now be taken to wind up Western.

Western did not pay an interim dividend this year and does not propose a final dividend (2023 – Nil).

Western is a strategic investment which is technically a subsidiary of the Company that has not been consolidated due to the application of the investment entity exemption under IFRS 10. An error in the application of accounting standards has meant that in previous years changes in the value of the Company’s investment in Western were incorrectly recognised in Other Comprehensive Income when they should have been recognised in Profit and Loss. This has been corrected in these accounts and has no effect on shareholders’ funds. This correction increases prior year profit by £393,000 and prior year earnings per share by 1.3p.

Warwick Marshall is the non-executive Chairman and Edward Beale is a non-executive director of Western.

General Portfolio

The investments comprising the General Portfolio at 30 June 2024 are listed on page 11.

The portfolio is diverse with material interests in Food and Beverages, Natural Resources and Chemicals. We believe that the portfolio of quality companies we hold has the potential to outperform the market in the medium to long-term.

At 30 June 2024, the number of holdings in the General Portfolio was 31 (2023 – 37). The value of the General Portfolio over the year has decreased by £1,464,000 (2023 - increased by £1,441,000) from £15,496,000 to £14,032,000. This 9.4% decrease includes investment purchases during the year of £6,512,000 and investment sales (including selling expenses) during the same period of £8,891,000.

As at 30 June 2024, the fair value of the General Portfolio investments, after adjusting for sales, has decreased by 44.3%.

Directors, Operations and Employees

On 1 March 2024, it was announced that Mr. David Marshall had stepped down from his role as Chairman and retired from the Board.

David Marshall has been with the Company since 1971 and the Board wishes to express its profound gratitude to David for his contribution to and his stewardship of the Company throughout this period.

On 1 March 2024, it was also announced that Mr Warwick Marshall had been appointed as the new Chairman of the Company with effect from 29 February 2024.

All of the Group's operations, with the exception of investment selection, are outsourced to our subsidiary, City Group PLC ("City Group"). City Group also provides office accommodation, company secretarial, finance and head office services to a number of other companies. City Group is responsible for the initial identification and appraisal of potential new strategic investments for the Company and the day-to-day monitoring of existing strategic investments and employs 5 people.

Further information on Directors and employees is set out in the Directors' Report on page 48 of this document.

Greenhouse Gas Emissions

Scope 2 emissions. During the year ended 30 June 2024, the Group's electricity consumption for its leased office premises in London (July to August last year) and the Group's electricity and gas consumption for our serviced office premises in London (from 1 September last year) totalled 1,789 KgCO₂e equating to a carbon dioxide equivalent of 1.8 tonnes (1.8 tCO₂e) (2023: 1,167 KgCO₂e equating to a carbon dioxide equivalent of 1.1 tonnes (1.1 tCO₂e) The Company's report on Task Force on climate-related financial disclosures is set out on page 66 of this document.

Dividend Declaration

The Board recommends a final dividend of 0.60p (ZAR 13.92988 cents) per share, making a total of 1.2p (ZAR 27.85976 cents) per ordinary share for the year (2023 – 1.15p). Subject to shareholders' approval at the Company's Annual General Meeting ("AGM") to be held on 28 November 2024, the dividend will be paid on Wednesday, 18 December 2024 to those shareholders on the register at the close of business on Friday, 6 December 2024. Shareholders on the South African register will receive their dividend in South African Rand converted from Pounds Sterling ("Sterling") at the closing rate of exchange on Thursday, 19 September 2024 being GBP1= ZAR 23.21646.

JSE Disclosure Requirements

In respect of the normal gross cash dividend, and in terms of the South African Tax Act, the following dividend tax ruling only applies to those shareholders who are registered on the South African register on Friday, 6 December 2024.

- The number of shares in issue as at the dividend declaration date is 31,207,479;
- The dividend has been declared from income reserves. Funds are sourced from the Company's main bank account in London and is regarded as a foreign dividend by South African shareholders; and
- The Company's UK Income Tax reference number is 948/L32120.

Dividend dates:

Last date to trade (SA)	Tuesday, 3 December 2024
Shares trade ex-dividend (SA)	Wednesday, 4 December 2024
Shares trade ex-dividend (UK)	Thursday, 5 December 2024
Record date (UK and SA)	Friday, 6 December 2024
Pay date	Wednesday, 18 December 2024

Strategic Report (continued)

Share certificates may not be de-materialised or re-materialised between Wednesday, 4 December 2024 and Friday, 6 December 2024, both days inclusive. Shares may not be transferred between the registers in London and South Africa during this period either.

The JSE Listings Requirements require disclosure of additional information in relation to any dividend payments.

Shareholders registered on the South African register are advised that a dividend withholding tax will be withheld from the gross final dividend amount of ZAR 13.92988 cents per share at a rate of 20% unless a shareholder qualifies for an exemption; shareholders registered on the South African register who do not qualify for an exemption will therefore receive a net dividend of ZAR 11.14390 cents per share. The dividend withholding tax and the information contained in this paragraph is only of direct application to shareholders registered on the South African register, who should direct any questions about the application of the dividend withholding tax to Computershare Investor Services Proprietary Limited, Tel: +27 11 370 5000.

Financial Instruments, Principal Risks and Uncertainties

The financial instruments of the Group, in addition to its investments, comprise cash to finance those investments. The Company also has an overdraft facility with its new banking provider, Credit-Suisse. The interest rate on any funds drawn down is floating interest and for the current reporting period ranges between 4.5% and 5.55%. The Group currently has no borrowings under this facility.

As an investment company, our principal risks and uncertainties which arise from the Group's financial instruments are:

Stock market volatility, economic uncertainty, including inflation and energy concerns

The Group's investment performance will be affected by general economic and market conditions. Although the Group cannot predict the level of growth in the global economy, as with most businesses, it believes a period of weak market growth will have an adverse effect on its investments. Volatility relating to the Group's investments, including movements in interest rates and returns from equity and other investments will impact upon the value of the Group's investment portfolio.

The risk has been increased by global energy supply and food shortage concerns and the rising cost of living and inflation. These factors diminish investor confidence as well as increasing market uncertainty which can lead to a downturn in the markets. There have been large fluctuations on the stock markets in both the United Kingdom and globally, although stock market indices have recovered substantially since their lows in March 2023. The long-term effect continues to be on maintaining dividend policies and on increased market volatility.

Investments and General Portfolio investments

A number of external factors outside the control of the Group, such as the continuing war in Ukraine, the energy supply and food shortage concerns and rising inflation, may impact the share price performance of its investments. Such factors could include investor sentiment, local and international stock market conditions, divergence of results from analysts' expectations, changes in earnings estimates by analysts and changes in political and economic sentiment. Exchange rate movements will contribute to the volatility of prices of foreign stocks.

Ability to make Strategic Investments

There are limited opportunities for the Group to make strategic investments and therefore there is no guarantee that the Group will be able to do so at a price the Directors believe will represent fair value.

The depth and overlap of experience of the Directors means that there is no key-man dependency. Note 20 on pages 39 to 41 sets out the policies of the Board, which have remained substantially unchanged for the year under review, for managing risks associated with its financial instruments.

In addition, the Group is exposed to investment risk arising from the selection of investments which it mitigates by drawing on the investment experience of its Directors.

Key Performance Indicators

Key Performance Indicators ('KPIs') are the yardsticks against which the Board measures the performance of the Group. Our objectives are real growth over the long term in dividends and net assets per share. Our performance on these KPIs is shown below. As an investment company, we have no relevant non-financial KPIs. In addition, the Board also compares the Group's total shareholder return (TSR) with the TSR of the FTSE Eurofirst 100 index. A graph setting out that performance is set out on page 61.

	2024	2023	2022	2021	2020
Net assets per share	71.6	59.2	54.8p	60.5p	50.6p
Change in net assets per share over 5 years	41.5%	1.2%	(16.2%)	(7.7%)	(17.6%)
Dividends (net) per share	1.20p	1.15p	1.15p	1.15p	1.15p

Definition of KPIs used above

Net assets per share - Net assets including investments at market value at the period end valuation divided by the number of shares in issue at the year-end.

Dividends per share - Dividends declared for the year divided by the number of shares in issue at the year-end.

Financing Structure

The Group is financed by equity funding. However, the Board believes that a reasonable level of gearing can enhance returns to shareholders. Accordingly, the Group has secured a bank credit facility with Credit-Suisse.

The Board currently has no plans to implement a share buy-back policy.

Although the Board has no intention of issuing further shares in the Company at this time, to provide Directors with flexibility over the management of the Company's capital, shareholders are being asked to approve resolutions at the forthcoming AGM which would permit the Company to issue new ordinary shares, details of which are explained in the Directors' Report on page 47. Similar resolutions have been approved by shareholders at the Company's previous AGMs.

S172 Statement

In line with their duties as set out in Section 172 of the Companies Act 2006, the Directors act in a way they consider would be most likely to promote the long-term success of the Group for the benefit of its members as a whole, whilst also having regard to the views and interests of wider stakeholders and matters as set out in Section 172 (1).

As an investment Group, the goal of the Group is to provide financial returns to the shareholders over the medium to long-term. In this respect the Directors, at all times, have due consideration as to the potential effect of investment decisions and the benefit they may bring to the shareholders.

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Strategic Report (continued)

Key investment decisions and matters that are of strategic importance to the Group are appropriately informed by Section 172 factors. The Company's website, www.city-group.com/london-finance-and-investment-group-plc, is available to all shareholders and other stakeholders and key decisions of the Board are announced to the London Stock Exchange through a Regulatory News Service.

Due to the nature of the Group, the Company does not have executives or employees to consider as stakeholders except in the case of the staff of City Group PLC, the Company Secretary. Accordingly, with regards to wider stakeholders, the Directors consider advisers and suppliers to be amongst the key stakeholders of the Group. In this respect, the Directors engage with these stakeholders on a frequent basis in order to build and strengthen such relationships. All stakeholders are encouraged to communicate with the Board through the Chairman or through City Group PLC.

The views of and impact upon the wider stakeholders of the Group are considered as part of the Board decision-making process including engaging with stakeholders to ensure they have a clear understanding of the long-term goals of the Group and how the Directors intend to achieve these goals.

The Directors are committed to upholding the highest standard of corporate governance within the Group and to ensure that they maintain a high level of knowledge and understanding of governance requirements to be implemented by the Group. The Directors have also implemented policies to ensure the integrity and sustainability of the Group is upheld.

The Directors' Report and Corporate Governance Statement contain further details as to how the Directors undertake their decisions with regard to Section 172 of the Companies Act 2006 and the effect on the decision making of the Board.

Outlook

Early in 2022, Russia invaded Ukraine and, at the date of this report, the war between Russia and Ukraine shows no sign of abating.

The staunch defence put up by the Ukrainians has been remarkable. Casualties are estimated by the United Kingdom's Ministry of Defence to total in the hundreds of thousands.

Extensive dis-investment by Western companies from Russia coupled to sanctions levied by many nations, including the United Kingdom, on Russia have led to economic dislocations worldwide and also significant derivative effects have been felt in the energy markets.

On 7 October 2023, the world saw horrific terrorist attacks by Hamas, the government of Gaza, on Israel. These attacks and those of Hezbollah, another Islamist militia in Lebanon, as well as those of the Houthis in Yemen on commercial shipping in the Red Sea and on Israel, has led to severely heightened global tensions. Iran has carried out combined mass ballistic missile, drone and rocket attacks on Israel and these have been, to date, repulsed by a coalition of countries including the United Kingdom.

The conflicts between Hamas, Hezbollah and the Houthis - all proxies of Iran - versus Israel shows no sign of abating either and there is no way of determining at this stage how potentially maximalist positions can be ameliorated downwards. It is hard to negotiate with terrorists no doubt and especially so when moral clarity is subjected to the fogs of war.

Chinese data also points to a diminution in the historical growth rates previously achieved and a polarised election campaign with no clear front runner in the world's only true superpower - the United States - adds political uncertainty to the global mix.

In this context, respected commentators the world over give a myriad of differing views on the effect these global issues have on equities, bonds and other investments.

Future Developments

The Group's development and its financial performance are dependent on the success of its Investment Strategy and the continued support of its shareholders. The cost of being a listed company continues to rise inexorably, and the Board is reviewing methods of achieving a step change in size in order that costs become more proportionate to the size of the business and/or to make savings wherever possible in the general and administrative costs burden. Audit costs have risen at rates that exceed inflation by a large quantum and so the frictional costs of merely being listed erode, to a degree, the advantages of common purpose in a listing – for the smaller company. The Board continues to seek out investments which will generate growth in shareholder value. Innovations in medicine especially in pharmacology continue to be made and can result in spectacular outperformances. Similar outperformances in some technology and software stocks are also increasingly in evidence and the global nature of these behemoth successful companies has also given them specific size advantages that further lead to productivity and synergistic effects of some magnitude. The Board continues to pursue its current Investment Policy and will advise shareholders of any proposed changes.

By Order of the Board

City Group PLC
Company Secretary

25 September 2024

London Finance & Investment Group PLC

Composition of General Portfolio At 30 June 2024

	£000	%
Shell	627	4.5
Exxon Mobil Corp	587	4.2
Chevron Corp USD 0.75	543	3.9
Aviva	519	3.7
Linde AG	517	3.7
BHP Group	516	3.7
Rio Tinto	511	3.6
Legal & General	510	3.6
Glencore PLC	503	3.6
Barclays	488	3.5
Coca-Cola	476	3.4
Bank of America	473	3.4
Deutsche Post	467	3.3
Totalenergies SE	465	3.3
BAE Systems Plc	455	3.2
Halliburton	448	3.2
Nutrien Ltd	437	3.1
Harbour	431	3.1
Microsoft	428	3.0
Heineken Holding	412	2.9
Mercedes-Benz Group	411	2.9
Diageo	408	2.9
LVMH Moet Hennessey	407	2.9
Nestle	404	2.9
Energiean	397	2.8
Unilever	397	2.8
Deere & Co	390	2.8
Kraft Heinz	389	2.8
Pernod Ricard	381	2.7
Fedex	343	2.5
Michelin	292	2.1
	14,032	100.0
Analysis by currency of market on which stock is traded		
US Dollar	5,033	35.9
Euro	2,582	18.4
GB Pound	4,618	32.9
Swiss Franc	1,283	9.1
AUS Dollar	516	3.7
	14,032	100

The Company's investment in overseas multinational companies provides some protection against significant falls in the value of Sterling.

Statement of Directors' Responsibilities in Respect of the Financial Statements

The Directors are responsible for preparing the Strategic Report, the Directors' Report, the Corporate Governance Statement, the Audit Committee Report, the Directors' Remuneration Report and the financial statements in accordance with applicable law and regulations.

Company law requires directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with UK-adopted International Accounting Standards. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Parent Company and of the profit or loss of the Group and Parent Company for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare financial statements in accordance with UK adopted International Accounting Standards in conformity with the requirements of the Companies Act 2006, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Parent Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and Parent Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Parent Company and enable them to ensure that the financial statements and the Directors' Remuneration Report comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. The Company does not have a website but information about the Company is available on the website of its subsidiary, City Group. Legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

Each of the Directors whose names and functions are listed on page 1 confirms that to the best of each person's knowledge and belief:

- The financial statements, prepared in accordance with UK-adopted International Accounting Standards, give a true and fair view of the assets, liabilities, financial position and profit/loss of the Group and the Parent Company.
- The Directors' Report contained in the Annual Report includes a fair review of the development and performance of the business and the position of the Group and the Parent Company, together with a description of the principal risks and uncertainties that they face, and
- The Annual Report, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's performance, business model and strategy.

By Order of the Board

25 September 2024

City Group PLC
Company Secretary

London Finance & Investment Group PLC _____

Independent Auditor's Report To The Members Of London Finance & Investment Group Plc

Opinion

We have audited the financial statements of London Finance & Investment Group PLC (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 June 2024 which comprise the Consolidated Statement of Total Comprehensive Income, the Consolidated and Company Statements of Financial Position, the Consolidated and Company Statements of Cash Flows, the Consolidated and Company Statements of Changes in Shareholders' Equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and UK-adopted international accounting standards and as regards the parent company financial statements, as applied in accordance with the provisions of the Companies Act 2006.

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 30 June 2024 and of the group's profit for the year then ended;
- the group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- the parent company financial statements have been properly prepared in accordance with UK-adopted international accounting standards and as applied in accordance with the provisions of the Companies Act 2006; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the director's use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the group's and parent company's ability to continue to adopt the going concern basis of accounting included:

- Reviewing management's assessment of going concern, evaluating, and challenging management's key assumptions and inputs in their consideration of the future financial performance and cash flow requirements; and
- Assessing factors available to management including their ability to generate cash from their investment portfolio, should that be required.

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

In relation to the entities reporting on how they have applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the directors' statement in the financial statements about whether the director's considered it appropriate to adopt the going concern basis of accounting.

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

Our application of materiality

We apply the concept of materiality both in planning and performing our audit, and in evaluating the effect of misstatements. For planning and fieldwork, we consider materiality to be the magnitude by which misstatements, including omissions, either individually or in aggregate, could reasonably be expected to influence the economic decisions of users that are taken on the basis of the financial statements. Misstatements below this level will not necessarily be evaluated as immaterial as we also take account of the nature of identified misstatements, and the particular circumstances of their occurrence, when evaluating their effect on the financial statements. The application of these key considerations gives rise to two levels of materiality, the quantum and purpose of which are tabulated below.

Materiality measure	Key considerations and benchmarks	Amount £
Group materiality – Based on 1.5 % of invested assets (2023: 1%) (the aggregate of non-current and current investments)	Assessing whether the financial statements as a whole present a true and fair view.	2024 Materiality: £213,000
	Materiality is based on the investment balance on the basis that this is the key driver of shareholder value.	2023 Materiality: £190,000
Parent company materiality: - Investment balances (based on 1% of investments balance) - Non-investment balances (based on 3.5% of turnover)	Under ISA (UK) 320 <i>‘Materiality in Planning and Performing an Audit’</i> , an auditor is required to consider whether there are one or more classes of transactions or account balances, for which misstatements of lesser amounts than materiality could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.	2024 <i>Investment balances</i> Materiality: £185,000 Performance Materiality: £148,000 Triviality: £9,000 <i>Non-investment balances</i> Materiality: £76,000 Performance Materiality: £60,000 Triviality: £3,000
	Materiality for investment balances is based on 1% of the year-end portfolio balance given that this is the most material balance on the balance sheet and the key driver of shareholder value as mentioned above for group materiality. Balances not related to investments have been assigned a lower materiality of 3.5% based on turnover due to the valuation of the general portfolio being significantly more material than non-investment related balances. There would be a risk that a large number of non-investment related balances would fall out of scope for testing if the materiality relating to investment balances was also applied to these. It is therefore considered appropriate to use revenue as the benchmark for determining materiality for balances not directly related to investments.	2023 <i>Investment balances</i> Materiality: £185,000 Performance Materiality: £148,400 Triviality: £9,250 <i>Non-investment balances</i> Materiality: £128,000 Performance Materiality: £102,400 Triviality: £6,400

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Performance materiality represents amounts set by the auditor at less than the overall materiality to reduce the probability that the aggregate of uncorrected and undetected misstatements exceeds the overall materiality. In setting this we consider the overall control environment and our experience from previous audits. Based on these factors we have set performance materiality for the group at 80% (2023: 80%) of our overall materiality at £170,000 (2023: £152,000). Performance materiality for the parent company was also set at 80% (2023: 80%).

We have applied lower materiality levels in the audit of the component entities i.e. the parent company, City Group PLC and Lonfin Investments Limited.

We agreed with the Audit Committee that we would report all audit differences in excess of 5% (2023: 5%) of overall materiality at £10,000 (2023: £9,500) as well as differences below that threshold that, in our view, warranted reporting on qualitative grounds.

We also report on disclosure matters that we identified when assessing the overall presentation and disclosure of the financial statements to the Audit Committee.

Our approach to the audit

Our audit approach was developed by obtaining an understanding of the group's and parent company's activities, the key functions undertaken on behalf of the Board by specialist outsourced service providers and the overall control environment. Based on this understanding, we assessed those aspects of the group and subsidiary companies' transactions and balances, which were most likely to give rise to a material misstatement and were most susceptible to irregularities including fraud or error. Specifically, we identified what we considered to be key audit matters and planned our audit approach accordingly.

The group and all its components were subject to a full scope audit undertaken from our office based in London by a team with relevant sector experience.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How our scope addressed this matter
Valuation of investments (Note 13)	
<p>The valuation of the portfolio at 30 June 2024 was £14,069,000 (2023: £18,640,000), comprising a general portfolio of listed investments and one strategic investment in Western Selection Ltd.</p> <p>The valuation of investments, which are held at fair value, was considered a key audit matter as investments are the single most significant component of the financial statements and the fair value movements thereon could have a pervasive impact on the financial statements.</p> <p>Furthermore, the general investments are in companies whose shares are quoted on recognised stock exchanges; thus, their bid prices are readily available.</p>	<p>Our audit procedures included:</p> <p>We considered the design and implementation of controls in place over the valuation of investments and also reviewed the assumptions and underlying evidence supporting the year end valuations to ensure that they were in line with IFRS 9, <i>Financial Instruments</i> and the International Private Equity and Venture Capital Valuation ("IPEV") Guidelines..</p> <p>We reviewed management's valuation reports prepared for all investments considering whether, in our professional judgement, the methodology is the most appropriate in the circumstances under the IPEV guidelines and, for 100% of the investments we:</p>

	<ul style="list-style-type: none"> • Reperformed the calculation of the investment valuation; • For the general portfolio, we verified the key inputs (bid price and stockholdings) to the valuation to independent information; • For the strategic investments, we assessed for impairment by reviewing the net asset value of these investments; • Tested 100% of the general investments balance using a valuation tool which provides a range of information and prices and real-time investment reports; and • Agreed the existence of investments against custodian reports. <p>Based on our audit procedures performed, the valuation of investments is reasonable.</p>
--	--

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the group and parent company financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion the part of the directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

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

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

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements and the part of the directors' remuneration report to be audited are not in agreement with the accounting records and returns; or

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- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Corporate governance statement

We have reviewed the directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the group's and parent company's compliance with the provisions of the UK Corporate Governance Code specified for our review by the Listing Rules.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements or our knowledge obtained during the audit:

- Directors' statement with regards the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on page 44;
- Directors' explanation as to their assessment of the group's prospects, the period this assessment covers and why the period is appropriate set out on page 44;
- Directors' statement on whether they have a reasonable expectation that the group will be able to continue in operation and meet its liabilities set out on page 44;
- Directors' statement that they consider the annual report and the financial statements, taken as a whole, to be fair, balanced and understandable set out on page 56;
- Board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on page 44;
- The section of the annual report that describes the review of effectiveness of risk management and internal control systems set out on page 54; and
- The section describing the work of the audit committee set out on page 56.

Responsibilities of directors

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

In preparing the group and parent company financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

-
- We obtained an understanding of the group and parent company and the sector in which they operate to identify laws and regulations that could reasonably be expected to have a direct effect on the financial statements. We obtained our understanding in this regard through discussions with management, industry research, application of cumulative audit knowledge and experience of the investment sector.
 - We determined the principal laws and regulations relevant to the group and parent company in this regard to be those arising from the Listing Rules, applicable FCA rules, UK Corporate Governance Code, Companies Act 2006 and UK tax legislation.
 - We designed our audit procedures to ensure the audit team considered whether there were any indications of non-compliance by the group and parent company with those laws and regulations. These procedures included, but were not limited to:
 - Making enquiries of management;
 - Reviewing board minutes and regulatory news service announcements with respect to the group;
 - Reviewing legal and regulatory correspondence; and
 - Reviewing financial statement disclosures and testing to supporting documentation with respect to balances such as legal expenses to assess compliance with applicable laws and regulations.
 - We also identified the risks of material misstatement of the financial statements due to fraud. We considered, in addition to the non-rebuttable presumption of a risk of fraud arising from management override of controls, that a potential management bias was identified in relation to the valuation of investments. We addressed this risk by challenging management's valuations of strategic investments, whilst considering the performance and liquidity of those investments. In regards to the general investments portfolio, we also reviewed and compared the key inputs used in the valuation by using a tool which provides a range of information and prices and real-time investment reports (refer to Key Audit Matters section).
 - As in all of our audits, we addressed the risk of fraud arising from management override of controls by performing audit procedures which included, but were not limited to: the testing of journals; reviewing accounting estimates for evidence of bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.
 - With respect to compliance with the laws and regulations applicable to the Group such the Companies Act, FCA Listing Rules and UK Corporate Governance Code, we addressed the risk of non-compliance through a detailed review of the contents of the Annual Report and Financial Statements to ensure these had been prepared in accordance with the applicable legal requirements.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Other matters which we are required to address

Following the recommendation by the Audit Committee, we were appointed by the Board on 30 November 2016 to audit the financial statements for the period ended June 2017 and subsequent financial periods. Our total uninterrupted period of engagement is 7 years, covering the periods ending 2017 to 2024.

London Finance & Investment Group PLC _____

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the group or the parent company and we remain independent of the group and the parent company in conducting our audit.

Our audit opinion is consistent with the additional report to the audit committee.

Use of our report

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

Azhar Rana (Senior Statutory Auditor)
For and on behalf of PKF Littlejohn LLP
Statutory Auditor

15 Westferry Circus
Canary Wharf
London E14 4HD

25 September 2024

Consolidated Statement of Total Comprehensive Income

For the year ended 30 June

Operating Income	Notes	2024 £000	Restated* 2023 £000
Dividends receivable		614	586
Management service fees		361	352
Rental and other income		138	97
Profit on disposal of General portfolio investments		403	633
Profit on disposal of Western Selection		<u>3,183</u>	<u>-</u>
		4,699	1,668
Administrative expenses			
Investment operations	3	(425)	(495)
Management services	3	(444)	(411)
Total administrative expenses		<u>(869)</u>	<u>(906)</u>
Operating profit	3	3,830	762
Unrealised changes in the carrying value of General Portfolio investments	13	512	956
Unrealised changes in the carrying value of Western Selection		1	393
Profit on bargain purchase		83	-
Interest payable		<u>6</u>	<u>(7)</u>
Profit before taxation		4,432	2,104
Income tax expense	7	<u>(222)</u>	<u>(312)</u>
Profit after taxation		4,210	1,792
Non-controlling interest		<u>24</u>	<u>(16)</u>
Profit attributable to shareholders		<u>4,234</u>	<u>1,776</u>
Other comprehensive income/(expense)			
<i>Items that will not be reclassified to profit or loss</i>			
Profit on disposal of Strategic investments		-	118
Unrealised changes in the carrying value of Strategic investments		-	-
Other taxation -			
Income tax on disposal of strategic investments		<u>-</u>	<u>(146)</u>
Total Other Comprehensive (Loss)/Income attributable to shareholders		<u>-</u>	<u>(28)</u>
Total Comprehensive Income attributable to owners of the parent		<u>4,234</u>	<u>1,748</u>
Reconciliation of headline earnings			
Basic and diluted earnings per share	9	13.6p	5.7p
Adjustment for the unrealised changes in the carrying value of investments, net of tax		<u>-</u>	<u>-</u>
Headline earnings per share	9	<u>13.6p</u>	<u>5.7p</u>

*Correction of error, see note 22

The notes on pages 27 to 42 form part of these financial statements.

London Finance & Investment Group PLC

Consolidated Statement of Financial Position

	Notes	30 Jun 2024 £000	Restated* 30 Jun 2023 £000	Restated* 1 Jul 2022 £000
Non-current Assets				
Property, Plant and Equipment	10	3	3	12
Right of use asset	11	-	17	81
Strategic investments at fair value through profit or loss	13	37	3,144	2,751
Strategic investments at fair value through other comprehensive income	13	-	-	1,206
		<u>40</u>	<u>3,164</u>	<u>4,050</u>
Current Assets				
General portfolio investments at fair value through profit or loss	13	14,032	15,496	14,055
Investment held for sale		50	-	-
Trade and other receivables	14	59	100	109
Cash and cash equivalents		9,460	1,264	407
		<u>23,601</u>	<u>16,860</u>	<u>14,571</u>
Current Liabilities				
Overdraft		-	-	(66)
Trade and other payables	15	(149)	(151)	(171)
Lease liabilities	11	-	(33)	(75)
Current tax liabilities		(581)	(188)	(198)
		<u>(730)</u>	<u>(372)</u>	<u>(510)</u>
Net Current Assets		22,871	16,488	14,061
Non-current Liabilities				
Lease liabilities		-	-	(33)
Deferred tax liabilities	16	(568)	(1,012)	(843)
		<u>(568)</u>	<u>(1,012)</u>	<u>(876)</u>
Total Assets less Total Liabilities		22,343	18,640	17,235
Capital and Reserves				
Ordinary share capital	17	1,560	1,560	1,560
Share premium		2,320	2,320	2,320
Unrealised profits and losses on investments		1,850	225	11
Share of retained realised profits and losses of subsidiaries		160	4,906	5,331
Company's retained realised profits and losses		16,453	9,472	7,872
Capital and reserves attributable to owners		<u>22,343</u>	<u>18,483</u>	<u>17,094</u>
Non-controlling interests		-	157	141
Total Capital and Reserves		22,343	18,640	17,235

*Correction of error, see note 22

Approved and authorised by the Board
on 25 September 2024

Edward Beale

Director

The notes on pages 27 to 42 form part of these financial statements.

Company Statement of Financial Position

At 30 June

	Notes	2024 £000	2023 £000
Non-current Assets			
Investments in Group companies	12	<u>139</u>	<u>89</u>
Current Assets			
General portfolio investments at fair value through profit or loss	13	14,032	15,496
Investment held for sale		50	-
Trade and other receivables	14	19	19
Cash and cash equivalents		<u>9,170</u>	<u>987</u>
		<u>23,271</u>	<u>16,502</u>
Current Liabilities			
Trade and other payables	15	(79)	(121)
Current tax liabilities		<u>(581)</u>	<u>(66)</u>
		<u>(660)</u>	<u>(187)</u>
Net Current Assets			
		<u>22,611</u>	<u>16,315</u>
Non-current Liabilities			
Deferred tax liabilities	16	<u>(568)</u>	<u>(1,012)</u>
		<u>(568)</u>	<u>(1,012)</u>
Total Assets less Total Liabilities			
		<u>22,182</u>	<u>15,392</u>
Capital and Reserves			
Ordinary share capital	17	1,560	1,560
Share premium	17	2,320	2,320
Unrealised profits and losses on investments		<u>1,849</u>	<u>2,040</u>
		<u>5,729</u>	<u>5,920</u>
Realised Profit and Loss			
Balance at 1 July		9,472	7,872
Net Profit for the period		7,355	1,959
Dividends paid		<u>(374)</u>	<u>(359)</u>
Balance at 30 June		<u>16,453</u>	<u>9,472</u>
Equity shareholders' funds			
		<u>22,182</u>	<u>15,392</u>
Total Comprehensive income			
		<u>7,164</u>	<u>2,469</u>

Under Section 408 of the Companies Act 2006, the Parent Company is exempt from the requirement to present its own income statement.

Approved and authorised by the Board
on 25 September 2024

Edward Beale

Director

London Finance & Investment Group PLC

Registered in England and Wales – Number 201151

The notes on pages 27 to 42 form part of these financial statements.

London Finance & Investment Group PLC

Consolidated Statement of Cash Flows

For the year ended 30 June

	Notes	2024 £000	Restated* 2023 £000
Cash flows from operating activities			
Profit before tax		4,432	2,104
<i>Adjustments for non-cash items -</i>			
Finance expense		(6)	7
Depreciation charges		4	9
Depreciation on right of use asset		11	64
Unrealised changes in the fair value of general portfolio investments	13	1,925	(679)
Unrealised changes in the fair value of Western Selection		(1,816)	(393)
Realised gain on disposal of investments	13	(4,207)	(911)
Gain on bargain purchase		(83)	-
Lease termination adjustment		(12)	-
Decrease in trade and other receivables		42	8
Decrease in trade and other payables		(2)	(20)
Taxes paid	7	(272)	(300)
Net cash (outflow)/inflow from operating activities		16	(111)
Cash flows from investment activity			
Acquisition of general portfolio investments		(6,512)	(4,258)
Acquisition of Minority Interest in subsidiary		(50)	-
Acquisition of other investments – held for sale		(50)	-
Proceeds from disposal of general portfolio investments	13	8,891	4,407
Proceeds from disposal of strategic investments		6,291	1,325
Acquisition of equipment		(4)	-
Net cash inflow from investment activity		8,566	1,474
Cash flows from financing activities			
Net Interest received/(paid)		6	(1)
Interest paid on lease liabilities		-	(5)
Repayment of lease liabilities		(15)	(75)
Equity dividends paid		(374)	(359)
Net cash outflow from financing activities		(383)	(440)
Increase in cash and cash equivalents	20	8,196	923
Cash and cash equivalents at the beginning of the year		1,264	341
Net Cash and cash equivalents at end of the year		9,460	1,264

*Correction of error, see note 22

The notes on pages 27 to 42 form part of these financial statements.

Company Statement of Cash Flows

For the year ended 30 June

	Notes	2024 £000	2023 £000
Cash flows from operating activities			
Profit before tax		7,382	2,780
<i>Adjustments:</i>			
Net finance (income)/expense		(4)	2
Unrealised changes in the fair value of general portfolio investments	13	1,925	(679)
Gain on disposal of general portfolio investments	13	(2,840)	(911)
Dividends received		(6,161)	-
Decrease in trade and other receivables		9	1
(Increase)/Decrease in trade and other payables		(51)	25
Taxes paid	7	(147)	(77)
Net cash inflow from operating activities		113	1,141
Cash flows from investment activity			
Acquisition of general portfolio investments		(6,512)	(4,258)
Acquisition of Minority Interest in subsidiary		(50)	-
Acquisition of other investments – held for sale		(50)	-
Proceeds from disposal of general portfolio investments		8,891	4,407
Dividends received		6,161	-
Net cash inflow from investment activity		8,440	149
Cash flows from financing activities			
Net interest received/(paid)		4	(2)
Equity dividends paid		(374)	(359)
Net cash outflow from financing activities		(370)	(361)
Increase in cash and cash equivalents		8,183	929
Cash and cash equivalents at the beginning of the year		987	58
Net Cash and cash equivalents at end of the year		9,170	987

The notes on pages 27 to 42 form part of these financial statements.

London Finance & Investment Group PLC

Consolidated Statement of Changes in Shareholders' Equity

	Ordinary Share Capital	Share Premium Account	Unrealised profits and losses on Investments	Share of retained realised profits and losses of Subsidiaries	Company's retained realised profits and losses	Total	Non- Controlling Interests	Total Equity
	£000	£000	£000	£000	£000	£000	£000	£000
Year ended 30 June 2024								
Balances at 1 July 2023	1,560	2,320	225	4,906	9,472	18,483	157	18,640
Profit for the Year	-	-	1,625	(4,746)	7,355	4,234	(24)	4,210
Total comprehensive income	-	-	1,625	(4,746)	7,355	4,234	(24)	4,210
Acquisition of Non-Controlling Interest	-	-	-	-	-	-	(133)	(133)
Dividends paid and total transactions with shareholders	-	-	-	-	(374)	(374)	-	(374)
Balances at 30 June 2024	1,560	2,320	1,850	160	16,453	22,343	-	22,343
Year ended 30 June 2023								
Restated*								
Balances at 1 July 2022	1,560	2,320	11	5,331	7,872	17,094	141	17,235
Profit for the Year	-	-	903	(1,086)	1,959	1,776	16	1,792
Other Comprehensive Income	-	-	(689)	661	-	(28)	-	(28)
Total comprehensive income	-	-	214	(425)	1,959	1,748	16	1,764
Dividends paid and total transactions with shareholders	-	-	-	-	(359)	(359)	-	(359)
Balances at 30 June 2023	1,560	2,320	225	4,906	9,472	18,483	157	18,640

*Correction of error, see note 22

The notes on pages 27 to 42 form part of these financial statements.

Company Statement of Changes in Shareholders' Equity

	Ordinary Share Capital	Share Premium Account	Unrealised profits and losses on Investments	Realised profits and losses	Equity Total
	£000	£000	£000	£000	£000
Year ended 30 June 2024					
Balances at 1 July 2023	1,560	2,320	2,040	9,472	15,392
Profit for the Year and total comprehensive income	-	-	(191)	7,355	7,164
Dividends paid and total transactions with shareholders	-	-	-	(374)	(374)
Balances at 30 June 2024	1,560	2,320	1,849	16,453	22,182
Year ended 30 June 2023					
Balances at 1 July 2022	1,560	2,320	1,530	7,872	13,282
Profit for the Year and total comprehensive income	-	-	510	1,959	2,469
Dividends paid and total transactions with shareholders	-	-	-	(359)	(359)
Balances at 30 June 2023	1,560	2,320	2,040	9,472	15,392

The notes on pages 27 to 42 form part of these financial statements.

Notes to the Financial Statements

For the year ended 30 June 2024

1. Material Accounting Policies

The consolidated financial statements of the London Finance & Investment Group PLC have been prepared in accordance with UK-adopted international accounting standards ('UK-adopted IAS') and with the Companies Act 2006.

The preparation of financial statements in conformity with UK-adopted IAS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other factors that are believed to be reasonable under the circumstances, the results of which form the basis for making judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if applicable. The most significant techniques for estimation are described in the accounting policies below. These policies have been applied consistently to all of the years presented, unless otherwise stated.

Going Concern

The Directors have established that: there have been no significant events that are not in the ordinary course of business since the reporting date, except for the return of capital by Western Selection Ltd. The Group's bank facility and liquidity headroom shows that the Company and other Group entities would be able to operate with appropriate liquidity and be able to meet their liabilities as they fall due. The Directors therefore believe that the going concern basis is appropriate for the Group.

- (i) With the exception of Western, these consolidated financial statements include the results and net assets of the Group's subsidiaries (all of which are companies) for the year to 30 June 2024. Western has not been consolidated as the Directors consider that the Group, as the parent and ultimate parent undertaking, is able to take advantage of the investment entity exemption in IFRS10. Accordingly, the Group's investment in Western, a Strategic Investment, is carried at fair value with fair value movements going through Profit or Loss (see note 22).
- (ii) Dividends receivable are credited to the income statement in respect of listed shares when the shares are quoted ex dividend and in respect of unlisted shares when the dividend is declared.

Revenue from management services is recognised when the right to such income is established through a contract and in line with the provision of services to which they relate.
- (iii) The Company pays final and interim dividends. Dividends are recognised in the period in which they are appropriately authorised. For interim dividends, this will mean the date on which they are paid and, for final dividends, this will mean the date on which they are approved in general meeting.
- (iv) Financial assets are classified by category, depending on the purpose for which the asset was acquired. The Group's accounting policy is as follows:
 - a) Fair value through income: non-derivative financial assets other than trade and other receivables are classified as strategic and general portfolio investments and are recognised as being at fair value through Profit or Loss. They are valued using quoted bid prices and movements in value are taken to the income statement.

Investments in the general portfolio are held at fair value through Profit or Loss with changes in the fair value recognised in profit or loss. They are valued using quoted market prices.

1. Material Accounting Policies (continued)

Our only strategic investment remaining, is the investment in Western Selection Ltd. Western is a strategic investment which is technically a subsidiary of the Company that has not been consolidated due to the application of the investment entity exemption under IFRS 10. As such it is held at fair value through Profit and Loss.

Changes in the fair values are recorded through profit or loss and accumulated under Unrealised profits and losses on investments reserve.

Gains and losses realised on the sale of these financial assets are recorded in the profit and loss to the extent of the difference between sale price and fair value previously reported and the gain or loss previously accumulated in the unrealised profit and losses reserve is reclassified to realised profits and losses.

Derivative financial instruments, which have been entered into to hedge future cash flows but which for accounting purposes are not designated as hedging instruments consist of an Interest rate swap contract. This is initially measured at fair value and is revalued at subsequent reporting dates using bank valuation. The interest rate swap contract has been cancelled as at 30 June 2024.

- b) Trade and other receivables. The carrying amounts approximate to their fair values, the transactions giving rise to these balances arising in the normal course of trade and standard industry terms.
- (vi) The charge for taxation is based on the taxable profit or loss for the year. Taxable profit or loss differs from net profit or loss as reported in the Statement of Total Comprehensive Income. It excludes items of income (primarily franked dividend income) and expenses that are never taxable or deductible and items which are taxable or deductible in other years.

Deferred taxation is provided on the full liability method, at tax rates that are expected to apply, for temporary differences arising between the treatment of certain items for taxation and accounting purposes. Deferred tax assets are recognised only to the extent that the Directors consider that it is probable that there will be suitable taxable profits from which the underlying timing differences can be deducted. Taxation charges or recoveries are recognised in the income statement, or directly to equity when related to items recognised directly in equity.

- (vii) Transactions denominated in foreign currencies are translated at the exchange rate at the date of the transaction. Foreign currency assets and liabilities at the year-end are translated at year-end exchange rates.
- (viii) Property plant and equipment - Computer and electronic equipment expenditure of less than £2,500 is written off in the year of acquisition. All other property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss.

Property, plant and equipment are depreciated at rates calculated to write off the cost of relevant assets over their effective useful economic lives. Depreciation is charged at the following rates:

Leasehold improvements – over the life of the lease
Office equipment – 20% to 33.3% on cost

Notes to the Financial Statements (continued)

- (ix) Leases - At the lease commencement date, the Group recognises a right-of-use asset and a lease liability in the Statement of Financial Position. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group and an estimate of any costs to dismantle and remove the asset at the end of the lease.

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

The Group also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate of the Group's incremental borrowing rate (5%).

Lease payments included in the measurement of the lease liability are made up of fixed payments, payments arising from options reasonably certain to be exercised and amounts expected to be payable under a residual value guarantee.

If the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use Asset.

The Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

On the statement of financial position, right-of-use assets and lease liabilities have been presented separately from Property, Plant and Equipment and Trade and other payables.

- (ix) The Group operates a defined contribution plan which received fixed contributions from the subsidiary company, City Group PLC. The Group's legal or constructive obligations for this plan is limited to the contributions. The expense recognised in the consolidated statement of total comprehensive income for the period in relation to these contributions was £16,000 (see note 6).
- (x) Cash and cash equivalents comprise cash balances and short-term fixed rate deposits.

2. Changes in accounting policies and disclosures

a) New standards, amendments and interpretations adopted by the Group

No new standards, amendments or interpretations, effective for the first time for financial years beginning on or after 1 January 2023 have had a material impact on the Group or Parent Company.

b) New standards, amendments and interpretations not yet adopted

A number of new standards and amendments to standards and interpretations are effective for financial periods beginning after 1 January 2024 and have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Group or Parent Company.

3. Operating profit – Segmental Analysis

The Directors manage the Group through two classes of business, Investment Operations and Management Services, and present the segmental analysis on that basis. The segment performance measure is operating profit.

	Investment Operations		Management Services	
	2024	2023	2024	2023
	£000	£000	£000	£000
Dividends – Listed investments	614	586	-	-
Interest received	114	-	-	-
Profit/(Loss) on sales of investments, including provisions	3,585	633	-	-
Rental and other income	-	-	25	97
Management services fees	-	-	361	352
Operating income	4,313	1,219	386	449
Administration expense – normal	(425)	(495)	(444)	(411)
Operating profit	3,888	724	(58)	38

All revenues are derived from operations within the UK. Consequently, no separate geographical segment information is provided.

4. Administration Expenses and Other Income

a)	2024	2023
	£000	£000
Administration expenses include:		
Depreciation	4	9
Depreciation on Right of use asset	11	64
Auditors' remuneration	46	41
Directors' emoluments	74	76
Staff Costs	500	473
	- Audit services	
	- Note 5	
	- Note 6	

5. Directors' Emoluments and Related Party Disclosures

The key management personnel are considered to be the Group directors. Their emoluments are detailed in the Directors' Remuneration Report on pages 59 to 65.

Related Party Disclosures

As at 30 June 2024, London Finance & Investment Group PLC ("Lonfin") and its wholly owned subsidiary, Lonfin Investments Limited, owned 43.8% of Western Selection PLC ("Western").

Western is a company incorporated in England with its registered office at Suite 1.01, Central Court, 25 Southampton Buildings, London WC2A 1AL. Under IFRS 10, Lonfin is considered to be the parent and ultimate parent undertaking of a group of companies including Western for which Group financial statements are drawn up. Copies of these Group financial statements have been delivered to the Registrar of Companies. Western's financial statements are not consolidated with this Group, as the Parent Company is able to take advantage of the investment entity exemption in IFRS 10.

Prior to 29 February 2024, Mr. D.C. Marshall and Mr. E.J. Beale were directors of Western. Following Mr D.C. Marshall's retirement on 29 February 2024, Mr W.H. Marshall and Mr E.J. Beale are now the non-executive directors of Western.

London Finance & Investment Group PLC _____

Notes to the Financial Statements (continued)

Mr. D.C. Marshall's and Mr W.H. Marshall's shareholdings in the Company, and Mr E.J. Beale's share options, are set out in the Directors' Report on page 45.

Mr D. C. Marshall does not have a UK bank account and, prior to his retirement from the Board, some personal costs have been paid by City Group PLC during the year. These have been fully reimbursed

Mr E.J. Beale's remuneration costs were paid by City Group PLC and fully recharged to his employer Marshall Monteagle PLC, who is not payroll registered in UK.

The Company owns 100% of City Group. City Group provides company secretarial, finance and head office services to the Company and to various other companies in the UK and abroad most of which are associated with the Company.

City Group operates as a shared service centre and does not seek to make a profit from the provision of its standard services to these related parties. The various company secretarial, accounting, and directors' fees receivable by City Group from those companies, their associates and subsidiaries, total £531,262 (2023 - £470,850) for the year under review. At the reporting date the aggregate balance due in respect of fees invoiced was £Nil (2023 - £116,000). Settlement is within normal credit terms.

During the year, City Group used legal services totalling £962 provided by Potheary, Witham Weld LLP ("PWW") where Mrs A Beale is a partner. Settlement was within normal credit terms and there is no outstanding balance at the reporting date.

Prior to the year-end, the Company acquired from Western Selection Limited 15,252,744 ordinary shares in the capital of Industrial & Commercial Holdings PLC ("ICH"), representing 29.9% of the ICH's issued ordinary share capital. These shares were held for sale and, in August this year, the shares were sold to two entities associated with Christopher Latilla-Campbell, a director of ICH. Mr W.H. Marshall and Mr E.J. Beale are also directors of ICH and City Group provides company secretarial and head office services to ICH.

At 30 June 2024, as disclosed in Notes 14 and 15 below, City Group owed the Company £Nil (2023 – £ Nil) and the Company owed City Group £14,183 (2023 - £62,000) for fees. The Company was owed £Nil (2023 - £Nil) by Lonfin Investments Limited. Other than as disclosed above, no director was interested in any contract between the directors, the Company and any other related party that subsisted during or at the end of the financial year.

6. Staff Costs

Other than the Directors, the Company has no staff or staff costs. All the Group's staff, other than the Directors, are employed by the Company's subsidiary, City Group. Group staff costs, excluding Group Directors' fees which are shown in the Directors' Remuneration Report on pages 58 to 64, were:

	2024	2023
	£000	£000
Salaries	433	402
Social security costs	51	50
Social security costs – previous periods	-	(15)
Defined contribution pension scheme contributions	16	16
	500	453
The average weekly number of staff employed, excluding Group Directors, was:	4	4

7. Tax Expense

	2024	2023
	£000	£000
The tax charge for the year comprises:		
Tax on overseas investment income	80	77
Income tax	586	66
Deferred Tax charge	(444)	169
Tax charge	<u>222</u>	<u>312</u>
Other comprehensive income -		
Income tax	<u>-</u>	<u>146</u>
	<u>-</u>	<u>146</u>

The tax assessed for the year is lower than the standard rate of corporation tax in the UK.
The differences are explained below:

	2024	2023
	£000	£000
Profit on ordinary activities before taxation	<u>4,432</u>	<u>1,711</u>
Taxation at 25% (2023 – 20.5%)	<u>1,108</u>	351
Effects of:		
Non-taxable items – fair values and franked income	(966)	(116)
Withholding tax	80	77
Loss carried (forward)/utilised	-	-
Tax charged	<u>222</u>	<u>312</u>

Dividends received from UK companies are recognised in the income statement net of their associated tax credit.

The Corporation Tax main rate increases gradually for profits over £50,000 reaching 25% for profits over £250,000.

8. Dividends

Amounts recognised as distributions to the shareholders of the Company in the year were as follows:

	2024	2023
Final dividend for the prior year ended 30 June (per share)	0.60p	0.60p
Interim dividend for the current year ended 30 June (per share)	0.60p	0.55p

The total dividends paid and to be paid in 2024 and 2023 were £374,000 (1.2p per share) and £359,000 (1.15p per share) respectively. A final dividend in respect of the year ended 30 June 2024 of 0.60p per share is to be proposed at the AGM to be held on 28 November 2024. These financial statements do not reflect this dividend.

London Finance & Investment Group PLC

Notes to the Financial Statements (continued)

9. Earnings per share

Reconciliation of headline earnings	2024	2023
Basic and headline earnings per share, based on the profit attributable to the shareholders after tax and non-controlling interests of £4,234,000 (2023 restated – £1,776,000) and on 31,207,479 shares issued	13.6p	4.4p
Diluted earnings per share, based on the loss attributable to the shareholders after tax and non-controlling interests of £4,234,000 (2023 restated –£1,776,000) and on 31,207,479 shares issued plus 80,000 share options granted in 2016.	13.6p	4.4p

10. Property, Plant and Equipment

Group	Office Equipment £000
At cost – 1 July 2023	84
Additions in the year	4
Scrapped during the year	(48)
30 June 2024	40
Depreciation	
Balance – 1 July 2023	81
Charges for the year	4
Scrapped during the year	(48)
30 June 2024	37
Net book amount 30 June 2024	3
Net book amount 30 June 2023	3

The office equipment is held by a subsidiary company.

Notes to the Financial Statements (continued)

11. Leases

The Group had lease commitment in respect of an office property entered into in October 2018 which was terminated early on 31 August, 2023. The Company guaranteed the obligations under this lease. City Group moved into serviced office premises on 31 August 2023 and there are no ongoing lease liabilities.

Right of use asset – Office	2024	2023
	£000	£000
Cost		
At 1 July and 30 June	322	322
Adjustment to lease, termination	(6)	-
	316	
Depreciation		
Balance – 1 July	(305)	(241)
Charges for the year	(11)	(64)
Depreciation 30 June	(316)	(305)
Net book amount 30 June	-	17

Lease Liabilities	2024	2023
	£000	£000
Current	-	33
Total Lease Liabilities	-	33

Maturity Analysis

Less than one year	-	33
One to five years	-	-

Amounts recognised in the Consolidated Statement of Total Comprehensive Income

Interest charged on lease liabilities	11	9
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12. Investment in Group companies

Operating subsidiaries incorporated and operating in England and consolidated in these financial statements.

Held by the Company – at cost	Principal Activities	Percentage of Equity	2024	2023
			£000	£000
City Group PLC	Management services	100%	139	89
Lonfin Investments Limited	Investment holding	100%	-	-
			139	89

The address of the registered office of these subsidiaries is Suite 1.01, Central Court, 25 Southampton Buildings, London WC2A 1AL.

London Finance & Investment Group PLC

Notes to the Financial Statements (continued)

13. Investments

	General Portfolio £000	Strategic Holdings	
		Western Selection £000	Finsbury Food Group £000
Cost at 1 July 2023	11,154	6,159	-
Opening unrealised gain/(losses)	4,342	(1,815)	-
Opening provision	-	(1,200)	-
Opening valuation as at 1 July 2023	15,496	3,144	-
<i>Movements in the year</i>			
Purchases	6,512	-	-
Sales – proceeds/return of capital	(8,891)	(6,291)	-
Realised gain on disposal	2,840	1,368	-
Net unrealised (gains)/losses transferred to realised gain on disposal	(2,437)	1,815	-
Unrealised fair value gains/(losses) in the year	512	1	-
Closing valuation at 30 June 2024	14,032	37	-
Cost at 30 June 2024	11,615	36	-
Unrealised gain/(losses) at 30 June 2024	2,417	1	-
Closing valuation at 30 June 2024	14,032	37	-
Cost at 1 July 2022	10,392	6,159	517
Opening unrealised gain/(losses)	3,663	(3,408)	689
Opening valuation as at 1 July 2022	14,055	2,751	1,206
<i>Movements in the year</i>			
Purchases	4,258	-	-
Sales - proceeds	(4,407)	-	(1,324)
Realised gain on disposal	911	-	807
Net unrealised gains transferred to realised gain on disposal	(277)	-	(689)
Unrealised fair value losses in the year	956	393	-
Closing valuation at 30 June 2023	15,496	3,144	-

Western Selection Limited, a subsidiary undertaking, is incorporated and operates in the UK with a financial year end of 31 December.

At 30 June 2024, Western had 104,555 ordinary shares of 40p each in issue, of which 45,786 ordinary shares (43.8%) were held by the Company's wholly owned subsidiary, Lonfin Investments Limited (30 June 2023: Western had 17,949,872 ordinary shares of 40p each in issue, of which 7,860,515 ordinary shares (43.8%) were held by the Company's wholly owned subsidiary, Lonfin Investments Limited).

Western Selection, as an unlisted investment, is carried at fair value of £37,000 (2023 listed - £3,144,000) which is calculated on the basis of the initial capital reduction share price of 80.5p.

13. Investments (continued)

Extracts from Western's unaudited results are as follows:	2024	2023
	£000	£000
Profit/(Loss) after tax	70	390
Non-current assets	-	6,429
Current assets	248	7,317
Liabilities within one year	(23)	(48)
Capital	42	7,180
Reserves		
Share Premium account	-	2,654
Capital Reserve account	-	3
Value of investment in Western at Net asset value per share	98	6,000
Value of investment in Western at market value	n/a	2,673
Net asset value per share	215p	76p
Middle market price per share on 30 June	n/a	35p

14. Trade and other receivables

	Group		Company	
	2024	2023	2024	2023
	£000	£000	£000	£000
Trade debtors	28	62	-	-
Other debtors	16	11	4	7
Prepayments and accrued income	15	27	15	12
	59	100	19	19

15. Trade and other payables

	Group		Company	
	2024	2023	2024	2023
	£000	£000	£000	£000
Group companies	-	-	14	62
Other creditors	42	31	1	1
Trade creditors	9	8	-	5
Accruals	98	112	64	53
	149	151	79	121

London Finance & Investment Group PLC _____

Notes to the Financial Statements (continued)

16. Deferred taxation

The Group has provided £568,000 in respect of potential taxation on unrealised investment gains (2023 - £1,012,000). This is after taking into account available tax losses of £Nil (2023: £Nil) and increase in the corporation tax rate to 25% from 1 April 2023.

	Group	Group	Company	Company
	2024	2023	2024	2023
	£000	£000	£000	£000
Balance at 1 July	1,012	843	1,012	843
Profit or Loss	(444)	169	(444)	169
Balance at 30 June	568	1,012	568	1,012

Deferred tax has been provided at 25% (2023: 25%).

17. Share Capital and Reserves

	Company and Group	
	2024	2023
	£000	£000
Allotted, issued and fully paid ordinary shares of 5p each 31,207,479 at 1 July 2023 and 30 June 2024	1,560	1,560

The Group and the Company's capital comprises its shareholders' equity. Our objective is to manage capital in a manner that enables the continued payment of dividends to be achieved.

The following describes the nature and purpose of each reserve within shareholders' equity: -

	Description and purpose
Ordinary share capital	Nominal value of issued share capital.
Share premium	Amount subscribed for share capital in excess of nominal value, less issue expenses.
Unrealised profits and losses on investments	Cumulative unrealised gains and losses on investments.
Share of retained realised profits and losses of subsidiaries	The Group's share of cumulative undistributed post-acquisition gains and losses of subsidiaries recognised in the income statement.
Retained realised profits and losses	Realised profits of the Group and Company less realised losses and unrealised losses other than on investments.

The balances and movements on each of the above reserves are disclosed in the Consolidated and Company Statement of Financial Positions on pages 21 and 22 and the Consolidated Statement of Changes in Shareholders' Equity on page 25.

17. Share Capital and Reserves (continued)

Capital management

Capital is defined as the Company's ordinary share capital and reserves as detailed above.

The primary objective of the Group's capital management is to ensure that it maintains healthy capital ratios in order to support its business and maximise shareholder value.

To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders or issue or repurchase shares. No changes were made to the objectives, policies or processes for managing share capital during the period ended 30 June 2024.

Share Options

The Group has a long-term incentive plan to incentivise full-time employees and directors of City Group and to recognise outstanding efforts or achievements, or otherwise to attract, motivate or retain staff. The Group's Company Share Option Plan.

On 29 February 2016, options over 80,000 ordinary shares in the Company, with an exercise price of 37.5p per share, were granted under the rules of the Group's Company Share Option Plan. The options have vested and may be exercised no later than the tenth anniversary of the date of grant. They have not yet been exercised. The fair value of these options at the date of grant was estimated using the Black-Scholes model to be £9,000.

18. Pension Schemes

The Group makes pension contributions to the personal pension schemes of certain employees which are money purchase schemes and for which it has no responsibility for unfunded liabilities. Amounts paid are disclosed in Note 6. No pension contributions are provided for the Directors.

19. Reconciliation of consolidated net cash flow to movement in net debt

Group	At start of year	Cash Flow	Non-cash transactions	At end of year
2023/2024	£000	£000	£000	£000
Cash at bank	1,264	8,196	-	9,460
Lease liability	(33)	15	18	-
Net Debt	<u>1,231</u>	<u>8,211</u>	<u>18</u>	<u>9,460</u>
2021/2023				
Cash at bank	407	857	-	1,264
Overdraft	(66)	66	-	-
Lease liability	108	80	(5)	(33)
Net Debt	<u>233</u>	<u>1,003</u>	<u>(5)</u>	<u>1,231</u>

London Finance & Investment Group PLC

Notes to the Financial Statements (continued)

20. Financial Instruments

Set out below is an explanation of the role that financial instruments have had during the year in creating or changing the risks the Group faces in its activities. The explanation summarises the objectives and policies for holding or issuing financial instruments and similar contracts, and the strategies for achieving their objectives that have been followed during the year. The Directors monitor its performance against these objectives on a continuous basis and through bi-monthly reports of the investment's portfolio and cash position.

IFRS 13 requires disclosure of fair value measurements under the following hierarchy:

Financial assets and liabilities are classified in their entirety into one of the three levels determined on the basis of the lowest input that is significant to the fair value measurement.

Listed prices (unadjusted) in active markets for identical assets or liabilities – Level 1

Values other than listed prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) – Level 2

Values for the asset or liability that are not based on observable market data (that is unobservable inputs) – Level 3.

The categories of financial instruments used by the Group to achieve its objectives as set out in the Directors' Report are:

	Fair Value Hierarchy Level	2024 £000	2023 £000
Financial assets			
<i>At fair value through Profit or Loss</i>			
Non-current investments (strategic investments)	1	-	3,144
Non-current investments (strategic investments, unlisted, note 13)	3	37	-
<i>At fair value through profit or loss</i>			
Current asset investments (listed investments)	1	14,032	15,496
Loans and receivables at amortised costs			
Trade and other receivables	n/a	44	73
Cash at bank	n/a	9,460	1,264
Financial liabilities			
<i>At amortised costs</i>			
Trade and other payables	n/a	149	151
Lease liabilities	n/a	-	33

Transfers between levels 1 and 3 During the year the group transferred its investment in Western Selection from level 1 into level 3. Western Selection became a private limited company and as a result the group was unable to obtain listed price for its shareholding. The current valuation is based on the capital reduction share price of £80p.

Interest Rate Profile

The Group finances its operations through a mixture of retained profits and bank borrowings, in pounds sterling. Drawings under the facility are at a rate fluctuating with base rate. The group has no borrowings as at 30 June 2024.

20. Financial Instruments (continued)

The Group's principal financial assets are its investment portfolios. The investment portfolios consist of equity investments, for which an interest rate profile is not relevant. Interest is not charged on trade and other receivables nor incurred on trade and other payables.

Currency Exposures

The table below shows the Group's currency exposures. Such exposures comprise the monetary assets, at fair values, that are not traded in Sterling.

	2024	2023
Currency	£000	£000
Euro	2,556	3,555
Swiss Franc	1,271	3,173
US Dollar	4,983	5,184
Australian Dollar	511	400
	9,321	12,312

The sensitivity to a 1% change in the sterling exchange rate would be to increase or decrease the fair values as set out by £93,205 in aggregate (2023 - £121,898).

Liquidity Risk

The Group holds investments, most of which are listed on recognised stock exchanges. In normal markets these are, by their nature, liquid. However, there are long periods when the market may not be prepared to deal at realistic prices in unusually large blocks of certain shares and this particularly applies to the shares of Western.

Market Risk

The Group is exposed to market risk through the equity investments in other companies. The Group maintains a spread of investments over various sectors and monitors performance continuously as described above. The majority of the General Portfolio investments are in companies with good levels of liquidity. The future values of these investments will fluctuate because of changes in interest rates and other market factors.

Reviews for indications of permanent impairment are carried out at least annually. The Directors believe that the exposure to market price risk from these activities is acceptable in the Group's circumstances.

The sensitivity to each 1% decrease in the value investments would result in the fair values of non-current asset investments decreasing by £3,700 (2023 - £31,000) and a corresponding decrease in the unrealised profits reserve. A 1% increase, would, on the same basis, increase fair values and increase the unrealised profits reserve. The same percentage increase/decrease in the current asset investments would increase/decrease carrying values by £140,000 (2023 - £155,000) and unrealised profits reserve (or earnings where a decline was below cost) by an equal amount.

The Directors consider 1% to be a basis for the sensitivity analysis due to the diversified spread of investments over a range of liquid markets.

Fair Value

Investments within the general and strategic portfolios are carried at fair values determined by the prices available from the markets on which the instruments involved are traded. Unlisted investments are stated at cost net of impairment provisions because fair value cannot be readily determined. Movements in fair value net of impairment provisions are taken through the income statement.

Market value has been used for the valuation of Western despite the low liquidity of this investment because shares have traded at a relatively stable price with low volatility, and there is no better indicator available for fair value.

London Finance & Investment Group PLC _____

20. Financial Instruments (continued)

The fair value of short-term deposits, borrowings and trade and other receivables and payables approximates to the carrying amount because of the short maturity of these instruments.

Credit risk

No concentration of credit risk exists in the Group's principal financial assets, and credit risk is minimised as the counter-parties are institutions with high credit ratings. There has been no impairment of trade and other debtors during the year, there are no provisions against these assets and none are past their due date.

21. Related Undertakings

In accordance with section 409 of the Companies Act 2006, a full list of related undertakings, the country of incorporation and the percentage of equity owned, directly or indirectly, as at 30 June 2024, is disclosed below:

Company	Country	% ownership
Lonfin Investments Limited	United Kingdom	100%
City Group PLC	United Kingdom	100%
Western Selection Limited*	United Kingdom	43.8%

*No individual investor has control of the company

22. Change of accounting policy and Correction of error

The Group previously accounted for its investment in Western Selection Ltd as held at fair value through Other Comprehensive Income, as elected by the company. The unrealised gains and losses were accumulated under the unrealised investment reserve and on disposal, the cumulative gain or loss in the investments reserve was reclassified to retained earnings.

Following a review, the Group has reconsidered its accounting treatment. This treatment was incorrect as the investment in Western is not consolidated because of the IFRS 10 investment entity exemption. Any investment not consolidated under the IFRS 10 investment exemption is required to be held at fair value through profit or loss.

The error has been corrected by restating the affected financial statements for the prior periods as follows:

There has been no effect on the Statement of financial position.

Statement of Total comprehensive income (extract)

Operating Income	Notes	2023	Profit Increase/ (Decrease)	2023 Restated
		£000	£000	£000
Unrealised changes in the carrying value of Western Selection		-	393	393
Profit before taxation		1,711	393	2,104
Income tax expense	7	(312)	-	(312)
Profit after taxation		1,399	393	1,792
Non-controlling interest		(16)	-	(16)
Profit attributable to shareholders		1,383	393	1,776

	2023	Profit Increase/ (Decrease)	2023 Restated
Other comprehensive income/(expense)			
<i>Items that will not be reclassified to profit or loss</i>			
Profit on disposal of Strategic investments	118	-	118
Unrealised changes in the carrying value of Strategic investments	393	(393)	-
Other taxation -			
Income tax on disposal of strategic investments	(146)	-	(146)
Total Other Comprehensive (Loss)/Income attributable to shareholders	<u>365</u>	<u>(393)</u>	<u>(28)</u>
Total Comprehensive Income attributable to owners of the parent	<u>1,748</u>	<u>-</u>	<u>1,748</u>

Directors' Report

The Directors present their Report for the year ended 30 June 2024. Much of the information previously provided as part of the Directors' Report is now required, under company law, to be presented as part of the Strategic Report which is set out on pages 4 to 10.

This Directors' Report includes the information required to be included under the Companies Act or, where provided elsewhere, an appropriate cross-reference is given. The Corporate Governance Statement, approved by the Board, is provided on pages 45 to 55 and is incorporated by reference herein.

Results, Future Developments, Dividends, & Financial Instruments

A review of the Group's operations and performance during the financial year, setting out the position at the year-end, significant changes in the year, significant events after the financial year end, an indication of the outlook for the future, proposed dividends and the Group's policy in relation to financial instruments is contained in the Strategic Report.

Investment Policy

The Group's investment policy is to invest in a range of "strategic" investments, a "general portfolio" consisting of liquid stock market investments, both in equity instruments and bonds, and, at the Board's discretion, 'other investments', typically property and other physical assets. This investment policy is designed to achieve the Group's objectives of capital growth in real terms over the medium term, while maintaining a progressive dividend policy.

Both "strategic" and "general portfolio" investments can be in any industry sector. "Strategic" investments are significant minority positions in UK small cap companies which can be either quoted or unquoted; to diversify risk the policy is to maintain a number of such investments. Most investments will be in shares of companies that are publicly traded but investments can also be made in publicly traded and untraded debt or equity instruments of companies that are strategic investments. The "general portfolio" aims to further diversify risk through a spread of investments and a target of between 30 and 40 holdings in some of the world's largest quoted companies.

The intention is for between 30% and 70% of the overall investment portfolio with a maximum limit of 80% to be in "strategic" and "other" investments immediately following such investment, with the balance of the portfolio, to be in the "general portfolio". "Other investments" will be limited to 50% of the overall value of the investment portfolio, measured immediately following such investment. No one "strategic investment" or "other investment" will represent more than 30% and 50% respectively of the value of all investments immediately following the making of such investment and no one "general portfolio" investment will represent more than 10 per cent of the value of the "general portfolio" at the time of such investment.

Within these parameters, changes in strategic and other investments are decided on by the Board and changes to the general portfolio are decided on by the Board or, between Board meetings, by an Investment Committee of the Board. The investment guidelines within which the Investment Committee operates allow the Investment Committee discretion within the parameters set by the Investment Policy. The investment mix and level of borrowings are reviewed at each Board meeting.

The Group's gearing is limited at or below 60% of the total value of investments.

Directors' Report (continued)

Going Concern

Pressing concerns for the new Labour Government at present are post Brexit issues to be resolved with the EU, the impact on the UK and Europe of the war in Ukraine, energy supply issues, the rises in the cost of living and concerns as regards inflation. These issues will significantly impact on the UK over the coming months, and we expect further fluctuations in the stock markets and increased volatility. Nevertheless, we are confident in the quality of our investments and that notwithstanding the current uncertainty and what troubles lie ahead our investments will enable us to achieve our objective of generating growth in shareholder value in the medium to long term.

In response to these uncertainties, the Board has sought to minimise the risks to the Group and are actively monitoring the performance of the Group's investments on a monthly basis. Due to the relatively low cost of operating the Group compared to the high value of assets held and that the Group has access to funds that will allow the Group and Parent Company to continue trading, the Board is satisfied that the Group shall continue to be able to meet its financial obligations as they fall due both in the short and longer term. The Board will continue to seek out investment opportunities that will enhance the financial performance of the Group.

The Board continues to adopt the going concern basis of accounting in the preparation of these financial statements.

Risk Management and Principal Risks

A description of the principal risks which arise from the Group's financial instruments is set out in the Strategic Report on pages 7 and 8 and in Note 20 to the Financial Statements (Financial Instruments) on pages 39 to 41.

Viability Statement

In accordance with the provisions of the UK Corporate Governance Code, the Board has assessed the viability of the Group. The Group is a long-term investor and the Board believes it is appropriate to assess the Group's viability over a five-year period which reflects the Board's long-term investment approach. The Board believes this five-year period reflects a proper balance between the long-term horizon and the inherent uncertainties of looking to the future.

In assessing the viability of the Group, the Board has carried out a robust assessment of the following factors:

- the principal risks and uncertainties facing the Group as set out in the Strategic Report on pages 7 and 8;
- the potential operational and financial impacts of these risks and uncertainties are severe, but plausible scenarios together with the effectiveness of any mitigating actions;
- the Group's current position and strategy;
- the liquidity of the Group's Investment Portfolio; and
- the Board's risk appetite.

The Board has also considered such matters as significant economic or stock market volatility, a substantial reduction in the liquidity of the portfolio or changes in investor sentiment, all of which could have an impact on the Group's prospects and viability in the future.

Taking into account all of these factors, the Group's current position and the potential impact of the principal risks and uncertainties faced by the Group, the Board has concluded that it has a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the five-year period to 30 June 2029.

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Events after the reporting date

There have been no significant post-balance sheet events since the year-end.

Directors' and Directors' Interests

A list of the present directors of the Company is shown on page 1.

A list of all the directors who served during the year and their beneficial interests (and those of their connected persons) in the Company's ordinary shares as at 30 June 2023 and 2024 is set out below:

	30 June 2024	30 June 2023
	No. of Ordinary Shares	No. of Ordinary Shares
W. H. Marshall	12,885,472*	12,890,693
W. H. Marshall	125,000	-
F.W.A. Lucas †	162,500	162,500
J.H. Maxwell	65,000	65,000
E.J. Beale	-	-
D.C. Marshall (<i>retired 29 February</i>)	12,885,472*	12,890,693

* These holdings arise as the individuals concerned are/were trustees and/or directors of entities that hold/held ordinary shares in the Company. The interest of Mr. W.H. Marshall in 12,885,472 ordinary shares overlaps with the interest of Mr. D.C. Marshall, who has now retired from the Board. Neither Mr W.H. Marshall nor Mr D.C. Marshall had any beneficial interest in these 12,885,472 ordinary shares (2023 – nil).

† Of this figure, Dr. F.W.A. Lucas owns 80,000 ordinary shares personally and 82,500 ordinary shares are owned by Loeb Aron & Company Ltd, of which Dr. F.W.A. Lucas is a director and shareholder.

On 29 February 2016, Mr E.J. Beale, being an eligible employee under the rules of the London Finance & Investment Group Company Share Option Plan, was granted options over 80,000 ordinary shares with an exercise price of 37.5p per share. The options granted may be exercised no later than the tenth anniversary of the date of grant.

Mr W. H. Marshall acquired 163,552 ordinary shares on 1 July 2024. Save for the acquisition of these shares, there have been no changes in directors' share interests between 1 July 2024 and the date of this report.

There are no requirements or guidelines for Directors to acquire and own shares in the Company.

Subject to the Company's Articles of Association, the appointment or removal of directors is determined by shareholders at a General Meeting. Between General Meetings, the Board may appoint additional directors who are required to stand for election at the next General Meeting. In addition, the Company's Articles of Association require all the Directors of the Company to offer themselves for re-election on an annual basis. Accordingly, this year, Mr W.H. Marshall, Mr E.J. Beale, Dr F.W.A. Lucas and Mr J.H. Maxwell will retire and being eligible, offer themselves for re-election as directors at the AGM on 28 November 2024. On 29 February 2024, Mr D.C. Marshall stood down as Chairman and retired from the Board.

Directors' Report (continued)

Substantial Interests

As at 25 September 2024, the Company was aware of the following interests in 3% or more of its issued ordinary share capital:	No. of Ordinary Shares	Percentage of issued Ordinary Share capital
Lynchwood Nominees Limited	12,885,472	41.3%
W.T. Lamb Investments Limited	4,650,000	14.9%
Platform Securities Nominees Limited A/c PSLNOM	1,287,2	4.1%
Platform Securities Nominees Limited A/c PSLSIPP	1,442,940	4.6%

No changes to the significant holdings set out above have been notified to the Company between 1 July 2024 and 25 September 2024.

Independent Auditor

The respective responsibilities of the Directors and the Independent Auditor, PKF Littlejohn LLP, in connection with the financial statements appear on pages 13 to 19.

Each Director has taken all the steps that they ought to have taken as a director including making appropriate enquiries of fellow Directors to make themselves aware of any information needed by the Company's Independent Auditor for the purposes of its audit and to establish that the Independent Auditor is aware of that information. The Directors are not aware of any relevant audit information of which the Independent Auditors are unaware.

The Committee meets each year with the Independent Auditor. The Company's Independent Auditor, PKF Littlejohn LLP, provided a detailed planning report in advance of the annual audit work. The Committee was able to review PKF Littlejohn LLP's detailed planning report prior to commencement of the audit work and, following completion of their audit work, the Committee discussed with PKF Littlejohn LLP their audit report and findings. During these discussions, the Committee was able to review the level and scope of materiality adopted by PKF Littlejohn LLP in the audit process. At the Company's forthcoming AGM to be held on 28 November 2024 a resolution will be proposed that PKF Littlejohn LLP be re-appointed as the Company's Independent Auditor following the AGM.

Corporate Governance

Information on the Company's corporate governance can be found in the Corporate Governance Statement on pages 50 to 55.

The Company's Articles of Association may only be amended by special resolution and are available on the Company's website at <https://www.city-group.com/london-finance-investment-group-plc/>

Annual General Meeting (AGM)

The Notice of the AGM, to be held on 28 November 2024, can be found on pages 69 to 70 and sets out the business to be considered at the meeting. Resolutions 1 to 9 will be proposed as Ordinary Resolutions and Resolution 10 will be proposed as a Special Resolution. Certain elements of the business relating to these Resolutions are explained below:

Resolution 3

Directors' Remuneration Report

The annual report on Directors' Remuneration, as set out in the Directors' Remuneration Report on page 63 provides information on the Directors' remuneration. Resolution 3 proposes the approval of the Directors' Remuneration Report, other than the part containing the proposed Directors' Remuneration Policy.

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Resolutions 4, 5, 6 and 7

Re-election of Directors

The Directors, Warwick Marshall, Edward Beale, Dr Frank Lucas and John Maxwell, are subject to annual re-election. Accordingly, each of these Directors will retire at the AGM on 28 November 2024 and each offers himself for re-election as a director of the Company. The Board has confirmed, following a performance review of the Directors and the Chairman, that each of the Directors, subject to re-election, continues to perform effectively and demonstrates commitment to his role. Further information relating to their experience and background can be found on page 1 of this document.

Resolution 8

Re-appointment of the Independent Auditor

It is proposed that PKF Littlejohn LLP be re-appointed as the Company's Independent Auditor to continue in office following the AGM on 28 November 2024.

Resolution 9

Allotment of share capital

Resolution 9 provides authority to allot shares in accordance with section 551 of the Companies Act 2006 in the period up to the conclusion of the Company's AGM in 2025. If passed, this resolution would enable the Directors to allot shares (and to grant rights to subscribe for or convert any security into shares in the Company) up to a maximum nominal amount of £189,626 (being 3,792,520 ordinary shares) which is the amount of the Company's authorised but unissued share capital. The Directors have no specific plans to allot any ordinary shares in the Company.

Resolution 10

Disapplication of pre-emption rights

Resolution 10 will empower the Directors to allot ordinary shares for cash, pursuant to the authority granted by Resolution 9, on a non-pre-emptive basis (a) in connection with a rights issue or open offer and (b) (otherwise than in connection with a rights issue or open offer) up to a maximum nominal value of £78,000 (being 1,560,000 ordinary shares) representing approximately 5% of the issued ordinary share capital of the Company as at 25 September 2024 (being the latest practicable date prior to publication of this report). The power given by this resolution shall expire upon the expiry of the authority conferred by Resolution 9 set out above, Although the Directors will be entitled to make offers or agreements before the expiry of that power which would or might require equity securities to be allotted.

The Directors have no present intention of issuing any part of the unissued share capital and no issue will be made which would effectively alter the control of the Company without the approval of the shareholders in General Meeting.

Recommendation

The Board believes that the approval of Resolutions 1 to 10 will promote the success of the Company and is in the best interests of the Company and its shareholders as a whole.

The Board unanimously recommends that you vote in favour of Resolutions 1 to 10 as the Directors intend to do in respect of their own beneficial holdings which as at the date of this Annual Report, amount in aggregate to 433,552 ordinary shares, representing approximately 1.4% of the ordinary shares currently in issue.

Material Agreements

There are no agreements which the Company is party to that might affect its control following a takeover bid; and there are no agreements between the Company and the Directors concerning compensation for loss of office.

The Board is not aware of any contractual agreements which ought to be disclosed in the Directors' Report.

Directors' Report (continued)

Business Relationships

The Directors consider the underlying strategic companies in which the Group has invested as well as advisers and suppliers amongst the key stakeholders of the Group. In this respect, the Directors engage with these stakeholders on a frequent basis in order to build and strengthen such relationships. All stakeholders are encouraged to communicate with the Board through the Chairman or through the Company Secretary

The views of and impact upon the wider stakeholders of the Group are considered as part of the Board decision-making process including engaging with stakeholders to ensure they have a clear understanding of the long-term goals of the Group and how the Directors intend to achieve these goals.

Operations, Directors and Employees

All of our operations and those of Western, with the exception of investment selection, are outsourced to our subsidiary, City Group PLC ("City Group"). City Group also provides company secretarial, finance and head office services to the Company and a number of other companies. City Group is responsible for the initial identification and appraisal of potential new strategic investments for the Company and the day to day monitoring of existing strategic investments and employs 5 people.

The table below provides the gender split at different levels of the Board and employees within the Company's business, including City Group, as at 30 June 2024, together with comparator data for the previous year.

	Male number and percentage		Female number and percentage	
	2024	2023	2024	2023
Board	4 (100%)	5 (100%)	0	0
Senior managers	1 (33.3%)	1 (33.3%)	2 (66.6%)	2 (66.6%)
All employees and Board	5 (70%)	7 (70%)	3 (30%)	3 (30%)

Directors' Service Contracts and Letters of Appointment

None of the Directors has a service contract with the Company. Each of the Directors has received a Letter of Appointment from the Company in respect of his services under the terms of the Company's Articles of Association.

The appointment of each of the Directors is pursuant to the terms of a Letter of Appointment which, after completion of an initial term of three years, continues, subject to the approval of the Board and annual re-election, until terminated by either party in accordance with the termination provisions contained in the Letter of Appointment. In the event of termination of a Director's appointment, there is no compensation payment for loss of office.

The Chairman's and the Non-Executive Directors' Letters of Appointment are available for inspection at the registered office of the Company, Central Court, Suite 1.01, 25 Southampton Buildings, London WC2A 1AL.

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Directors' and Officers' Liability Insurance

During the year, the Company has maintained insurance cover for its directors and officers under a Directors' and Officers' liability insurance policy.

Each of the Directors has the benefit, under the Company's Articles of Association, of an indemnity, to the extent permitted by the Companies Act 2006, against any liability incurred by him or her in defending the Company.

Political and Charitable Donations

No political or charitable donations have been made during this last financial year.

Environmental, Social and Human Rights Issues

The Board does not consider that there is any further information relating to environmental matters, employees, social, community and human rights issues that it is necessary to report for an understanding of the development, performance or position of the Company's business.

By Order of the Board

25 September 2024

City Group PLC
Company Secretary

Corporate Governance Statement

Corporate Governance Policy

Corporate Governance is the process by which companies are controlled and directed to achieve the objectives of the organisation. Key to the achievement of objectives is having clarity about the objective and the right people in place. Processes and structures are of secondary importance as, without a focus on outcomes and without the right people, it is only by chance that objectives will be met.

The UK Listing Authority requires UK premium listed companies to comply with the UK Corporate Governance Code (the “Code”), updated from time to time by the Financial Reporting Council (“FRC”), which focuses on processes and structures, and which is deemed to constitute best practice in Corporate Governance for most companies. Directors are required to report to shareholders on how the Company applies the principles of the Code and confirm that the Company complies with the Code’s provisions or explain why it does not. In July 2018, the Code’s Principles and Provisions were updated by the FRC to simplify the Code and enhance requirements for governance structures and processes. In January 2024, the FRC published the latest version of the Code which streamlines many of the existing provisions and provides new provisions in relation risk management and internal controls. The 2024 Corporate Governance Code will take effect from January 2025. For the year ended 30 June 2024, the Company has applied the principles of the 2018 UK Corporate Governance Code and confirms its compliance with those principles or has duly explained any non-compliance.

The JSE Limited (“Johannesburg Stock Exchange” or “JSE”) requires that JSE listed companies report on their compliance with the Code of Corporate Practices and Conduct (“King Code”) contained in the King Report on Corporate Governance. Currently, all JSE listed companies are required to comply with the disclosure requirements and principles of the King Code as set out the King IV Report. As the Company’s primary listing is on the Main Market of the London Stock Exchange and, as such, is required to comply with the Code, the Company is not required to comply with the King Code as well.

Compliance

This Corporate Governance Statement describes how the Company applies the principles set out in 2018 UK Corporate Governance Code (the “Code”). The Company has been in full compliance with the Code throughout the year ended 30 June 2024.

Composition of the Board

The Board comprises the Chairman, Warwick Marshall, Edward Beale, Senior Independent Non-Executive Director, John Maxwell and Dr Frank Lucas. All of the Directors are Non-Executive Directors. David Marshall stepped down as Chairman and retired from the Board on 29 February 2024.

Independence of the Chairman

The Board has previously reviewed the independence of the former Chairman, David Marshall having served more than nine years on the Board. Until his retirement from the Board in February this year, the Board considered David Marshall to be an effective Chairman who continued to use independent judgement in his role and brought a wealth of experience to the role.

Independence of the Directors

The Board has reviewed the independence of the non-executive directors and John Maxwell and Dr Frank Lucas are considered by the Board to be independent despite the fact that both have served on the Board for more than nine years.

The Board has concluded that John Maxwell and Dr Frank Lucas both continue to demonstrate the essential characteristics of independence expected by the Board. In reaching this decision, the Board also took into account the fact that Dr Frank Lucas is a director of Loeb Aron & Company Limited which acted as NEX Exchange Growth Market (now the AQSE Growth Market) corporate adviser to Western until June 2018.

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Conflicts of Interest

The Articles of Association reflect the codification of certain directors' duties arising from the Companies Act 2006 and, in particular, the duty for directors to avoid conflicts of interest. The Board has a process in order for Directors to report conflicts of interest or potential conflicts of interest.

All Directors are required to notify the Company Secretary, City Group, of any situations, or potential situations where they consider that they have or may have a direct or indirect interest or duty that conflicts or may possibly conflict with the interests of the Company.

Appointment, election and re-election of Directors

Responsibility for the process of appointment of Directors rests with the Board acting on the recommendations of the Nomination Committee. The removal of directors is generally a Board decision. Subject to the Company's Articles of Association, the appointment or removal of Directors is ultimately determined by shareholders at a General Meeting. Between General Meetings, the Board may appoint additional Directors who are required to stand for election at the next General Meeting.

The Company's Articles of Association require that all new directors seek election to the Board at the next AGM after their appointment. In addition, at every AGM, all members of the Board, other than newly appointed Directors who are subject to election, are subject to annual re-election and there is, therefore, no requirement at the forthcoming AGM or in the future for any Directors to retire by rotation.

Resolutions approving the re-election and election of each of the Directors will be proposed to shareholders at the forthcoming AGM. The Board has reviewed the skills and experience of each of the Directors and supports their re-election.

As a long-term investment company, it is appropriate for the Directors to serve on the Board for more than a single term, subject to continuing satisfactory performance. Given the small size of the Board, this results in infrequent changes to the composition of the Board.

Workings of the Board

The Board is collectively responsible to shareholders for the success of the Group. Entrepreneurial leadership is provided by capitalising on the skills and experience of the Investment Committee allied to the strategic vision and expertise of other Board members.

As an investment company, all matters, and all decisions are reserved for the Board except for any matter specifically delegated to a Board committee or any operational decisions of the Company's subsidiary undertakings.

The Group's strategic aim is to generate growth in shareholder value in real terms over the medium to long-term through a mix of investments and utilising a prudent level of bank borrowing. The investment mix and level of gearing are reviewed at each Board meeting. All major investment decisions are taken by the Board. The Investment Committee has delegated authority within certain limits for the management of the General Portfolio between Board meetings.

Board Operation

As an investment company, the Company's Board is comprised of Non-Executive Directors. It has no Chief Executive or any other Executive Directors. The Non-Executive Chairman leads the Board and ensures that it deals with all aspects of its role. He is responsible for the effective performance of the Board through control of the Board's agenda and the running of its meetings. The Chairman organises opportunities for the Directors to spend time with each other on an informal basis to improve communication and relations between Directors.

Corporate Governance Statement (continued)

The Board, through review of the management reports, scrutinises the performance of the Company against the objective of real growth in shareholder value over the medium to long-term.

As an investment company, all matters, and all decisions are reserved for the Board except for any matter specifically delegated to a Board Committee or any operational decisions of the Company's subsidiary undertakings.

A representative of City Group, the Company Secretary, attends all Board meetings to record proceedings and is available at all times to advise on any corporate governance issues that arise. The Company Secretary is also responsible to the Chairman for the efficient organisation of Board and Committee meetings including circulation of papers in advance of meetings and the provision of management, regulatory and financial information. Management reports including cash movements, portfolio movements and valuations are regularly circulated to all Directors for review.

The Board met on five occasions during the year; there were also two Audit Committee meetings, one Remuneration Committee meeting and two Nomination Committee meetings during the year. All such meetings were quorate and followed a formal agenda.

Attendance at the Board meetings and the Audit, Remuneration and Nomination Committee meetings during the year is shown in the following table:

	Board	Audit Committee	Remuneration Committee	Nomination Committee
No. of meetings in the year to 30 June 2024	4	2	1	2
W.H. Marshall	4	-	-	-
F.W.A. Lucas	3	2	1	2
J.H. Maxwell	3	2	1	2
E.J. Beale	4	-	-	-
D.C. Marshall	1	-	-	-

The Board's Committees

The Board now has four committees:

The **Investment Committee** was chaired by David Marshall until his retirement from the Board in February this year. The Committee is now chaired by Warwick Marshall and its other member is Edward Beale. The **Nomination Committee** is chaired by John Maxwell and its other member is Dr Frank Lucas. The **Audit Committee** is chaired by Dr Frank Lucas and its other member is John Maxwell. Both members of the Audit Committee have recent and relevant financial experience. The **Remuneration Committee** is chaired by John Maxwell and its other member is Dr Frank Lucas.

Committee Meetings are held independently of Board meetings and invitations to attend are extended by the committee chairmen to other Directors and the Group's advisers as appropriate.

Investment Committee

The Investment Committee takes responsibility, between Board Meetings, for the investment decisions relating to the Company's General Portfolio which consists of a broad range of investments in major USA, UK and other European companies which provides a diversified exposure to international equity markets. All investment decisions are then implemented on the Company's behalf by City Group which also carries out required valuation and accounting work.

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Audit Committee

The Audit Committee has a number of specific responsibilities including reviewing the Group's financial statements and supporting documentation and all audit related matters.

A separate report from the Audit Committee is set out on pages 56 to 58.

Nomination Committee

The Nomination Committee, which meets from time to time, has been charged with nominating suitable candidates for the Board to consider recommending to the shareholders for appointment as Directors of the Company.

Changes to the composition of the Board are not anticipated to occur on a frequent basis. Whenever a change is anticipated, a job description for the role will be agreed by the Nomination Committee, taking into account the expertise available to the Group from the other members of the Board and the need to acquire any specific capabilities. The Nomination Committee will then undertake whatever process is most appropriate for the identification of suitable candidates and their assessment, taking into account any other commitments candidates might have. Appointments will be made on merit against objective criteria.

Remuneration Committee

The Remuneration Committee reviews, determines and recommends to the Board the future Remuneration Policy for the Chairman of the Board and the Directors. The Remuneration Committee will consider base fees and, where appropriate, salaries, annual and long-term incentive entitlements and awards and, where appropriate, pension arrangements. In determining the remuneration policy for the Board, the Remuneration Committee takes into account many factors having regard to the requirements of the Code.

The aggregate remuneration of Directors is limited by the Company's Articles of Association and this aggregate amount and the Company's Remuneration Policy can only be changed by the Company in General Meeting. The current rates of remuneration are set out in detail in the Directors' Remuneration Report on pages 62 to 63. The remuneration of the Executive Directors and employees of the Company's subsidiary, City Group, is determined by the Board of City Group, which included Edward Beale and David Marshall, until his retirement in February this year, Following David Marshall's retirement, Warwick Marshall joined the Board of City Group in place of David Marshall No Director is involved in the determination of his own pay.

New Directors' Induction

New Directors receive an induction programme which includes legal and regulatory responsibilities, information on the Group's operations and investment company industry matters.

Performance Evaluation

The Board evaluates its own performance and that of its committees and its Chairman and individual Directors through the annual completion and review of questionnaires. All Directors are encouraged to maintain personal continuing professional education programmes and all Directors are entitled to receive relevant and appropriate training if required.

The Board is satisfied, having concluded its most recent evaluations, that each of the current Director's performance continues to be effective and that each Director remains fully committed to the Company. Furthermore, the Board is satisfied that its Committees, as currently constituted, continue to be effective.

Corporate Governance Statement (continued)

Board Succession and Diversity

In evaluating the performance of the Board and its members, the Board reviews its structure and whether it has the right mix of relevant skills, diversity and experience for the effective conduct of the Company's business.

The table below provides the gender split of the Board as at 30 June 2024 as required by the Listing Rules:

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (Chair, CEO, CFO and SID)	Number in executive management	Percentage of executive management
Men	4	100	2 (Chair and SID)	0	0
Women	0	0	0	0	0
Not specified/prefer not to say	0	0	0	0	0

The table below provides the ethnicity split of the Board as at 30 June 2024 as required by the Listing Rules:

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (Chair, CEO, CFO and SID)	Number in executive management	Percentage of executive management
White British or other white (including minority-white groups)	4	100	2 (Chair and SID)	0	0
Mixed/ Multiple Ethnic Groups	0	0	0	0	0
Asian/Asian British	0	0	0	0	0
Black/African/Caribbean/Black British	0	0	0	0	0
Other Ethnic Groups including Arab	0	0	0	0	0
Not specified/prefer not to say	0	0	0	0	0

All of the Company's Directors are male, white and non-executive. The Company has no executive management. The Company has not met the diversity targets set by the Listing Rules because there have been no recent changes to the Board which would have provided an opportunity to meet the diversity targets. The Board does not consider it to be in shareholders' interests to either replace a Director, or expand the number of Directors on the Board, solely to meet these targets. Any future changes to the Board will be made on merit taking into account the diversity of applicants.

Internal Control and Risk Management

There is a well-established system of internal controls set within a framework of clearly defined structures and accountabilities with well understood policies and procedures; supported by training, budgeting, reporting and review procedures.

Board decisions are implemented on a day-to-day basis by the subsidiary company, City Group. The framework for internal financial control established in that company has been reviewed by the Board and is regarded as effective.

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The Board, through the Audit Committee, annually reviews all material internal controls, including financial, operational, and compliance controls, and risk management systems. As a result of this review, procedures are adopted which mitigate those risks which have not been specifically accepted under the Group's Investment Policy. The responsibility on a day-to-day basis for maintaining a sound system of internal controls rests with the directors of City Group which provides day to day administration and accounting services to the Group.

The reporting and review procedures provide assurance to the Board as to the adequacy and effectiveness of internal controls. The Board recognises that it is not possible to divide some functions as would be the case in larger organisations and accepts that close supervision is necessary.

The Directors have considered the need for an internal audit function and do not believe that one is appropriate because monitoring processes are applied to give reasonable assurance to the Board that the systems of internal control are functioning as intended.

An annual self-assessment of risk is performed which identifies the areas in which the Group is most exposed to risk, considers the financial implications and assesses the adequacy and effectiveness of their control. The Board has discussed the results of this review and the Directors can therefore confirm that they have reviewed the effectiveness of the Company's system of internal control.

Auditors

The Board, through the Audit Committee, has developed a professional working relationship with its Independent Auditor, PKF Littlejohn LLP, which was appointed at the Company's AGM in November 2016.

Shareholder Communications

The Board strives to present a fair, balanced and understandable assessment of the Group's position and prospects in all interim and other price-sensitive public reports and in reports to regulators as well as in the information required to be presented by statutory requirements. The Chairman welcomes comments on the quality of reports and any areas for improvement.

Shareholder communication centres primarily on the publication of annual and interim accounts and occasional press releases and trading updates. The Chairman is available for discussions with shareholders throughout the year and particularly at the time of results announcements. Mr John Maxwell, the Senior Independent Non-Executive Director, is also always available should a shareholder wish to draw any matters to his attention.

The AGM provides a forum for discussion by shareholders with the Board. Shareholders are encouraged to attend the AGM and to participate in proceedings by asking questions ahead of the AGM and during the formal part of the meeting, voting on the resolutions put to the meeting and providing Board members with their views in informal discussions after the meeting. Shareholders are also encouraged, if they have any questions or enquiries to make contact with the Company at any time during the year by contacting the Company Secretary, City Group PLC (Central Court, Suite 1.01, 25 Southampton Buildings, London WC2A 1AL).

Warwick Marshall
Chairman

25 September 2024

Audit Committee Report

Audit Committee

The members of the Audit Committee (the “Committee”) are Dr Frank Lucas (Chairman) and John Maxwell. Both members are considered to be independent and neither member has any conflicts of interest. Both Dr Frank Lucas and John Maxwell have recent and relevant financial experience.

The Committee meets at least twice a year to consider the Group’s financial reporting and reports from the Company’s Independent Auditor.

The terms of reference for the Committee, which are available on request and on the Company Secretary’s website, are reviewed and re-assessed on an annual basis.

Responsibilities

The main responsibilities of the Committee are:

- to review the half yearly and annual financial statements of the Group, the accounting policies applied therein and compliance with financial and regulatory reporting requirements.
- to assess whether the annual report and financial statements, taken as a whole, is fair, balanced and understandable and provide the information necessary for shareholders to assess the Group’s position and performance, its business model and strategy.
- to meet with the Independent Auditor to review its proposed audit programme of work and the findings of the Independent Auditor on completion of its work. The Committee also uses these meetings as an opportunity to assess the effectiveness of the audit process.
- if appropriate, to develop and implement policy on the engagement of the Independent Auditor to supply non-audit services.
- to make recommendations to the Board in relation to the appointment or re-appointment of the Independent Auditor and to approve its remuneration and the terms of its engagement.
- to monitor and review annually the Independent Auditor’s independence, objectivity, effectiveness, resources and qualification.
- to review and monitor the internal control systems and risk management systems (including non-financial risks) on which the Group is reliant.
- to consider annually whether there is a need for the Group to have its own internal audit function.
- to review the arrangements in place whereby management, office and Group secretarial services are provided to the Group and whereby management and staff may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters (‘whistleblowing’) and
- to report to the Board from time to time on any significant financial reporting issues and the views and judgements the Committee might have or make in connection with such issues and in connection with the preparation of the Group’s financial statements.

Audit Committee Activities

The Audit Committee met on two occasions in the year ended 30 June 2024, in September 2023 and in February 2024. In the course of such meetings the Committee has also met with the rest of the Board.

The Audit Committee has undertaken the following activities in the year ended 30 June 2024 in discharge of its responsibilities:

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Financial Statements

In accordance with the provisions of the Code, financial statements issued by the Company need to comply with the requirement for such statements to be 'fair, balanced and understandable'. With this in mind, the Committee reviewed and considered the draft 2024 Annual Report & Financial Statements as a whole and subsequently made recommendations to the Board and City Group, the Company Secretary. The Committee considers the revised 2024 Annual Report & Financial Statements to be 'fair, balanced and understandable'.

The Group's 2024 interim results and report were also reviewed and considered by the Committee prior to publication in February 2024.

Valuations

Listed investments are a significant component of the Group's investment business and are also a significant feature in the Group's financial statements. The Committee has reviewed the Group's valuation policy for its investments. All such investments are listed in active stock markets and the Committee considers that the Group's General Portfolio Investments are substantially liquid. The Group's investments are valued using independent pricing sources, in accordance with the stated accounting policies and these have been reviewed by the Committee. The Committee also considered the valuation basis for Strategic Investments to be appropriate, notwithstanding their illiquidity.

Going concern and viability statements

The Committee assessed whether it was appropriate to prepare the Group's 2024 Annual Report & Financial Statements, and the 2024 Interim results and report, on a going concern basis and, following such assessments, made recommendations to the Board whose conclusions were included in the Interim results and report published in February 2024 and are set out in the Directors' Report on page 43.

The Group's assets consist substantially of equity shares in companies listed on recognised stock exchanges and in most circumstances are realisable within a short timescale. The Committee and the Board believe it is appropriate to continue to adopt the going concern basis in the preparation of the financial statements and they consider that the Group has a very low level of costs and has adequate resources to continue in operational existence for the foreseeable future.

The Committee also assessed the viability of the Group. After reviewing the Group's Strategic Investments and General Portfolio investments, its gearing and considering the impact of volatility in stock markets, currencies and commodities, the Committee was satisfied that the viability statement, which relates to a period of five years ending 30 June 2029, could be made in the 2024 Annual Report & Financial Statements for the reasons set out in the Directors' Report on page 43.

Significant Risks and Issues

The significant accounting issue considered by the Committee during the year in relation to the Group's financial statements was the presentation of changes in the value of the Company's investment in Western and the necessary adjustment to prior year results.

A further significant risk is to ensure the General Portfolio accounted for in the financial statements reflects ownership of the relevant securities.

The incomplete or inaccurate recognition of income in the financial statements are also risks. Internal control systems, including reconciliations are in place to ensure income is fully accounted for.

Internal control

The Board as whole is responsible for the Group's system of internal control and for reviewing its effectiveness. The system is designed to manage rather than eliminate the risk of failure to achieve the Group's business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Committee has also, in the course of the financial year ended 30 June 2024, reviewed the Group's internal control processes and is satisfied that no significant areas of weakness have been identified and that the existing processes and controls are appropriate having regard to the Group's investment business.

Audit Committee Report (continued)

In particular, the Committee reviews reports from its subsidiary, City Group, to ensure that internal controls over the Group's investments are adequate. The Group's audit includes independent confirmation of the existence of all investments and the valuation of investments to external price sources.

Audit process and the Independent Auditor

PKF Littlejohn LLP was appointed as the Company's new Independent Auditor at the Company's AGM in November 2016 and was re-appointed as the Company's Independent Auditor at the Company's AGMs in 2017 to 2022 and at the AGM in December 2023.

The Committee meets each year with the Independent Auditor. The Company's Independent Auditor, PKF Littlejohn LLP, provided a detailed planning report in advance of the annual audit work. The Committee was able to review PKF Littlejohn LLP's detailed planning report prior to commencement of the audit work and, following completion of their audit work, the Committee discussed with PKF Littlejohn LLP their audit report and findings. In the course of these discussions, the Committee was able to review the level and scope of materiality adopted by PKF Littlejohn LLP in the audit process.

Audit effectiveness

The Committee reviews annually the audit process conducted by PKF Littlejohn LLP and considers its effectiveness. In the course of its review, the Committee will consider the quality of the PKF Littlejohn LLP staff, the appropriateness of the audit methodology as applied to the Company's business activities and the level of challenge from PKF Littlejohn LLP and the quality of reporting to the Board and the Committee. As part of its evaluation, the Committee also obtains assurance from PKF Littlejohn LLP on the quality of its audit work.

Non-audit work

In order to safeguard the Independent Auditor's independence and objectivity, City Group, the Company Secretary, maintains a schedule of specific non-audit work activities which are carried out independently of the Independent Auditor. City Group has confirmed to the Committee that PKF Littlejohn LLP has not carried out any non-audit work activities on behalf of the Company in the year ended 30 June 2024 or since the year-end.

Re-appointment of PKF Littlejohn LLP as Independent Auditor

PKF Littlejohn LLP was re-appointed as the Company's Independent Auditor at last year's AGM. The Committee has concluded that PKF Littlejohn LLP has provided an effective audit and the Committee has recommended to the Board the re-appointment of PKF Littlejohn LLP as the Group's Independent Auditor at the Company's forthcoming AGM.

Relations with Shareholders

The Board places great importance on communication with shareholders and up to date information can be obtained on the Group through City Group, the Company Secretary. The Group's Annual Report & Financial Statements is sent to shareholders and the Annual Report & Financial Statements and the Company's Interim results and report can be downloaded from City Group's website www.city-group.com/london-finance-investment-group-plc

Dr Frank Lucas
Chairman of the Audit Committee

25 September 2024

London Finance & Investment Group PLC _____

Directors' Remuneration Report

Remuneration Committee

The members of the Committee are John Maxwell (Chairman) and Dr Frank Lucas. Both members are considered to be independent and neither member has any conflicts of interest. Both John Maxwell and Dr Frank Lucas have recent and relevant financial experience.

The Committee meets at least once a year to consider the remuneration arrangements for the Directors and any senior managers. The Committee will ensure that the arrangements are aligned to the Company's strategy, the aim of which is to promote long-term sustainable success and generate growth in shareholder value in real terms over the medium to long-term whilst maintaining a progressive dividend policy. The Committee reviews, considers and makes recommendations on changes to the Directors' remuneration policy in the future.

The terms of reference for the Committee, which are available on request and which can be found on the Company Secretary's website, are reviewed and re-assessed on an annual basis.

Key Objectives of the Committee

The key objectives of the Committee in reviewing the Company's Remuneration Policy and making recommendations to the Board as to changes in the policy are as follows:

- * remuneration for the current Directors, all of whom are Non-Executive Directors, should be competitive, but not excessive, in order to motivate and retain its Directors and grow the Group successfully
- * remuneration packages for new Non-Executive Directors or Executive Directors, should the appointment of Executive Directors be considered appropriate, should be competitive but not excessive, in order to attract, motivate and retain such Directors and grow the Group successfully
- * remuneration of Executive Directors, if the appointment of Executive Directors is considered appropriate, should be linked to the long-term performance of the Group's business
- * any performance related remuneration for Executive Directors should be set so as to align the interests of the Executive Directors with those of the shareholders
- * In determining remuneration arrangements for the Directors, the Committee will also take into consideration the pay and employment conditions in other parts of the Group

The Form of the Directors' Remuneration Report

The Directors' Remuneration Report has been prepared in accordance with the Directors' Remuneration Report Regulations and also meets the relevant requirements of the UK Listing Authority Listing Rules.

The Directors' Remuneration Report comprises three sections:

- * a remuneration policy, which sets out the framework for remuneration arrangements for the Directors;
- * an annual report on Directors' remuneration, which sets out all payments made to the Directors during the year; and
- * an annual statement by the Chairman of the Remuneration Committee, John Maxwell.

A resolution to approve the Directors' Remuneration Report, other than the part containing the Directors' Remuneration Policy, in the form contained in this Annual Report was put to shareholders at the AGM last year and was approved with 14,532,9544 votes in favour and no votes against.

Directors' Remuneration Policy

The Company's Remuneration Policy needs to be put to a binding shareholders' vote at least once every three years. Accordingly, the Company's Remuneration Policy was put to a binding shareholders' vote at the Company's AGM on 10 November 2022 and unanimously approved. Subject to the Committee and the Board being satisfied that there are no changes to the Policy that need to be made at this time, the Policy will not need to be put to a binding shareholders' vote until 2026.

The Committee has reviewed the Company's Remuneration Policy and has considered whether any changes to the Policy should be made at this time. The Committee does not consider it appropriate to propose any revisions to the current Policy.

The Directors' Remuneration Policy is as follows:

Salaries and fees

The Company's Board has no Executive directors and is entirely comprised of Non-Executive Directors. The Company's Remuneration Policy at present is to pay fixed fees to these Directors. No salaries are payable and there is no variable element of pay for the Directors.

The level of Directors' fees is set with a view to attract, motivate and retain talented individuals. The maximum amount of a Director's fee will be set by the Board from time to time, following recommendations from the Committee, and increases will not be higher than inflation unless this can be justified having regard to the performance of the Group or additional responsibilities taken on by Directors.

The Group's policy for future increases in Directors' fees is similar to the policy for increases in salaries to City Group employees but in the case of Directors' fees the reviews will be performed every 3-5 years, with a review having taken place in June 2023. A review of Directors' fees for the year ended 30 June 2025 will be conducted following publication of the Company's 2024 Annual Report & Financial Statements.

Long-term Incentive Schemes

Save for the Group's Company Share Option Plan, the Group has no other long-term incentive schemes. The Group has no plans to adopt any further long-term incentive schemes in the future, although the Board will keep such schemes under review in the light of changing legislation.

The Group's Company Share Option Plan was established, in September 2006, to incentivise full-time employees and directors of City Group and to recognise outstanding efforts or achievements, or otherwise to attract, motivate or retain staff.

Edward Beale has been the only Director to receive option awards. Edward Beale was awarded options on 29 February 2016 over 80,000 ordinary shares, prior to his appointment to the Board, and these options may be exercised at any time prior to 1 March 2026.

Bonuses or other Discretionary Payments

The Company does not make bonus payments or other discretionary payments to any of the Directors.

Part of any profits made by City Group (currently 50%) are allocated to a staff bonus pool.

Pensions and other Benefits

The Directors are covered by the Company's directors' and officers' liability insurance cover which is renewed annually. Other than this insurance cover, no other benefits, such as pension contributions, private medical health cover, death in service insurance, life insurance or company cars are provided for the Directors.

London Finance & Investment Group PLC

Directors' Remuneration Report (continued)

Remuneration on Appointment to the Board

It is anticipated that new Non-Executive Directors will be remunerated on a similar basis to existing Directors. No additional payments will be made to such Directors.

The Company has no Executive Directors at present and there is no intention in the immediate future to appoint any Executive Directors. However, should it be appropriate in the future to recruit an Executive Director, the remuneration package offered will be designed to attract high quality individuals and will be commensurate with those available in the market at the time of recruitment for persons with similar experience and any equity incentive arrangements proposed to be granted on appointment will be subject to shareholder approval.

The remuneration package offered in respect of an Executive Director could include fixed and variable bonuses, pension contributions, private medical health cover, death in service insurance, travel and other allowances as well as a basic salary.

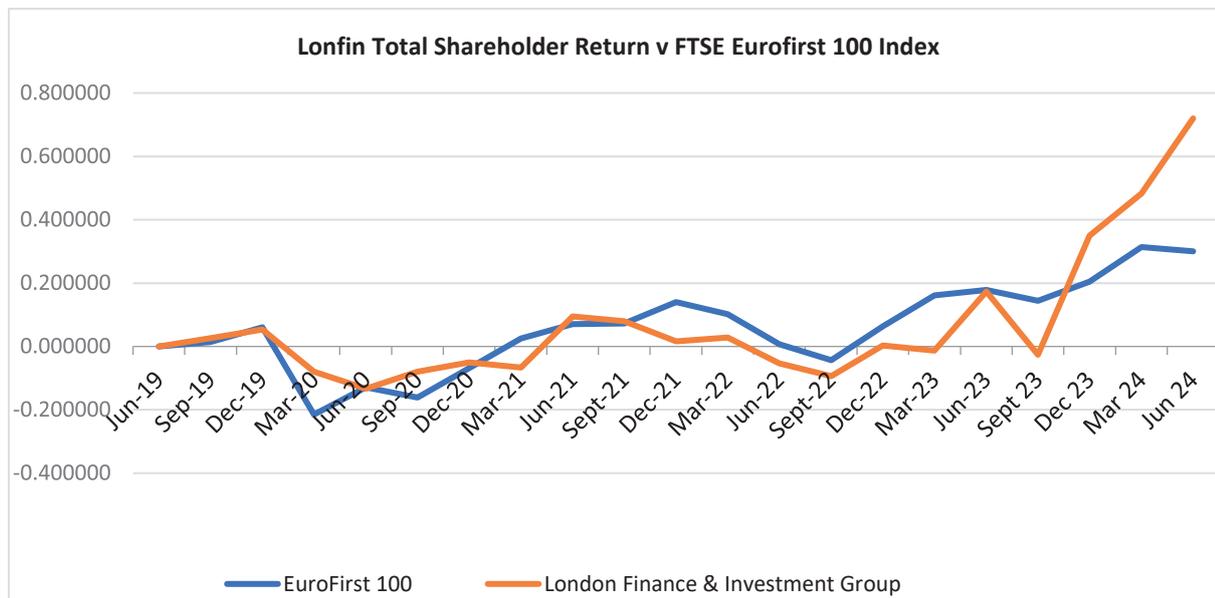
Loss of Office

The Chairman and the Directors have no entitlement to compensation for loss of office as Directors of the Company.

City Group

The remuneration paid to the directors and employees of the Company's subsidiary, City Group, in the year ended 30 June 2024 was reviewed and considered by the Board of City Group, which includes Warwick Marshall and Edward Beale.

Performance Graph



The above graph shows Lonfin's Total Shareholder Return (TSR) performance compared to the TSR of the FTSE Eurofirst 100 index over the past five years. The Group's main activity is that of an investment Group and the Board believes that because the Group's General Portfolio concentrates on FTSE 100 companies, or European equivalents, this index is best suited as the comparator index. The Group is not a part of the FTSE Eurofirst 100 Index, being a member of the FTSE Fledgling Index, which is not deemed an appropriate comparator as it contains many small companies of varying nature.

TSR is defined as the percentage change over the period in market price assuming the reinvestment of income and funding of liabilities of the theoretical holding. TSR has been calculated on a three-month basis in order to reduce the volatility associated with spot prices.

Annual Report on Directors' Remuneration

The following report sets out details of remuneration paid to the Chairman and the Directors in the financial year ended 30 June 2024 and describes how the Company's Remuneration Policy will be implemented for the year ending 30 June 2025.

A list of all the Directors who served the Company in the financial year ended 30 June 2024 and their beneficial interests (and those of their connected persons) in the Company's ordinary shares as at 30 June 2023 and 2024 is set out in the Directors' Report on page 45 of this document.

Chairman's Remuneration

As the Company has no Chief Executive Officer the table below shows the total remuneration of the previous Chairman, David Marshall, for the 5 years to 30 June 2024 and the total remuneration of the current Chairman, Warwick Marshall, for the period ended 30 June 2024. The total remunerations of David Marshall and Warwick Marshall are set out below by way of comparison with the total return to shareholders illustrated in the Performance Graph set out above.

The table and related information below, which have been audited, also shows the total remuneration expected to be paid in the year ending 30 June 2025 to the current Chairman, Warwick Marshall, who was appointed to the role of Chairman on 29 February 2024 following David Marshall's retirement from the Board.

The Chairman's remuneration is by way of fixed fees only. He receives no variable pay element or equity incentives or taxable benefits.

David Marshall, Non-Executive Chairman (until retirement on 29 February 2024)	Total fees paid
Year ended 30 June	£
2020	20,000
2021	20,000
2022	20,000
2023	20,000
2024	14,000
Warwick Marshall, Non-Executive Chairman (from 29 February 2024)	Total fees paid
Year ended 30 June	
2024	15,000
	Total fees expected to be paid
2025	15,000

The previous Chairman, David Marshall, ceded his Director's fees to Marshall Monteagle PLC and he received no other payment or benefits from the Company.

London Finance & Investment Group PLC

Directors' Remuneration Report (continued)

The current Chairman, Warwick Marshall, cedes his Director's fees to Marshall Monteagle PLC and he receives no other payment or benefits from the Company.

Directors' Remuneration

The Company's Board is entirely comprised of Non-Executive Directors and the Company's Remuneration Policy at present is to pay fixed fees to these Directors. No salaries are payable and there is no variable element of pay for the Directors.

The table and related information set out below, which have been audited, shows the fees paid to David Marshall, the previous Chairman, Warwick Marshall, the current Chairman and the Directors, in the year ended 30 June 2024, compared with the fees paid to David Marshall, Warwick Marshall and the Directors in the previous year. The table also shows the fees expected to be paid to Warwick Marshall, the current Chairman, and the Directors in the year ending 30 June 2025.

	Total fees payable	Total fees paid	
	Year ending 30 June 2025	Year ended 30 June 2024	Year ended 30 June 2023
Non-Executive Directors			
	£	£	£
Mr. W.H. Marshall ≠	15,000	15,000	14,000
Mr D.C. Marshall ○	-	14,000	20,000
Mr E.J. Beale ◆	15,000	15,000	14,000
Dr. F.W.A. Lucas	15,000	15,000	14,000
Mr J. H. Maxwell	15,000	15,000	14,000
	60,000	74,000	76,000

In the two years ended 30 June 2024:

- ≠ Mr W H Marshall has ceded his Director's fees to Marshall Monteagle PLC.
- ◆ Mr E.J. Beale has ceded his Director's fees to Marshall Monteagle PLC
- Mr D C Marshall has ceded his Director's fees to Marshall Monteagle PLC.

The remuneration of Warwick Marshall, the current Chairman, and the Directors for the year ending 30 June 2025 will be conducted following publication of the Company's 2024 Annual Report & Financial Statements.

The Group's policy for future increases in fees to the Directors is similar to the policy for increases in salary to City Group employees save that in the case of Directors' fees the reviews will be performed every 3-5 years. A review of Directors' fees was conducted prior to the finalisation of the Company's 2024 Annual Report & Financial Statements.

Directors' and Group Employees' Remuneration compared to Shareholders' dividends

The table below compares the total remuneration paid to the Board and the Group's employees to the distributions paid to shareholders by way of dividends in the last three years.

The Board's and the Group's employees' total remuneration for the three years ended 30 June 2024, which has been audited, is set out below.

Year ended 30 June	The Board and employees of the Group's total remuneration (audited)	Dividends paid to Shareholders (audited)
2022	£536,000	£359,000
2023	£549,000	£359,000
2024	£573,000	£374,000

Directors' interests in the Company

The interests of the Directors (and their connected persons) at 30 June 2024 are as set out in the table in the Directors' Report on page 45.

Long term Incentive Schemes

No option awards under the Group's Company Share Option Plan have been made to any of the Directors or employees of the Group in the year ended 30 June 2024 and no option awards are envisaged for the year ending 30 June 2025.

None of the Directors or current employees of the Group have received option awards under the Company's Group Share Option Plan in the past save for Edward Beale who, being at the time an eligible employee under the rules of the Group's Company Share Option Plan, on 29 February 2016 was granted options over 80,000 ordinary shares in the Company with an exercise price of 37.5p per share. These options may be exercised at any time prior to 1 March 2026. This information has been audited. Further information on the valuation of these options is set out in Note 17 to the Financial Statements, Share Capital and Reserves.

Bonuses or other Discretionary Payments

No bonuses or other discretionary payments have been made by the Group to any of the Directors in the year ended 30 June 2024 and no bonuses or other discretionary payments will be paid in the year ending 30 June 2025. This information has been audited.

Pensions and other Benefits

No pension contributions have been paid in respect of any of the Directors in the year ended 30 June 2024 and no pension contributions will be paid by the Company in the year ending 30 June 2025. This information has been audited.

Loss of Office

No payments or commitments in respect of payments in respect of loss of office have been paid to any Director in the year ended 30 June 2024 and no such payments will be paid in the year ending 30 June 2025. This information has been audited.

Remuneration on Appointment to the Board

No payments or commitments in respect of payments in respect of any Board appointments have been paid in the year ended 30 June 2024. This information has been audited.

It is anticipated that, if new Non-Executive Directors are appointed in the year ending 30 June 2025 or in subsequent years, they will be remunerated on a similar basis to the fees which are then paid to the existing Directors and no additional payments will be made.

Should it be considered appropriate to appoint an Executive Director to the Board in the year ending 30 June 2025 or in subsequent years, the remuneration package to be offered will be in line with the policy for Executive Directors as set out in the Directors Remuneration Policy above.

London Finance & Investment Group PLC _____

City Group

The remuneration payable to the executive directors and employees of the Company's subsidiary, City Group, for the year ended 30 June 2024 will be reviewed and considered by the Board of City Group, which includes Warwick Marshall and Edward Beale.

Annual Statement by John Maxwell, Chairman of the Remuneration Committee

On behalf of the Board, I am pleased to present the Directors' Remuneration Report for the year ended 30 June 2024.

I confirm that the Directors' Remuneration Policy, set out above, summarises the Company's current Remuneration Policy which will not need to be put to a binding shareholders' vote at the Company's AGM until 2026.

At this time, the Board is comprised wholly of Non-Executive Directors, including Warwick Marshall, the Chairman, who only receive director's fees, the scale of which is limited by the provisions of the Company's Articles of Association. Notwithstanding the scale of fees received by each of the Directors, the Board as a whole is committed to promoting the success of the Company and the growth in the Company's net assets and the dividends paid to shareholders.

I also confirm that the Annual Report on Directors' Remuneration set out above summarises the entire remuneration paid to members of the Board for the year ended 30 June 2024 and the remuneration arrangements for the Board for the year ending 30 June 2025.

A resolution to approve the Directors' Remuneration Report (other than the part containing the Directors' Remuneration Policy), will be proposed at the Company's AGM to be held on 28 November 2024 at which time the Company's Financial Statements will be approved.

This Directors' Remuneration Report was approved by the Board and signed on its behalf by:

John Maxwell
Chairman of the Remuneration Committee

25 September 2024

Task Force on Climate-related financial disclosures (“TCFD”) Report

This is our third year reporting against the TCFD disclosures and recommendations. Our disclosures are not yet fully aligned with the TCFD recommendations. Whilst the Company is a small investment business we continue to look to refine and develop our approach to and our understanding of our climate-related financial risks and opportunities with a view to meeting the TCFD recommendations in full by 2025.

Governance

The management of our investments is the responsibility of the Board.

The assessment and management of the Company’s principal risks and new and emerging risks, including climate-related risks, is a matter for the Audit Committee which, in conjunction with the Investment Committee, reviews these in relation to the Company’s investments and its business operation and reviews the Company’s approach, policies and actions in relation to its risks which are then raised and discussed with the Board.

The Board has overall responsibility for the Company’s investment management and risk management including the extent of climate-related risks and opportunities.

Strategy

The Company’s Investment Committee, in conjunction with the Board, will continue to seek Strategic Investment opportunities, that is, investments in smaller UK quoted companies which have capable management and good opportunities for growth. In considering investment in such companies, the Company will aim to acquire significant minority holdings and to be represented on their boards where the Company’s management can use its experience and skills to assist in the development of these companies. Where possible, we will use our influence with all such companies to ensure that climate impacts are assessed, and strategies and processes are considered to address them.

Our Strategic Investments in the past have been balanced by the Company’s General Portfolio, which consists of a broad range of investments in major USA, UK and other European companies which provides a diversified exposure to international equity markets. Given the size and value of our General Portfolio investments, we expect that the management of these global companies will ensure that climate-change impacts are fully assessed, and appropriate strategies and processes are put in place to achieve net zero emissions by 2050 or sooner.

In the short to medium term, the Board has assessed that the most significant impact to our General Portfolio investments as a result of climate-change related risks will be the costs to the investee companies of meeting regulatory changes and adjusting to market change and changing consumer behaviour. The Board also anticipates that some of the investee companies will identify and benefit from sustainable climate-change related opportunities.

As our General Portfolio investments come from a broad range of sectors, the Board has assessed that a climate change related stress scenario of 2°C or lower is unlikely to impact the viability of the Group over the short to medium term.

The Company’s business operation is simple and straight-forward: with a view to reducing our carbon footprint, the Company has moved from leased premises and now operates from serviced office premises just outside the City of London with no employees or staff save for the staff of our company secretary, City Group. On review of the risks to our operation, the Board has concluded that it would not be impacted by any material climate-change related risks in the short to medium-term.

Risk Management

The Board and the Audit Committee reviews the Company's actual and emerging risks and risk management processes each year. Depending on the level of risks assessed, the Audit Committee and the Board will consider and agree actions to mitigate these risks.

We will monitor and maintain sufficient diversification in our General Portfolio of investments to mitigate climate-change related risks associated with those investments.

The Board has not carried out a detailed assessment of the climate-change risks that might affect our business operation.

The Company will seek to achieve net-zero emissions by 2050 or earlier and with this target in mind we will continue to examine opportunities to increase efficiencies and reduce energy consumption in our business operation.

Metrics and Targets

The key measure used to assess the progress of our investments and our own business operation in reducing environmental impacts is carbon emissions.

The Company and its subsidiaries have no Scope 1 emissions and given the size and nature of the Company's investment business and there being little or no business travel, the Company has not previously needed to report on Scope 3 emissions.

In recent years, the Company has managed and reported on its Scope 2 emissions. During the year ended 30 June 2023, the Group's electricity consumption for our leased office premises in London was 1,167 KgCO₂e equating to a carbon dioxide equivalent of 1.1 tonne (1.1 tCO₂e). On 1 September 2023, the Company moved to serviced London offices and no longer incurs separate electricity costs. During the year ended 30 June 2024, the Group's electricity consumption for our leased office premises (for the months of July and August last year) and the Group's electricity and gas consumption for our serviced office premises (from 1 September last year) totalled 1,789 KgCO₂e equating to a carbon dioxide equivalent of 1.8 tonnes (1.8 tCO₂e). The risks associated with increasing energy costs at our serviced office premises in London can be managed as these are low relative to the net assets of the Group.

Excluded from Scope 3 emissions are a proportionate share of the Scope 1 and Scope 2 emissions of companies that we are invested in where our shareholding is less than 0.01% of the issued share capital, since we are unable to have any influence over the emissions of those companies. Those companies are all major multinationals which will have their own plans for achieving net zero emissions by 2050 or earlier, and the diversified nature of the General Portfolio means that the Company's exposure to climate-change related risks from these investments is minimal.

We will continue to manage and report on the Group's Scope 1 (if any) and Scope 2 emissions with a target of reducing emissions to net-zero as soon as possible and no later than 2050. We will engage with the management of Strategic Investments that we might invest in in the future to encourage them to achieve net-zero emissions by 2050 or earlier. We will continue to factor climate-change related risk into our investment decision making process.

Summary of Results

For the five years ended 30 June 2024

	2024	2023	2022	2021	2020
	£000	£000	£000	£000	£000
Consolidated Statement of Financial Position					
Issued share capital	1,560	1,560	1,560	1,560	1,560
Share premium and other reserves	4,330	7,451	7,662	11,584	8,740
Company's retained realised profits	16,453	9,472	7,872	5,749	5,498
Shareholders' funds (all equity)	22,343	18,483	17,094	18,893	15,798
Non-controlling interest	-	157	141	129	103
	22,343	18,640	17,235	19,022	15,901
Disposition of Capital					
Non-current assets	40	3,164	4,050	8,369	6,834
Current assets					
Listed investments (General Portfolio)	14,032	15,496	14,055	12,081	9,948
Other current assets	109	100	109	125	166
Cash and deposits	9,460	1,264	1,156	309	269
	23,601	16,860	15,320	12,515	10,383
Liabilities and deferred tax	(1,298)	(1,384)	(2,135)	(1,862)	(1,316)
	22,343	18,640	17,235	19,022	15,901
Net assets per share	71.6p	59.2p	54.8p	60.5p	50.6p
Dividend per share	1.2p	1.15p	1.15p	1.15p	1.15p

London Finance & Investment Group PLC _____

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Annual General Meeting of London Finance & Investment Group PLC (the “Company”) will be held at the offices of City Group PLC, Central Court, 25 Southampton Buildings, London WC2A 1AL on Thursday 28 November 2024 at 12.30 p.m. (2.30 p.m. South Africa time).

In order to ensure the safety of those planning to attend the Annual General Meeting and that appropriate safety arrangements are in place, shareholders are asked to inform City Group, the Company Secretary, of their intention to attend the Annual General Meeting by email to mail@city-group.com.

If shareholders do not wish to attend, we strongly encourage them to appoint the Chairman as their proxy and submit their Forms of Proxy to the appropriate Registrars as soon as possible. Questions may also be submitted by email and responses will be provided subsequent to the meeting.

Resolutions

The Resolutions to be proposed and voted upon at the Annual General Meeting are as follows:

To consider and, if thought fit, pass the following resolutions, of which Resolutions 1 to 9 will be proposed as Ordinary Resolutions and Resolution 10 will be proposed as a Special Resolution.

1. To receive the financial statements for the year ended 30 June 2024, together with the reports of the Directors and the Independent Auditor thereon.
2. To declare a final dividend for the year ended 30 June 2024 of 0.60 pence for each ordinary share in the capital of the Company.
3. To approve the Directors' Remuneration Report, other than the part containing the Directors' Remuneration Policy, in the form set out in the Company's Annual Report and Financial Statements for the year ended 30 June 2024.
4. To re-elect Dr F.W.A. Lucas as a Director, who is subject to annual re-election and who retires and offers himself for re-election
5. To re-elect Mr J. H. Maxwell as a Director, who is subject to annual re-election and who retires and offers himself for re-election.
6. To re-elect Mr E. J. Beale as a Director, who is subject to annual re-election and who retires and offers himself for re-election.
7. To re-elect Mr W. H. Marshall as a Director, who is subject to annual re-election and who retires and offers himself for re-election.
8. To re-appoint PKF Littlejohn LLP as the Company's Independent Auditor and to authorise the Directors to agree its remuneration.

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9. **THAT**, the directors be generally and unconditionally authorised, pursuant to and in accordance with section 551 of the Companies Act 2006, to exercise all the powers of the Company to allot shares in the Company and to grant rights to subscribe for, or to convert any security into shares in the Company ('Rights') up to an aggregate nominal amount of £189,626 (being 3,792,520 ordinary shares), provided that this authority shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2025, save that the Company shall be entitled to make offers or agreements before the expiry of this authority which would or might require shares to be allotted or Rights to be granted after such expiry and the Directors shall be entitled to allot shares and grant Rights pursuant to any such offers or agreements as if this authority had not expired; and all unexercised authorities previously granted to the Directors to allot shares and grant Rights be and are hereby revoked.
10. **THAT**,
- (a) subject to the passing of Resolution 9 set out above, the Directors be empowered, pursuant to section 570 and section 573 of the Companies Act 2006, to allot equity securities, within the meaning of section 560 of that Act, for cash pursuant to the authority conferred by Resolution 9, as if section 561(1) of that Act did not apply to any such allotment, provided that this power shall be limited to:
- (i) the allotment of shares in the Company in connection with or pursuant to an offer by way of rights, bonus issues or similar issues to the holders of ordinary shares in the capital of the Company and other persons entitled to participate therein in proportion (as nearly as may be) to such holders' holdings of such shares (or, as appropriate, to the numbers of such shares which such other persons are for those purposes deemed to hold) subject only to such exclusions or other arrangements as the Directors may feel necessary or expedient to deal with (i) fractional entitlements or legal or practical problems under the laws or the requirements of any recognised regulatory body in any territory (ii) underwriting all or part of such an issue and (iii) applications by shareholders for equity instruments offered to other shareholders as part of such an issue, but not taken up by other shareholders; and
- (ii) the allotment to any person or persons (otherwise than in connection with a rights issue) of equity securities up to an aggregate nominal amount of £78,000 (being 1,560,000 ordinary shares), representing approximately 5% of the issued ordinary share capital of the Company;
- (b) the power given by this resolution shall expire upon the expiry of the authority conferred by Resolution 9 set out above, save that the Directors shall be entitled to make offers or agreements before the expiry of such power which would or might require equity securities to be allotted after such expiry and the Directors shall be entitled to allot equity securities pursuant to any such offers or agreements as if the power conferred hereby had not expired; and
- (c) words and expressions defined in or for the purposes of Part 17 of the Companies Act 2006 shall bear the same meaning herein.

By Order of the Board

City Group PLC
Company Secretary

Central Court,
Suite 1.01,
25 Southampton Buildings.
London WC2A 1AL

25 September 2024

London Finance & Investment Group PLC _____

Notes

1. A Form of Proxy is enclosed.
2. Shareholders are encouraged to nominate the Chairman as their proxy. A shareholder is entitled to appoint a proxy other than the Chairman to exercise all or any of their rights to attend and to speak and vote on their behalf at the Meeting. A shareholder may appoint more than one proxy in relation to the Meeting provided each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. A proxy need not also be a shareholder but must attend the meeting for the shareholder's vote to be counted.
3. To be valid the Form of Proxy should be completed and returned so as to reach the Company's Registrars, Neville Registrars Limited, Neville House, Steelpark Road, Halesowen, West Midlands, B62 8HD, U.K., for those shareholders on the UK branch of the register, or Computershare Proprietary Limited, at 15 Biermann Avenue, Rosebank, Johannesburg 2196, South Africa or Private Bag X9000, Saxonwold 2132, South Africa, for those shareholders on the South African branch of the register, **not later than 12.30 p.m. (2.30 p.m. South Africa time) on Tuesday, 26 November 2024**. Any shareholders who miss the deadline for returning their proxies will, if they wish to vote at the Meeting, need to attend and vote their shares in person at the Meeting.
4. Any member or his/her proxy, with the right to attend the Meeting has the right to submit any question, relating to the business of the Meeting, to City Group, the Company Secretary, at mail@city-group.com. All questions should be received by 12.30 p.m. (2.30 p.m. South Africa time) on Tuesday, 26 November 2024.
5. Only shareholders registered in the register of members of the Company as at 6.00 p.m. (8.00 p.m. South Africa time) on Tuesday, 26 November 2024 shall be entitled to vote by proxy at the Meeting in respect of the number of shares registered in their name at such time as long as their proxy form is submitted within the deadline.
6. In the case of joint holders, the vote of the senior holder who tenders a vote by proxy shall be accepted to the exclusion of the votes of the other joint holders and, for this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the relevant joint holding.
7. Copies of the Directors' letters of appointment are available on request to the Company Secretary, City Group, by making the request to mail@city-group.com
8. As at the date of the Annual Report, the Company's issued share capital consists of 31,207,479 ordinary shares, carrying one vote each. Accordingly, the total voting rights in the Company are **31,207,479**.
9. The information required to be published by section 311(A) of the Companies Act 2006 (information about the contents of this Notice and numbers of shares in the Company and voting rights exercisable at the Meeting and details of any shareholders' statements, members' resolutions and members' items of business received after the date of this Notice) may be found at www.city-group.com/london-finance-investment-group-plc
10. Shareholders satisfying the thresholds in section 527 of the 2006 Act can require the Company to publish a statement on its website setting out any matter relating to (a) the audit of the Company's accounts (including the Auditor's report and the conduct of the audit) that are to be laid before the Meeting; or (b) any circumstances connected with an Auditor of the Company ceasing to hold office since the last AGM, which the members propose to raise at the meeting.

The Company cannot require the shareholders requesting the publication to pay its expenses. Any statement placed on the website must also be sent to the Company's Auditors no later than the time it makes its statement available on the website. The business which may be dealt with at the Meeting includes any statement that the Company has been required to publish on its website pursuant to this right.

Note: For shareholders registered on the South African branch of the register:

11. A Form of Proxy is attached for the convenience of any certificated or dematerialised Lonfin shareholders with own-name registrations who cannot attend the Meeting, but who wish to be represented thereat. To be valid, completed Forms of Proxy must be received by the transfer secretaries of the Company, Computershare Proprietary Limited, at 15 Biermann Avenue Rosebank, Johannesburg 2196 or at Private Bag X9000, Saxonwold, 2132, South Africa **by no later than 2.30 p.m. South Africa time on Tuesday, 26 November 2024.**

All beneficial owners of Lonfin shares who have dematerialised their shares through a CSDP or broker, other than those with own-name registration, and all beneficial owners of shares who hold certificated shares through a nominee, must provide their CSDP, broker or nominee with their voting instructions, in accordance with the agreement between the beneficial owner and the CSDP, broker or nominee as the case may be. Should such beneficial owners wish to attend the meeting in person they must request their CSDP, broker or nominee to issue them with the appropriate letter of authority. If shareholders who have not dematerialised their shares or who have dematerialised their shares with own-name registration and who are entitled to attend and vote at the Meeting do not deliver proxy forms to the transfer secretaries timeously, such shareholders will nevertheless at any time prior to the commencement of the voting on the resolutions at the Meeting be entitled to lodge the form of proxy in respect of the Meeting, in accordance with the instructions therein with the Chairman of the Meeting.

Record Dates:	2024
Please take note of the following important dates	
Record date for the purpose of determining which shareholders of the Company are entitled to receive Notice of the Annual General Meeting ('the notice record date')	Friday, 4 October
Annual Report published on SENS and posting date	Thursday, 10 October
The last date to trade in order to be eligible to participate in and vote at the Annual General Meeting	Thursday, 21 November
Record date for the purpose of determining which shareholders of the Company are entitled to participate in and vote at the Annual General Meeting ('the voting record date')	Tuesday, 26 November
Last day for lodging Forms of Proxy by 2.30 p.m. (SA time)	Tuesday, 26 November
Date of the Annual General Meeting at 2.30 p.m. (SA time)	Thursday, 28 November
Result of Annual General Meeting published on SENS	Thursday, 28 November

Change of Address:

Members are requested to advise the United Kingdom Registrars, Neville Registrars Limited, or the South African Registrars, Computershare Investor Services (Pty.) Limited, of any change of address.

London Finance & Investment Group PLC _____

London Finance & Investment Group PLC _____

FORM OF PROXY

I/We,.....

.....

(for South African Shareholders only:

Telephone number:.....Mobile phone number:.....

Email address.....).

being (a) member(s) of the above-named company (the "Company") hereby appoint the chairman of the Annual General Meeting, failing whom

.....

as my / our proxy to vote for me / us on my / our behalf at **the Annual General Meeting of the Company to be held on 28 November 2024 at 12:30 p.m. (2.30 p.m. South Africa time)** and at any adjournment thereof.

I / We hereby authorise and instruct my/our proxy to vote (or abstain from voting) as indicated below on the resolutions to be proposed at such meeting. Unless otherwise directed the proxy will vote or abstain from voting as he thinks fit.

RESOLUTIONS	For	Against	Withheld
Ordinary Resolutions			
1. To receive the financial statements for the year ended 30 June 2024, together with the reports of the directors and auditors thereon.			
2. To declare a final dividend of 0.60p for the year ended 30 June 2024.			
3. To approve the Directors' Remuneration Report (excluding the Director's Remuneration Policy).			
4. To re-elect Dr F.W.A. Lucas as a director.			
5. To re-elect Mr J. H. Maxwell as a director.			
6. To re-elect Mr. E. J. Beale as a director.			
7. To re-elect Mr W. H. Marshall as a director.			
8. To re-appoint PKF Littlejohn LLP as Auditor of the Company and to authorise the Directors to agree its remuneration.			
9. To authorise the directors to allot shares under Section 551 of the Companies Act 2006.			
Special Resolution			
10. To disapply pre-emption rights.			

Dated.....2024

Signature.....

London Finance & Investment Group PLC _____

Notes

1. The shareholders are encouraged to nominate the Chairman as their proxy. However, a shareholder is entitled to appoint a proxy other than the Chairman to exercise all or any of their rights to attend and to speak and vote on their behalf at the Meeting. A shareholder may appoint more than one proxy in relation to the Meeting provided each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. A proxy need not also be a shareholder but must attend the Meeting for the shareholder's vote to be counted.
2. Please indicate with a cross in the appropriate box on your Form of Proxy how you wish your votes to be cast at the Meeting. If you do not make a specific direction, the proxy will vote (or abstain from voting) at his or her discretion. On any other business which properly comes before the Meeting (including any motion to amend any resolution or to adjourn the Meeting) the proxy will vote or abstain at his or her discretion.
3. The 'withheld' vote box on the Form of Proxy is provided to enable you to abstain on any particular resolution. However, it should be noted that a 'withheld' vote is not a vote in law and will not be counted in the calculation of the proportion of votes 'for' and 'against' a resolution but will be counted to establish if a quorum is present.
4. To be valid your signed and dated Form of Proxy, and power of attorney or other authority (if any), must be received at the offices of the Company's Registrars:
 - Neville Registrars Limited, Neville House, Steelpark Road, Halesowen, West Midlands, B62 8HD UK; or
 - the South African Registrars, Computershare Proprietary Limited:
 - by hand or by mail to 15 Biermann Avenue, Rosebank, Johannesburg 2196, South Africa; or
 - by mail to Private Bag X9000, Saxonwold 2132, South Africa

not later than 12:30 p.m. (2.30 p.m. South Africa time) on Tuesday, 26 November 2024. (Shareholders on the South African branch of the register should note Note 11 to the Notice above). Any shareholders who miss the deadline for returning their proxies will need to attend and vote their shares in person at the Meeting.

5. Completion and return of this Form of Proxy will be taken as your final votes where the Chairman has been appointed as the proxy.
6. In the case of a corporate shareholder, this Form of Proxy should either be executed by the company under seal or under the hand of two authorised signatories or a director in the presence of a witness (whose name, address and occupation should be stated).
7. In the case of joint holders, the vote of the first-named in the register of members of the Company will be accepted to the exclusion of that of other joint holders.

