Personal Assets Trust PLC

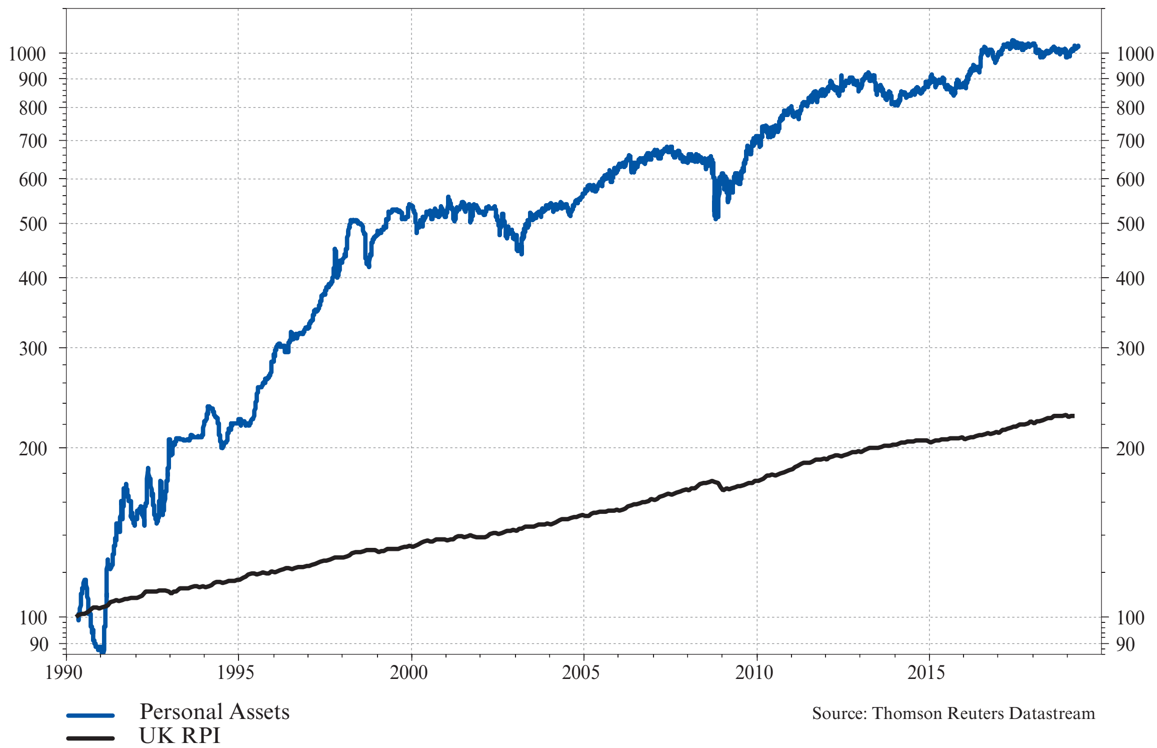
Annual Report for the Year ended 30 April 2019

About Personal Assets

Personal Assets is what its name implies. It is an investment trust run for private investors, who may often have committed to it a substantial proportion of their personal wealth. Its investment policy is to protect and increase (in that order) the value of shareholders' funds per share over the long term. It differs from other investment trusts in that its activities are defined not by any particular portfolio specialisation or investment method but by a desire to satisfy the personal requirements of those who invest in it. This is reflected in the Board's statement that 'our specialisation will be our shareholders'. For further details of the Investment Policy please see the Strategic Report on pages 4-6.

The Company's policy is to ensure that its shares always trade at close to net asset value through a combination of share buybacks at a small discount to net asset value and the issue of new or Treasury shares at a small premium to net asset value where demand exceeds supply. This discount and premium control policy is enshrined in the Articles of Association of the Company.

Share Price Performance Versus the RPI Since 30 April 1990



Source: Thomson Reuters Datastream

Key Features
(All Figures at 30 April)

	2019	2018	2016	2014	2009	1990[1]
Market Capitalisation	£976.0m	£867.3m	£650.0m	£570.0m	£173.6m	£5.9m
Shareholders' Funds	£968.6m	£858.9m	£640.6m	£573.2m	£171.1m	£8.5m
Shares Outstanding	2,392,275	2,212,433	1,744,842	1,717,447	745,231	149,313
Allocation of Portfolio						
Equities	36.0%	38.4%	44.0%	44.0%	70.1%	88.2%
US TIPS	27.8%	20.0%	17.0%	16.6%	39.4%	–
US Treasuries	3.8%	2.7%	–	–	–	–
UK Index-Linked Gilts	3.3%	3.6%	4.4%	4.6%	–	–
UK T-Bills	18.7%	22.5%	17.2%	–	–	–
Gold Bullion	8.1%	8.9%	11.0%	10.7%	5.8%	–
UK cash	2.4%	4.3%	4.8%	19.2%	(15.3%)[2]	5.7%
Overseas cash	0.0%	0.5%	1.0%	4.9%	–	–
Net current (liabilities)/assets	(0.1%)	(0.9%)	0.6%	–	5.6%	6.1%
Share Price	£408.00	£392.00	£372.50	£331.90	£233.0	£39.50
NAV per Share	£404.88	£388.21	£367.15	£333.77	£229.64	£56.67
FTSE All-Share Index	4,067.98	4,127.68	3,421.70	3,619.83	2,173.06	1,043.16
Premium/(discount)	0.8%	1.0%	1.5%	(0.6%)	1.5%	(30.3%)
Earnings per Share	£4.97	£5.23	£4.78	£4.78	£5.34	£1.09
Dividend per Share	£5.60	£5.60	£5.60	£5.60	£5.00	£1.00

[1] Personal Assets became self-managed in 1990.
[2] Negative percentage reflects holdings of FTSE 100 Futures.

	Percentage Changes				
	1 Year	**3 Years**	**5 Years**	**10 Years**	**Since 1990[1]**
Share Price	4.1	9.5	22.9	75.1	932.9
NAV per Share	4.3	10.3	21.3	76.3	614.5
FTSE All-Share Index ("All-Share")	(1.4)	18.9	12.4	87.2	290.0
Share Price relative to All-Share	5.6	(7.9)	9.3	(6.5)	164.8
Share Price Total Return	5.6	14.3	32.4	105.5	1,761.5
NAV per Share Total Return	5.8	15.1	30.8	107.3	1,099.1
All-Share Total Return	2.6	33.3	35.2	167.9	1,002.0
Share Price Total Return relative to All-Share Total Return	2.9	(14.3)	(2.1)	(23.3)	68.9
Inflation (RPI)	3.0	10.3	12.7	36.3	130.4

[1] Personal Assets became self-managed in 1990.

Chairman's Statement

Personal Assets' objective is simply stated. It is to protect and increase *(in that order)* the value of shareholders' funds per share (otherwise known as net asset value per share, or "NAV") over the long term. To us this means not just examining performance over an arbitrary period of five or ten years but going right back to 1990, when the Company became self-managed and so began its existence in its present form. Since 30 April 1990 the NAV has risen at an annual compound rate of 7.0% compared to 4.8% for the FTSE All-Share Index and 2.9% for the RPI. (The rise in share price at the higher annual compound rate of 8.4% is because at 30 April 1990 the shares sold at a discount to NAV of 30.3%.)

To measure how far Personal Assets succeeds in achieving its objective the Board looks at investment performance from two angles — the result achieved and, just as important, the degree of risk accepted in achieving it. The result achieved is shown in Key Features on page 1 while the degree of risk accepted is indicated in the bottom chart on page 10. This shows how over the past nineteen years Personal Assets has been not only less volatile than UK equities in general but also less volatile than any of the investment trusts in the AIC Global Sector, in which we were included until December 2015, and the AIC Flexible Sector, in which we have been included since January 2016. In his Investment Adviser's Report, Sebastian Lyon cautions that significant amounts of fragility and vulnerability lie beneath current levels of equity markets and we are positioned to withstand this.

Three years ago I reported that, as a result of the change in the Articles of Association to permit the Company to distribute realised capital profit as dividend, the Board had been able to commit to paying the dividend at the present annual rate of £5.60 per share for the foreseeable future without interfering with the balance and composition of our investment portfolio. In the year to 30 April 2019 the dividend was over 90% covered by earnings but to maintain the level of payment we also drew on capital to the extent of £0.50 per share (based on the number of shares outstanding at the year end).

During the year we issued 179,842 shares for a total of £71.6 million. It is the policy of the Board that our shares should at all times be readily realisable by individual holders at as close as possible to their NAV, and it is reassuring to report that since 8 November 1999, 'Discount Freedom Day', when investment trusts were empowered to use capital to buy back shares and hence to control the discount to net assets at which their shares sell, Personal Assets' share price has risen more or less exactly in line with shareholders' funds per share while the number of shares outstanding is now six and a half times higher, having grown from 369,121 at 30 April 2000 to 2,392,275 by 30 April 2019.

Last year I described how since 2016 we had diversified and strengthened the Board's composition by the recruitment of Jean Sharp, Iain Ferguson and Paul Read, and I also mentioned that Frank Rushbrook had intimated that he would like to retire after the 2019 AGM on completing ten years' service. Frank has been a hard-working and enthusiastic Director with a special concern for the needs of private shareholders. We are most grateful to him and we shall miss him as a Director, although glad that he remains a shareholder and a friend.

Next year we can also look to further diversifying and strengthening of the Board as Robin Angus and I retire after completing 36 and 19 years of service respectively. We will, however, remain closely involved (perhaps through a charitable foundation) in preserving and extending Personal Assets' legacy of commitment to financial education and research as well as making more widely known the benefits for individual investors of investing through investment trusts. As our plans for this develop we shall keep you in touch and hope you will share our enthusiasm for continuing the work which Ian Rushbrook began. The Board has agreed that on my retirement Iain Ferguson will take over as Chairman and I wish him every success when he takes over from me next year.

As I wrote last year, continuity and collective memory are extremely important to any Board and especially to one with Personal Assets' long tradition of independent thought and action. With this in mind, Gordon Neilly has agreed to stay on (subject to re-election) as a Director over this period of change specifically in order to provide such continuity. To give maximum scope to new Directors as they begin their duties, Gordon will not be a member of any of the Board Committees.

Hamish Buchan

INVESTMENT ADVISER'S REPORT

Over the year to 30 April 2019 the net asset value per share ("NAV") of Personal Assets rose by 4.3% while our comparator, the FTSE All-Share Index ("FTSE"), fell by 1.4%.

The twelve months to 30 April 2019 was very much a *'game of two halves'* with the UK stock market falling sharply from its peak last May, followed by a rally since the calendar year end. Our aim is to *'preserve and grow'* the NAV, in that order, and – as shareholders would expect – the trust's NAV and share price volatility was considerably lower than that of the wider market. We believe conditions will continue to be challenging in a world of prospective low returns from all asset classes.

Equity markets today offer an invidious choice to investors: overvalued quality on the one hand and *'cheap'* stocks on the other. In the latter category are cyclically or structurally challenged businesses. Earnings from financials, airlines, housebuilders and miners may well be close to cyclical peaks, while structurally challenged businesses are to be avoided as they will likely prove to be wasting assets. More often than not, high yields are an indication of future poor returns, not bargains. With interest rates having remained low for such a prolonged period, dividend growth has been rewarded by share price rises, but many company pay-out ratios are now unsustainable; they are acting as bribes to shareholders, converting capital into income. The temptation of high beta, low quality stocks should be resisted. Our preference remains for companies which invest to sustain good returns and which have a proven history of prudent capital allocation.

During the year, portfolio turnover remained modest. Our emphasis has been on cutting out the weeds and allowing the flowers to bloom. We added to a select few existing holdings on weakness including Franco-Nevada, the gold streaming and royalty company.

We are wary of management teams that allocate capital as if it were *'other people's money'*. Regrettably, this becomes more common later on in the cycle, when capital becomes all too readily available. We sold Altria after it announced in December 2018 that it would be paying nearly $13bn for a 35% stake in JUUL, the US e-cigarette company. Few financial details of the transaction were provided but it was clear that Altria is paying a multiple of almost 40x 2018 revenue for its minority stake. We believe it will be difficult to generate attractive returns on this investment.

More modest holdings in PZ Cussons and Henkel were also sold prior to deteriorating trading, which led to subsequent sharp falls in share prices. We still rate Henkel highly but were concerned that management of its consumer franchise has deteriorated just at a point where the adhesives business is likely to face greater cyclical headwinds.

We are at that dangerous stage in the market cycle when too much liquidity in the system has caused share prices to rise without much improvement to earnings, a sign of investor insensitivity to valuation risk. Corporate indebtedness is at record highs. This has brought forward demand and flattered margins but the economic cycle is at its peak, not a trough. To us, the prospective rewards look less than compelling when compared to the risks.

Markets have been buoyed recently by the reversal of the short-term, oversold position in December, a more dove-ish tone from the Federal Reserve regarding the outlook for monetary policy and '*travelling hopefully*' in the expectation of a resolution for Brexit and US/China trade talks. The stock market has reacted positively to the pause in US interest rate rises but the less emotional and more rational bond market is more reliable and less swayed by short-term sentiment. Bond yields point to a weaker economic outlook.

There is a misconception that falling interest rates are good for equities. Cast your mind back to 2002 or 2008 when interest rates were being cut aggressively; those were dreadful years for equity returns. A significant amount of underlying fragility and vulnerability lies beneath current levels of stock markets. In the words of the novelist Ian McEwan, *'the present is the frailest of possible constructs, in which a kaleidoscope of options remains possible'*. We agree and are positioned accordingly.

Sebastian Lyon

STRATEGIC REPORT FOR THE YEAR TO 30 APRIL 2019

INTRODUCTION

The report which follows is designed to provide shareholders with information about:

- the environment within which the Company operates;
- the Board's strategy for achieving its stated objectives;
- principal risks and risk management; *and*
- shareholders' returns measured against key performance indicators.

PRINCIPAL ACTIVITIES AND STATUS

The Company is incorporated in Scotland (registered number SC074582). It is an investment company as defined by Section 833 of the Companies Act 2006. It carries on the business of an investment trust and has been approved as such by HM Revenue & Customs.

The Company has a wholly owned subsidiary, incorporated in Scotland, PATAC Limited ("PATAC"), which provides secretarial and administrative services to the Company and six other investment trust companies. PATAC also provides Alternative Investment Fund Manager ("AIFM") and discount control services. Further information on the services provided by PATAC and its employees can be found at www.patplc.co.uk/patac-limited.

INVESTMENT POLICY

The Company is an investment trust with the ability to invest globally. Its investment policy is to protect and increase (*in that order*) the value of shareholders' funds per share over the long term. While the Company uses the FTSE All-Share Index (the "All-Share") as its comparator for the purpose of monitoring performance and risk, the composition of the All-Share has no influence on investment decisions or the construction of the portfolio. As a result, the Company's investment performance is likely to diverge from that of the All-Share. Our definition of "risk" is fundamentally different from that commonly used by other global investment trusts and the industry at large (ours being "risk of losing money" rather than "volatility of returns relative to an index"). Taking this as our definition of risk, the Board will usually, although not invariably, prefer the Company's portfolio as a whole to have a lower level of risk than the All-Share.

The Company will invest in equities and fixed income securities and it may also hold cash and cash equivalents (which may, depending on circumstances, include gold). The Company may use derivatives as a way of increasing or reducing its investment exposure and to enhance and protect investment positions. The Company may also from time to time make use of currency hedging.

The Company has no predetermined maximum or minimum levels of exposure to asset classes, currencies or geographic areas but these exposures are reported to, and monitored by, the Board in order to ensure that adequate diversification is achieved. The Company's equity portfolio is typically concentrated in a short list of stocks and turnover tends to be low. No holding in an individual company will represent more than 10 per cent. by value of the Company's total assets at the time of acquisition.

The Company is prepared to make use of both gearing and liquidity, the former by using short-term borrowed funds or derivatives such as FTSE 100 Futures. The Company's gearing will not exceed 50 per cent. of shareholders' funds in aggregate. In exceptional circumstances, the Company's liquidity could be as high as 100 per cent. of shareholders' funds. These limits would not be exceeded without shareholder approval.

The Company may also invest in other investment trusts, especially as a way of gaining exposure to a region or industry in which the Company preferred not to invest directly. The Company's policy is not to invest more than 15 per cent. of its total assets in other investment trusts and other listed investment companies.

An analysis of the investment portfolio at 30 April 2019 can be found on page 7.

BUSINESS MODEL AND STRATEGY FOR ACHIEVING OBJECTIVES

Personal Assets is run expressly for private investors. Its capital structure is the simplest possible for an investment trust, consisting only of Ordinary shares.

The Company is a self-managed investment trust run by its Board, which takes all major investment decisions collectively. Six of the Directors are male and one is female. In order to conform with the EU's Alternative Investment Fund Managers Directive (the "AIFMD") the Board appointed its subsidiary, PATAC, as its AIFM. The day-to-day management of the portfolio has been delegated by the AIFM to Troy Asset Management Limited ("Troy"), the Investment Adviser, and is the responsibility of Sebastian Lyon, the Founder and Chief Investment Officer of Troy, in particular.

The Directors, Sebastian Lyon and their respective families have substantial shareholdings in the Company (see below and pages 22 and 26) and those who run the Company therefore have a common interest with those who invest in it.

INVESTMENT ADVISER

Troy provides investment advisory services to the Company pursuant to a delegation agreement between the Company, the AIFM and Troy (the "Investment Advisory Agreement"). The Investment Advisory Agreement may be terminated on six months' notice. No compensation is payable to the Investment Adviser in the event of termination of the agreement over and above payment in respect of the required six months' notice. The fee payable to Troy in accordance with the Investment Advisory Agreement, which is based on the Company's shareholders' funds, is: 0.65 per cent. on the first £750 million; 0.55 per cent. between £750 million and £1 billion; and 0.5 per cent. thereafter, payable quarterly in arrears. The investment advisory fee is reduced by the amount payable by the Company to PATAC for its AIFM services, which for the year ended 30 April 2019 was £60,000. With effect from 1 May 2019 the fee for the AIFM services is 0.015 per cent. of shareholders' funds, subject to a minimum fee of £60,000 per annum.

During the year the Board has reviewed the appropriateness of the Investment Adviser's appointment. In carrying out its review the Board considered the investment performance of the Company since the appointment of Troy and the capability and resources of the Investment Adviser to deliver satisfactory investment performance. It also considered the length of the notice period of the Investment Advisory Agreement and the fees payable to the Investment Adviser.

Following this review the Directors are confident of the Investment Adviser's ability to deliver satisfactory investment performance. It is therefore their opinion that the continuing appointment of the Investment Adviser, on the terms agreed, is in the interests of shareholders.

At 30 April 2019 Sebastian Lyon had an interest in 15,119 (2018: 13,198) shares of the Company.

DIVIDEND POLICY

The Company aims to pay as high, secure and sustainable a dividend as is compatible with protecting and increasing the value of its shareholders' funds and maintaining its investment flexibility.

DISCOUNT AND PREMIUM CONTROL POLICY

Investment trusts have long suffered from volatile discounts to net asset value. Sometimes, too, the shares of individual investment trusts may sell temporarily at a significant premium to net asset value. This can put those investing regularly at a disadvantage, because they may find themselves buying shares at a sizeable premium which almost certainly will not be sustained and which will therefore have an adverse effect on the return from their investment.

In view of the disadvantages to shareholders of such discount and premium fluctuations, the Company's policy is to ensure that its shares always trade at close to net asset value through a combination of share buy-backs and the issue of new or Treasury shares at a small premium to net asset value where demand exceeds supply. This discount and premium control policy is enshrined in the Articles of Association of the Company.

PERFORMANCE

The Board assesses its performance in meeting the Company's objectives against the following Key Performance Indicators, details of which can be found in the Key Features on page 1 or, in the case of the volatility of the share price, on page 10 under the heading Volatility and Share Price Total Return Performance Since 30 April 2000, being the year end closest to the peak of the great 1990s bull market:

- share price and net asset value per share against the FTSE All-Share Index over the long term whilst aiming to protect and increase *(in that order)* the value of shareholders' funds per share in accordance with the Company's investment objective;

STRATEGIC REPORT FOR THE YEAR TO 30 APRIL 2019 (CONTINUED)

- volatility of the share price total return compared to that of the FTSE All-Share Index, the six trusts included within the AIC Flexible Investment Sector and the 17 trusts included within the AIC Global Sector which were in existence on 30 April 2000; *and*
- the range and volatility of the discount or premium to net asset value at which the Company's shares trade, in order to ensure compliance with its discount and premium control policy enshrined in the Articles of Association of the Company.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE FACTORS

The Company believes that it is in the shareholders' interests to consider environmental, social and governance ("ESG") factors when selecting and retaining investments and has asked the Investment Adviser to take these issues into account. The Investment Adviser does not exclude companies from its investment universe purely on the grounds of ESG factors but, adopts a positive engagement approach whereby matters are discussed with management with the aim of improving the relevant policies and management systems and enabling the Investment Adviser to consider how ESG factors could affect long-term investment returns. The Investment Adviser's Responsible Investment Policy can be found on its website at www.taml.co.uk. The Investment Adviser's policy has been reviewed and endorsed by the Board.

COMPETITIVE AND REGULATORY ENVIRONMENT

The Company is an investment trust quoted on the London Stock Exchange and is a member of the Association of Investment Companies ("AIC").

The Company operates so as to comply with Section 1158 of the Corporation Tax Act 2010, which allows it to be exempted from capital gains tax on investment gains.

In addition to publishing annual and interim reports the Company announces net asset values per Ordinary share daily and provides more detailed statistical information on a monthly basis to the AIC in order to enable investors and brokers to compare its performance and other relevant information with those of its peer group, the AIC Flexible Investment Sector.

The Company also publishes quarterly reports on subjects of investment interest to shareholders together with portfolio information and performance statistics.

PRINCIPAL RISKS AND RISK MANAGEMENT

The Board believes that the principal risks to shareholders, which it seeks to mitigate through continual review of its investments and through shareholder communication, are events or developments which can affect the general level of share prices, including, for instance, inflation or deflation, economic recessions and movements in interest rates and currencies.

Other risks faced by the Company include breach of regulatory rules which could lead to suspension of the Company's Stock Exchange listing, financial penalties, or a qualified audit report. Breach of Section 1158 of the Corporation Tax Act 2010 could lead to the Company being subject to tax on capital gains. Details of the Company's financial risks are contained in the Notes to the Accounts on pages 15-21.

In the mitigation and management of these risks, the Board regularly monitors the investment environment and the management of the Company's investment portfolio, and applies the principles detailed in the guidance provided by the Financial Reporting Council. The Company's internal controls are described in more detail on page 31.

By Order of the Board

Steven K Davidson ACIS
Secretary
10 St Colme Street
Edinburgh EH3 6AA

5 June 2019

PORTFOLIO AT 30 APRIL 2019

Security	Country	Equity Sector	Shareholders' Funds %	Valuation 30 April 2019 £'000	Bought/ (sold) £'000	Gain/ (loss) £'000
Equities						
Microsoft	USA	Technology	4.4	42,588	3,565	12,882
Coca-Cola	USA	Beverages	3.2	30,477	–	5,063
Nestlé	Switzerland	Food Producer	3.0	29,305	(4,415)	7,028
Unilever	UK	Food Producer	3.0	29,217	2,827	3,459
British American Tobacco	UK	Tobacco	2.9	27,838	6,500	(6,655)
Philip Morris	USA	Tobacco	2.7	26,564	–	2,742
Berkshire Hathaway	USA	Insurance	2.2	21,205	–	3,247
American Express	USA	Financial Services	2.0	19,786	–	4,009
Sage Group	UK	Technology	2.0	19,570	–	2,425
Procter & Gamble	USA	Household Products	2.0	19,112	–	6,820
Colgate Palmolive	USA	Personal Products	1.6	15,804	–	2,400
Imperial Oil	Canada	Oil & Gas	1.5	14,280	–	(165)
Diageo	UK	Beverages	1.4	13,223	–	2,642
A.G. Barr	UK	Beverages	1.4	13,050	–	2,392
GlaxoSmithKline	UK	Pharmaceuticals	1.0	9,904	–	702
Franco-Nevada	Canada	Mining	1.0	9,821	2,749	794
Société BIC	France	Consumer Goods	0.7	6,615	–	(785)
Altria	USA	Tobacco	–	–	(16,538)	(1,389)
Henkel	Germany	Consumer Goods	–	–	(11,815)	(669)
Hershey	USA	Food Producer	–	–	(8,376)	210
PZ Cussons	UK	Personal Products	–	–	(2,479)	(232)
Total Equities			**36.0**	**348,359**	**(27,982)**	**46,920**
US TIPS	USA		27.8	269,415	85,430	12,457
US Treasuries	USA		3.8	37,161	12,306	1,709
UK Index-Linked Gilts	UK		3.3	32,096	686	296
UK T-Bills	UK		18.7	180,596	(13,100)	–
Gold Bullion			8.1	78,832	–	1,945
Total Investments			**97.7**	**946,459**	**57,340**	**63,327**
UK cash			2.4	23,443	n/a	n/a
Overseas cash			0.0	162	n/a	n/a
Net current liabilities			(0.1)	(1,485)	n/a	n/a
TOTAL PORTFOLIO			**100.0**	**968,579**	**n/a**	**n/a**

GEOGRAPHIC ANALYSIS OF INVESTMENTS AND CURRENCY EXPOSURE AT 30 APRIL 2019

	UK %	USA %	Canada %	France %	Switzerland %	Total %
Equities	11.7	18.1	2.5	0.7	3.0	36.0
Index-Linked Securities	3.3	27.8	–	–	–	31.1
T-Bills	18.7	–	–	–	–	18.7
Treasuries	–	3.8	–	–	–	3.8
Gold Bullion	–	8.1	–	–	–	8.1
Cash	2.4	0.0	–	–	–	2.4
Net current liabilities	(0.1)	–	–	–	–	(0.1)
Total	**36.0**	**57.8**	**2.5**	**0.7**	**3.0**	**100.0**
Net currency exposure %	78.3	15.5	2.5	0.7	3.0	100.0

RECORD 1990-2019

Date 30 April	Share-holders' Funds £'000	Liquidity (%)	Shares Out-standing	Net asset value per share (£)	Share Price (£)	FTSE All-Share Index	Earnings per share[1] (£)	Dividend per share (£)	Dividend Growth (%)	Inflation (RPI) (%)
1990[2]	8,462	11.8	149,313	56.67	$39\frac{1}{2}$	1,043.16	1.09	1.00	n/a	n/a
1991	9,006	2.6	149,313	60.32	$48\frac{1}{2}$	1,202.75	1.45	1.50	50.0	6.4
1992	10,589	0.0	149,313	70.92	66	1,282.75	1.67	1.60	6.7	4.3
1993	11,441	2.7	152,187	75.18	$81\frac{1}{2}$	1,388.88	2.52	1.80	12.5	1.3
1994	12,987	12.0	152,187	85.34	$89\frac{1}{2}$	1,580.44	2.12	1.95	8.3	2.6
1995	13,939	6.2	152,187	91.59	87	1,578.67	2.00	2.00	2.6	3.3
1996	19,473	15.9	169,173	115.11	$118\frac{1}{2}$	1,914.61	2.90	2.20	10.0	2.4
1997	27,865	24.5	208,114	133.89	$141\frac{1}{4}$	2,135.31	3.01	2.30	4.5	2.4
1998	48,702	34.7	270,250	180.21	$199\frac{1}{2}$	2,788.99	3.57	2.45	6.5	4.0
1999	65,200	37.8	323,966	201.26	$202\frac{1}{2}$	3,028.40	3.67	2.55	4.1	1.6
2000	73,751	45.3	369,121	199.80	202	3,001.92	2.98	$2.62\frac{1}{2}$	2.9	3.0
2001	78,000	47.1	376,750	207.03	$208\frac{1}{2}$	2,869.04	3.27	2.70	2.9	1.8
2002	92,430	48.9	454,472	203.38	$209\frac{1}{2}$	2,512.04	3.88	2.80	3.7	1.5
2003	104,324	24.5	559,925	186.32	$193\frac{3}{4}$	1,891.50	3.40	2.90	3.6	3.1
2004	134,770	31.4	641,253	210.17	$214\frac{1}{2}$	2,237.34	3.98	3.10	6.9	2.5
2005	149,834	35.4	677,185	221.26	$224\frac{3}{4}$	2,397.05	3.41	3.40	9.7	3.2
2006	189,351	40.8	739,234	256.14	$259\frac{1}{4}$	3,074.26	3.78	3.70	8.8	2.6
2007	192,416	50.7	726,921	264.70	266	3,355.60	4.95	4.10	10.8	4.5
2008	188,664	100.2	733,051	257.37	$258\frac{1}{4}$	3,099.94	5.59	4.60	12.2	4.2
2009	171,132	29.9	745,231	229.64	233	2,173.06	5.34	5.00	8.7	(1.2)
2010	233,785	34.4	815,281	286.75	$289\frac{1}{2}$	2,863.35	4.61	5.20	4.0	5.3
2011	310,000	45.4	984,803	314.78	318	3,155.03	5.68	5.40	3.8	5.2
2012	463,473	50.0	1,380,659	335.69	$340\frac{7}{10}$	2,984.67	7.23	5.55	2.8	3.5
2013	593,245	56.5	1,685,901	351.89	357	3,390.18	5.69	5.60	0.9	2.9
2014	573,237	56.0	1,717,447	333.77	$331\frac{9}{10}$	3,619.83	4.78	5.60	0.0	2.5
2015	609,745	59.9	1,742,956	349.83	$350\frac{7}{10}$	3,760.06	3.65	5.60	0.0	0.9
2016	640,624	56.0	1,744,842	367.15	$372\frac{1}{2}$	3,421.70	4.78	5.60	0.0	1.3
2017	781,499	54.3	1,960,127	398.70	$405\frac{4}{10}$	3,962.49	6.20	5.60	0.0	3.5
2018	858,893	61.6	2,212,433	388.21	392	4,127.68	5.23	5.60	0.0	3.4
2019	**968,579**	**64.0**	**2,392,275**	**404.88**	**408**	**4,067.98**	**4.97**	**5.60**	**0.0**	**3.0**

Compound growth rates per annum	(%)	(%)	(%)	(%)	(%)		(%)
3 Years	3.3	3.1	5.9	1.3	0.0	–	3.3
5 Years	3.9	4.2	2.4	0.8	0.0	–	2.4
10 Years	5.8	5.8	6.5	(0.7)	1.1	–	3.1
Since 30 April 1990	7.0	8.4	4.8	5.4	6.1	–	2.9

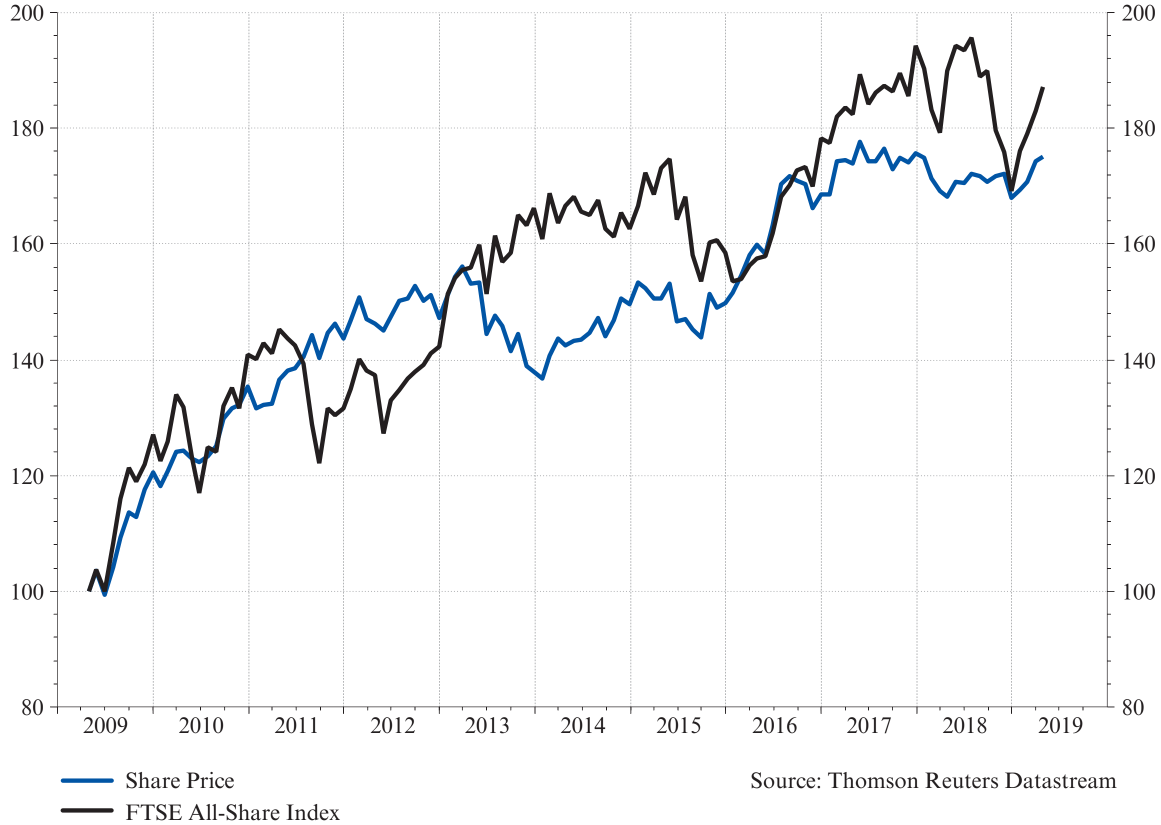
Shares outstanding and per share values have been adjusted for the 1 for 100 consolidation of Ordinary shares in January 1993 and exclude shares held in Treasury.

[1] Based on the weighted average number of shares in issue during the year.

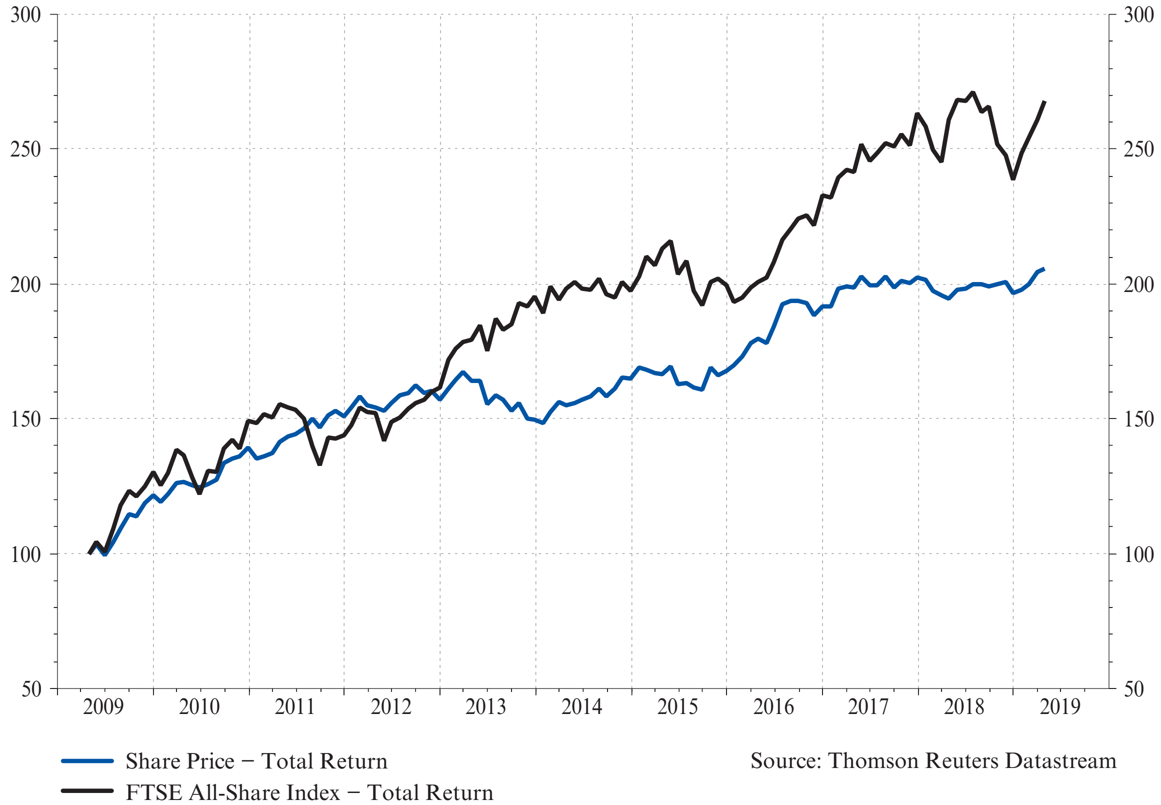
[2] Personal Assets became self-managed in 1990.

Ten Year Performance

Share Price versus FTSE All-Share Index (based to 100)



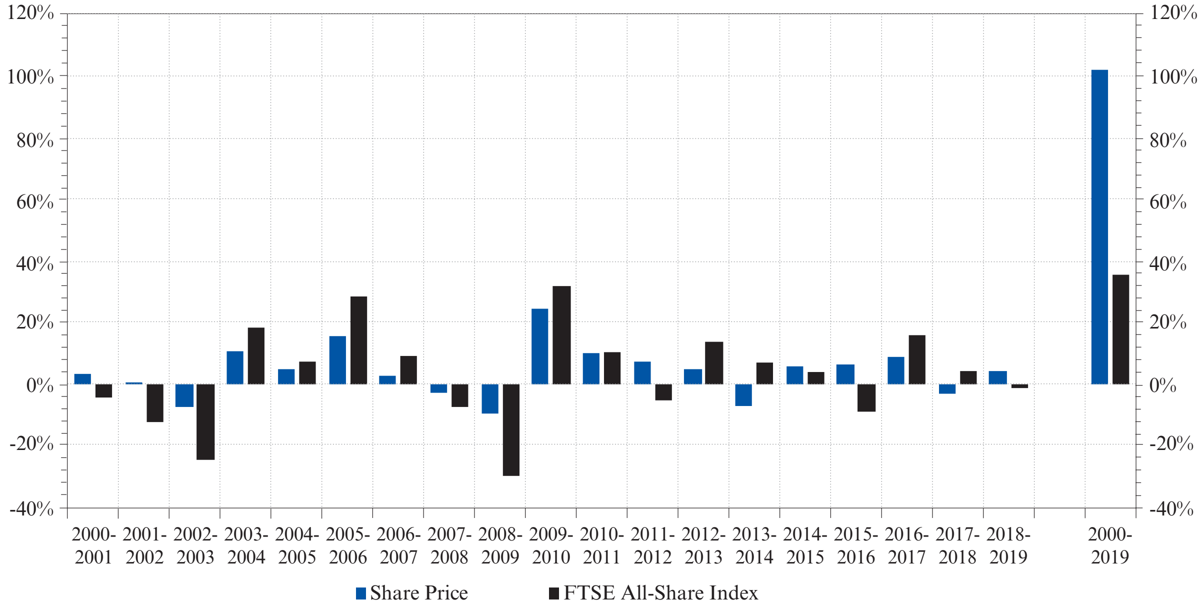
Share Price Total Return versus FTSE All-Share Index Total Return (based to 100)



ANNUAL PERFORMANCE SINCE 30 APRIL 2000

Note: The first chart on this page is designed to show the share price volatility of Personal Assets compared to that of the FTSE All-Share Index. The chart shows how, with the exception of 2013-2014 and 2017-2018, the Company's capital performance has tended to be less volatile than that of the All-Share but how, even taking both the above periods into account, the Company's long-term price gain of 102.0% since April 2000 has comfortably exceeded the All-Share's 35.5%.

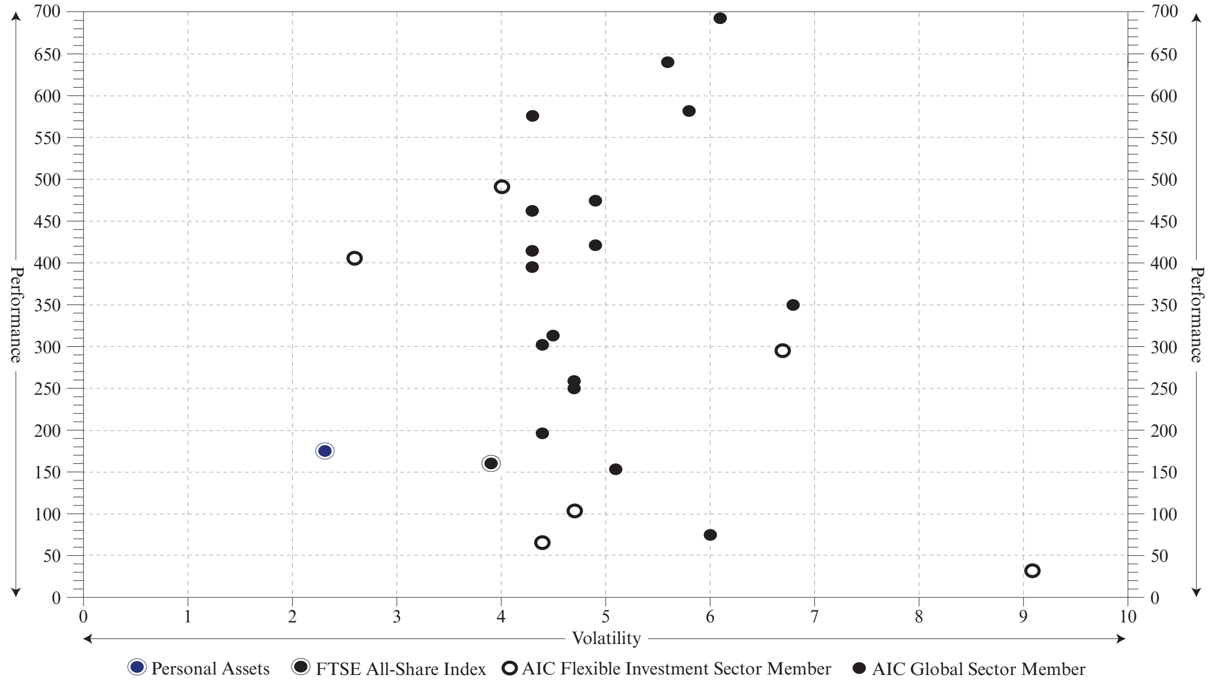
Annual percentage change in Share Price and FTSE All-Share Index to 30 April



VOLATILITY AND SHARE PRICE TOTAL RETURN PERFORMANCE SINCE 30 APRIL 2000

Note: The Scatter Graph shows the total return performance of Personal Assets (large blue dot) and the FTSE All-Share Index (large black dot) compared to that of the other six trusts included within the AIC Flexible Investment Sector and the 17 trusts included within the AIC Global Sector (within which the Company was included between 2000 and 2016), in terms of share price (vertical axis) and monthly price volatility (horizontal axis) since 30 April 2000. Only the trusts in existence on 30 April 2000 have been included in the chart below. Personal Assets, while performing better than the All-Share over the period, shows up as the least volatile of all the trusts.

Volatility Compared to Peer Group since 30 April 2000



GROUP INCOME STATEMENT

	Notes	Year ended 30 April 2019 Revenue return £'000	Capital return £'000	Total £'000	Year ended 30 April 2018 Revenue return £'000	Capital return £'000	Total £'000
Investment income							
Calculated using the effective interest rate method	2	**3,092**	**–**	**3,092**	4,872	–	4,872
Other investment income	2	**13,088**	**–**	**13,088**	10,807	–	10,807
Other operating income	2	**1,112**	**–**	**1,112**	972	–	972
Gains/(losses) on investments held at fair value through profit or loss	8	**–**	**63,327**	**63,327**	–	(35,911)	(35,911)
Foreign exchange (losses)/gains	8	**–**	**(20,495)**	**(20,495)**	–	14,474	14,474
Total income		**17,292**	**42,832**	**60,124**	16,651	(21,437)	(4,786)
Expenses	3	**(4,477)**	**(3,815)**	**(8,292)**	(4,061)	(3,513)	(7,574)
Return before taxation		**12,815**	**39,017**	**51,832**	12,590	(24,950)	(12,360)
Taxation	5,6	**(1,400)**	**538**	**(862)**	(1,585)	602	(983)
Return for the year		**11,415**	**39,555**	**50,970**	11,005	(24,348)	(13,343)
Return per share		**£4.97**	**£17.20**	**£22.17**	£5.23	(£11.57)	(£6.34)

The "Return for the Year" is also the "Total Comprehensive Income for the Year", as defined in IAS1 (revised), and no separate Statement of Comprehensive Income has been presented.

The "Total" column of this statement represents the Group's Income Statement, prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRSs").

The Revenue return and Capital return columns are supplementary to this and are prepared under guidance published by the Association of Investment Companies.

Return per share is calculated on 2,299,470 (2018: 2,103,529) shares, being the weighted average number in issue (excluding Treasury shares) during the year.

All items in the above statement derive from continuing operations.

The Notes to the Accounts on pages 15-21, including the accounting policies on pages 15 and 16, form part of these accounts.

STATEMENTS OF FINANCIAL POSITION

	Notes	**Group 30 April 2019 £'000**	**Company 30 April 2019 £'000**	Group 30 April 2018 £'000	Company 30 April 2018 £'000
Non-current assets					
Investments held at fair value through profit or loss	8	**946,459**	**947,242**	825,792	826,529
Current assets					
Receivables	9	**1,801**	**1,748**	1,616	1,565
Cash and cash equivalents		**23,605**	**22,792**	40,763	39,979
Total assets		**971,865**	**971,782**	868,171	868,073
Current liabilities					
Financial liabilities held at fair value through profit or loss	10	**(1,537)**	**(1,537)**	(7,659)	(7,659)
Payables	10	**(1,749)**	**(1,666)**	(1,619)	(1,521)
Total liabilities		**(3,286)**	**(3,203)**	(9,278)	(9,180)
Net assets		**968,579**	**968,579**	858,893	858,893
Capital and reserves					
Ordinary share capital	11	**29,904**	**29,904**	27,655	27,655
Share premium		**657,090**	**657,090**	587,773	587,773
Capital redemption reserve		**219**	**219**	219	219
Special reserve		**22,517**	**22,517**	22,517	22,517
Capital reserve unrealised		**177,132**	**177,315**	113,830	113,967
Distributable reserves (see page 13)		**81,717**	**81,534**	106,899	106,762
Total equity		**968,579**	**968,579**	858,893	858,893
Shares in issue at year end	11	**2,392,275**	**2,392,275**	2,212,433	2,212,433
Net asset value per Ordinary share		**£404.88**	**£404.88**	£388.21	£388.21

The Company has availed itself of the relief from showing an Income Statement for the parent company granted under Section 408 of the Companies Act 2006. The Company's profit for the year ended 30 April 2019 was £50,924,000 (2018: loss of £13,443,000).

The financial statements on pages 11-21 were approved and authorised for issue by the Board of Directors and signed on its behalf on 5 June 2019 by:

Hamish N Buchan
Chairman

The Notes to the Accounts on pages 15-21, including the accounting policies on pages 15 and 16, form part of these accounts.

GROUP AND COMPANY STATEMENTS OF CHANGES IN EQUITY[1]

For the year ended 30 April 2019	Ordinary share capital £'000	Share premium £'000	Capital redemption reserve £'000	Special reserve £'000	Capital reserve unrealised £'000	Distributable reserves: Capital reserve realised £'000	Distributable reserves: Revenue reserve £'000	Total £'000
Balance at 30 April 2018	27,655	587,773	219	22,517	113,830	106,477	422	858,893
Return for the year	–	–	–	–	63,302	(23,747)	11,415	50,970
Ordinary dividends paid[2]	–	–	–	–	–	(1,196)	(11,654)	(12,850)
Issue of Ordinary shares[3]	2,249	69,317	–	–	–	–	–	71,566
Balance at 30 April 2019	**29,904**	**657,090**	**219**	**22,517**	**177,132**	**81,534**	**183**	**968,579**

For the year ended 30 April 2018	Ordinary share capital £'000	Share premium £'000	Capital redemption reserve £'000	Special reserve £'000	Capital reserve unrealised £'000	Distributable reserves: Capital reserve realised £'000	Distributable reserves: Revenue reserve £'000	Total £'000
Balance at 30 April 2017	24,502	488,444	219	22,517	217,467	27,188	1,162	781,499
Return for the year	–	–	–	–	(103,637)	79,289	11,005	(13,343)
Ordinary dividends paid[2]	–	–	–	–	–	–	(11,745)	(11,745)
Issue of Ordinary shares[3]	3,153	99,484	–	–	–	–	–	102,637
Cost of issue of Ordinary shares	–	(155)	–	–	–	–	–	(155)
Balance at 30 April 2018	**27,655**	**587,773**	**219**	**22,517**	**113,830**	**106,477**	**422**	**858,893**

(1) The Company's reserves are the same as the Group's other than the capital reserve unrealised, which is £177,315,000 (2018: £113,967,000), and the revenue reserve, which is £nil (2018: £285,000). The differences relate to the profit generated by the Company's subsidiary.

(2) See Note 7.

(3) See Note 11.

Share premium. The share premium represents the difference between the nominal value of new Ordinary shares issued and the consideration the Company receives for these shares.

Capital redemption reserve. The capital redemption reserve represents the nominal value of Ordinary shares bought back for cancellation since authority to do this was first obtained at a General Meeting in April 1999.

Special reserve. The cost of any shares bought back for cancellation is deducted from the special reserve, which was created from the share premium, also following a General Meeting in April 1999.

Capital reserve unrealised. Increases and decreases in the valuation of investments held at the year end, unrealised gains and losses on FTSE 100 Future contracts and unrealised exchange differences of a capital nature are accounted for in this Reserve.

Capital reserve realised. Gains and losses on the realisation of investments, gains and losses on the realisation of FTSE 100 Future contracts, realised exchange differences of a capital nature and returns of capital are accounted for in this Reserve.

Revenue reserve. Any surplus/deficit arising from the revenue return for the year is taken to/from this Reserve.

The Notes to the Accounts on pages 15-21, including the accounting policies on pages 15 and 16, form part of these accounts.

CASH FLOW STATEMENTS

	Group Year ended 30 April 2019 £'000	**Company Year ended 30 April 2019 £'000**	Group Year ended 30 April 2018 £'000	Company Year ended 30 April 2018 £'000
Cash flows from operating activities				
Return before taxation	**51,832**	**51,786**	(12,360)	(12,460)
(Gains)/losses on investments including effective yield	**(66,419)**	**(66,419)**	31,039	31,039
Foreign exchange losses/(gains)	**20,495**	**20,495**	(14,474)	(14,474)
Operating cash flow before movements in working capital	**5,908**	**5,862**	4,205	4,105
(Increase)/decrease in accrued income, prepayments and other receivables	**(773)**	**(771)**	556	557
Increase in other payables	**130**	**145**	133	29
Net cash from operating activities before taxation	**5,265**	**5,236**	4,894	4,691
Taxation	**(274)**	**(274)**	(970)	(970)
Net cash inflow from operating activities	**4,991**	**4,962**	3,924	3,721
Cash flows from investing activities				
Purchase of investments – equity shares	**(15,641)**	**(15,641)**	(47,725)	(47,875)
Purchase of investments – fixed interest and other investments	**(745,568)**	**(745,568)**	(882,692)	(882,692)
Disposal of investments – equity shares	**43,622**	**43,622**	58,497	58,497
Disposal of investments – fixed interest and other investments	**663,339**	**663,339**	749,567	749,567
Forward foreign exchange (losses)/gains	**(26,384)**	**(26,384)**	32,592	32,592
Net cash outflow from investing activities	**(80,632)**	**(80,632)**	(89,761)	(89,911)
Cash flows from financing activities				
Equity dividends paid	**(12,850)**	**(12,850)**	(11,745)	(11,745)
Issue of Ordinary shares	**71,566**	**71,566**	103,367	103,367
Cost of issue of Ordinary shares	**–**	**–**	(155)	(155)
Net cash inflow from financing activities	**58,716**	**58,716**	91,467	91,467
(Decrease)/increase in cash and cash equivalents	**(16,925)**	**(16,954)**	5,630	5,277
Cash and cash equivalents at the start of the year	**40,763**	**39,979**	34,926	34,495
Effect of exchange rate changes	**(233)**	**(233)**	207	207
Cash and cash equivalents at the year end	**23,605**	**22,792**	40,763	39,979
Net cash inflow from operating activities includes the following:				
Dividends received	**9,853**	**9,853**	9,943	9,943
Interest received	**3,195**	**3,195**	1,534	1,534

The Notes to the Accounts on pages 15-21, including the accounting policies on pages 15 and 16, form part of these accounts.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

The financial statements of the Group have been prepared in accordance with International Financial Reporting Standards ("IFRSs") and interpretations issued by the International Financial Reporting Standards Interpretations Committee, to the extent that these have been adopted by the European Union.

The financial statements have been prepared on a going concern basis.

The financial statements are presented in Sterling and all values are rounded to the nearest thousand pounds (£'000) except where otherwise indicated.

The financial statements have been prepared on the historical cost basis, modified by revaluation of financial assets and financial liabilities held at fair value. The principal accounting policies adopted are set out below. These have been applied consistently, other than where new policies have been adopted. Where the presentational guidance set out in the Statement of Recommended Practice (the "SORP") for investment trusts issued by the Association of Investment Companies (the "AIC") in November 2014 and updated in February 2018 is consistent with the requirements of IFRSs, the Directors have sought to prepare the financial statements on a basis compliant with the recommendation of the SORP.

ADOPTION OF NEW AND REVISED ACCOUNTING STANDARDS

Changes in accounting policy and disclosures

IFRS 9 'Financial Instruments' replaced IAS 39 'Financial Instruments: Recognition and Measurement'. The adoption of IFRS 9 did not result in any change to the classification or measurement of financial instruments in either the current or prior period. The Company's investments remain classified at fair value through profit or loss.

IFRS 15 'Revenue from Contracts with Customers' replaced IAS 18 'Revenue'. The adoption of IFRS 15 did not result in any amendment to the Group's current revenue recognition policy.

IFRS 16 'Leases' replaces IAS 17 'Leases' but is not effective for this accounting period. This has not been adopted early and the Group does not consider that the future adoption of this standard, in the form currently available, will have any material impact on the financial statements as presented.

BASIS OF CONSOLIDATION

The consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company (its subsidiary) made up to 30 April each year. Control is achieved if, and only if, the Group has power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee); exposure, or rights, to variable returns from its involvement with the investee; and the ability to use its power over the investee to affect its returns. The subsidiary is not considered an investment entity in the context of IFRS 10 and has been consolidated as a controlled entity as it supports the investment activity of the investment entity. All intra-group transactions, balances, income and expenses are eliminated on consolidation.

PRESENTATION OF INCOME STATEMENT

In order better to reflect the activities of an investment trust company, and in accordance with guidance issued by the AIC, supplementary information which analyses the Income Statement between items of a revenue and capital nature has been presented alongside the Income Statement.

INCOME

Dividends are recognised as income when the shareholders' right to receive payment has been established, normally the ex-dividend date.

Dividends receivable on equity shares where no ex-dividend date is quoted are recognised when the Company's right to receive payment is established.

Where the Company has received its dividends in the form of additional shares rather than cash, the cash equivalent of the additional shares is recognised as income.

Dividends from overseas companies are shown gross of withholding tax.

Special dividends are classified as either revenue or capital depending on their nature.

Fixed interest returns on non-equity securities (fixed interest securities) are recognised on a time apportionment basis so as to reflect the effective yield on the investment, being amortisation of premium/accretion of discount spread over the life of the investment.

All other interest income and other income is accounted for on an accruals basis.

EXPENSES

All expenses are accounted for on an accruals basis. Expenses are charged to revenue except those incurred in the maintenance and enhancement of the Company's assets and taking account of the expected long term returns, as follows:

Investment advisory fees have been allocated 35 per cent. to revenue and 65 per cent. to capital.

Transaction costs incurred on the acquisition or disposal of investments are expensed to capital.

TAXATION

In accordance with the SORP, the marginal rate of tax is applied to taxable net revenue.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

INVESTMENTS

Investments are recognised and derecognised on the trade date where a purchase or sale is under a contract the terms of which require delivery within a period of time established by the market concerned, and are measured at fair value being the consideration payable or receivable.

NOTES TO THE ACCOUNTS (CONTINUED)

1. ACCOUNTING POLICIES (CONTINUED)

Investments are designated in terms of IFRSs as "investments held at fair value through profit or loss", and are measured at subsequent reporting dates at fair value, which is either the bid price or the last traded price, depending on the convention of the exchange on which the investment is quoted. Investments in Gold Bullion are valued using the London Bullion Market Association gold price which is the global benchmark price for unallocated gold delivered in London. Investments in unit trusts or OEICs are valued at the closing price released by the relevant investment manager. The subsidiary is held at net asset value adjusted as necessary to represent the best estimate of fair value in preparing the Company's financial statements.

Any gain or loss arising from a movement in investments is included as a gain or loss on investments in the income statement as a capital item.

FOREIGN CURRENCY

Transactions denominated in foreign currencies are recorded at the actual exchange rate at the date of the transaction. Monetary assets, non-monetary assets and liabilities denominated in foreign currencies at the year end are carried at fair value by using the rate of exchange prevailing at the balance sheet date. The currencies to which the Company was exposed during the year to 30 April 2019 were Canadian Dollars, Euros, Swiss Francs and US Dollars. The exchange rates applying against Sterling at 30 April were as follows:

	2019	2018
Canadian Dollar	**1.7439**	1.7682
Euro	**1.1618**	1.1398
Swiss Franc	**1.3279**	1.3638
US Dollar	**1.3031**	1.3769

Forward currency contracts are classified as financial assets or liabilities held at fair value through profit or loss and are reported at fair value at the year end by using the forward rate of exchange prevailing at the year end. The change in fair value is recognised in the Income Statement as a capital item. The forward rate of exchange of the Company's US Dollars to Sterling contract at 30 April 2019, which matures on 15 July 2019, was 1.3083 (2018: 1.3818). Any gain or loss arising from a movement in exchange rates subsequent to the date of the transaction is included as an exchange gain or loss in the Income Statement as a revenue or capital item depending on the nature of the gain or loss.

CASH AND CASH EQUIVALENTS

Cash comprises cash in hand and demand deposits. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

FINANCIAL LIABILITIES AND EQUITY

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is a contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Financial liabilities and equity instruments are initially recorded at the proceeds received, net of issue costs. Subsequently financial liabilities are carried at either fair value through profit or loss or at amortised cost.

JUDGEMENTS AND SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Group's accounting policies, the Directors are required to make judgements, estimates and assumptions about carrying values of assets and liabilities that are not always readily apparent from other sources. The estimates and associated assumptions are based on historical experience and any other factors that are considered relevant. Actual results may vary from these estimates. The Directors do not consider that there are any such items in these financial statements.

CAPITAL MANAGEMENT

The Group's capital is represented by its capital and reserves as presented in the Statements of Financial Position on page 12.

The capital of the Company is managed in accordance with its investment policy, in pursuit of its business model and strategy for achieving objectives, both of which are detailed in the Strategic Report on pages 4-6.

2. INCOME

	2019 £'000	2018 £'000
Effective interest rate calculated interest		
Indexation from fixed interest securities	**3,092**	4,872
	3,092	4,872
Other income from investments		
Franked investment income	**3,658**	2,994
Fixed interest securities	**3,103**	1,386
Overseas dividends	**6,327**	6,427
	13,088	10,807
Other operating income		
Deposit interest	**106**	60
Other income[1]	**1,006**	912
	1,112	972
Total income	**17,292**	16,651

[1] Income generated by PATAC for secretarial, administrative, AIFM and discount control services provided to other investment trust companies.

NOTES TO THE ACCOUNTS (CONTINUED)

3. EXPENSES

	2019 Revenue £'000	2019 Capital £'000	2019 Total £'000	2018 Revenue £'000	2018 Capital £'000	2018 Total £'000
Investment advisory fee[(1)]	**2,054**	**3,815**	**5,869**	1,892	3,513	5,405
Staff costs	**1,143**	**–**	**1,143**	991	–	991
Savings scheme expenses	**238**	**–**	**238**	196	–	196
Systems and IT costs	**155**	**–**	**155**	128	–	128
Directors' fees	**151**	**–**	**151**	127	–	127
Depositary fees	**94**	**–**	**94**	96	–	96
Irrecoverable VAT	**85**	**–**	**85**	90	–	90
Rent and rates	**74**	**–**	**74**	81	–	81
Custody fees	**70**	**–**	**70**	69	–	69
London Stock Exchange and regulatory fees	**68**	**–**	**68**	59	–	59
Registrar's fees	**61**	**–**	**61**	62	–	62
Subsidiary office costs	**58**	**–**	**58**	60	–	60
Printing and postage	**53**	**–**	**53**	46	–	46
Auditors' remuneration for audit	**24**	**–**	**24**	26	–	26
Auditors' remuneration for non-audit services[(2)]	**19**	**–**	**19**	–	–	–
Other expenses	**130**	**–**	**130**	138	–	138
	4,477	**3,815**	**8,292**	4,061	3,513	7,574

[(1)] An amount of £1,517,125 was payable to the Investment Adviser at the year end (2018: £1,334,500).

[(2)] Non-audit services related to a review of controls associated with third party oversight and the risk framework along with CASS regulatory reporting.

Details of the Company's ongoing charges can be found at www.patplc.co.uk. The unaudited Ongoing Charges Ratio for the year ended 30 April 2019 was 0.80 per cent. (2018 unaudited: 0.79 per cent.). The income of £1,006,000 (2018: £912,000) generated by the Company's subsidiary has been offset against the expenses of £8,292,000 (2018: £7,574,000) in calculating the Ratio which has been performed in accordance with the guidelines issued by the AIC.

4. DIRECTORS' REMUNERATION AND EMPLOYEE COSTS

	2019 £'000	2018 £'000
Directors' fees and salaries	**351**	327
Other salaries	**689**	566
Bonus payments	**64**	58
Pension contributions[(1)]	**74**	66
Employer's national insurance	**130**	109
	1,308	1,126

[(1)] PATAC operates a defined contribution scheme for its employees and has agreed to pay contributions up to 13⅓ per cent. of employees' salaries. There are no pension arrangements for Directors or employees of Personal Assets.

Details of the highest paid Director can be found in the Directors' Remuneration Report on pages 26 and 27. Excluding the Directors, there was an average of nine employees during the year ended 30 April 2019 (2018: seven).

5. TAX ON ORDINARY ACTIVITIES

	2019 £'000	2018 £'000
Foreign tax suffered	**862**	983

A deferred tax asset of £2,199,000 (2018: £2,012,000) in respect of unutilised expenses at 30 April 2019 has not been recognised as it is uncertain that there will be taxable profits from which the future reversal of the deferred tax asset could be deducted.

Capital expenses of £2,831,668 (2018: £3,169,000) have been used to offset the Group tax position.

6. FACTORS AFFECTING TAX CHARGE FOR YEAR

The tax charge for the year is lower (2018: lower) than the standard rate of corporation tax in the UK. The differences are explained below:

	2019 £'000	2018 £'000
Return before tax	**51,832**	(12,360)
Corporation tax at standard rate of 19 per cent. (2018: 19 per cent.)	**9,848**	(2,348)
Effects of:		
Capital (gains)/losses not subject to taxation	**(8,138)**	4,073
Investment income not subject to taxation	**(1,897)**	(1,790)
Excess of expenses over chargeable income	**187**	65
Foreign tax suffered	**862**	983
Total tax charge (note 5)	**862**	983

7. DIVIDENDS

	2019 £'000	2018 £'000
Amounts recognised as distributions to equity holders in the year ended 30 April 2019:		
First interim dividend of £1.40 (2018: £1.40) per Ordinary share	**3,125**	2,774
Second interim dividend of £1.40 (2018: £1.40) per Ordinary share	**3,176**	2,907
Third interim dividend of £1.40 (2018: £1.40) per Ordinary share	**3,232**	2,997
Fourth interim dividend of £1.40 (2018: £1.40) per Ordinary share	**3,317**	3,067
	12,850	11,745

NOTES TO THE ACCOUNTS (CONTINUED)

8. INVESTMENTS – GROUP AND COMPANY

	Group 2019 £'000	Company 2019 £'000	Group 2018 £'000	Company 2018 £'000
Listed on a recognised investment exchange:				
Investments	**867,627**	**867,627**	748,905	748,905
Gold Bullion[1]	**78,832**	**78,832**	76,887	76,887
Subsidiary undertaking ("Sub")	**–**	**783**	–	737
	946,459	**947,242**	825,792	826,529

[1] Holding of physical gold, which is a commodity.

	Listed UK £'000	Listed Overseas £'000	Total £'000	Sub £'000
Opening book cost	285,486	418,817	704,303	600
Opening unrealised appreciation	40,544	80,945	121,489	137
Opening valuation	**326,030**	**499,762**	**825,792**	**737**
Movements in the year				
Purchases at cost	622,584	138,625	761,209	–
Effective yield adjustment[1]	1,729	1,363	3,092	–
Sales proceeds	(629,879)	(77,082)	(706,961)	–
Sales – realised (losses)/gains on sales	(751)	6,898	6,147	–
Unrealised profit on the fair value of investments during the year	5,781	51,399	57,180	46
Total movement during the year	(536)	121,203	120,667	46
Closing valuation	**325,494**	**620,965**	**946,459**	**783**

[1] See Income section of Accounting Policies for a fuller description.

	Listed UK £'000	Listed Overseas £'000	Total £'000	Sub £'000
Closing book cost	279,169	488,621	767,790	600
Closing unrealised appreciation	46,325	132,344	178,669	183
	325,494	**620,965**	**946,459**	**783**

	2019 £'000	2018 £'000
Represented by:		
Equities	**348,359**	329,421
US TIPS	**269,415**	171,528
US Treasuries	**37,161**	23,146
UK Index-Linked Gilts	**32,096**	31,114
UK T-Bills	**180,596**	193,696
Gold Bullion	**78,832**	76,887
	946,459	825,792
Realised gains on sales	**6,147**	49,401
Unrealised gains/(losses) on the fair value of investments during the year	**57,180**	(85,312)
Realised (losses)/gains on foreign exchange	**(18,958)**	32,799
Unrealised losses on foreign exchange	**(1,537)**	(18,325)
Gains/(losses) on investments	**42,832**	(21,437)

The valuation of the Company's subsidiary is eliminated on consolidation.

Transaction costs

During the year the Company incurred transaction costs of £53,316 (2018: £102,941) on the purchase of investments and £21,396 (2018: £42,141) on the sale of investments.

9. CURRENT ASSETS

	Group 2019 £'000	Company 2019 £'000	Group 2018 £'000	Company 2018 £'000
Receivables				
Accrued income	**1,680**	**1,680**	909	909
Tax receivable	**68**	**68**	656	656
Prepayments and other receivables	**53**	**–**	51	–
	1,801	**1,748**	1,616	1,565

10. CURRENT LIABILITIES

	Group 2019 £'000	Company 2019 £'000	Group 2018 £'000	Company 2018 £'000
Financial Liabilities				
Fair value of forward currency contract	**1,537**	**1,537**	7,659	7,659
Payables				
Due to subsidiary	**–**	**2**	–	19
Other payables	**1,749**	**1,664**	1,619	1,502
	1,749	**1,666**	1,619	1,521

11. ORDINARY SHARE CAPITAL

	Number	£'000
Allotted, called-up and fully paid Ordinary shares of £12.50 each:		
Balance at 30 April 2018	2,212,433	27,655
Shares issued during the year	179,842	2,249
Balance at 30 April 2019	**2,392,275**	**29,904**

At 30 April 2019 no Shares were held in Treasury (2018: nil).

12. Business Segment

The Directors are of the opinion that the Company is engaged in the single business of investing in equity shares, fixed interest securities and other investments.

13. Financial Instruments

The Group holds investments in listed companies, fixed interest securities and physical gold, holds cash balances and has receivables and payables. It may from time to time also invest in FTSE 100 Futures and enter into forward currency contracts. Cash balances are held for future investment and forward currency contracts are used to manage the exchange risk of holding foreign investments. Further information is given in the Strategic Report for the Year to 30 April 2019 on pages 4-6.

The fair value of the financial assets and liabilities of the Group and Company at 30 April 2019 and at 30 April 2018 is not different from their carrying value in the financial statements.

The Group is exposed to various types of risk that are associated with financial instruments. The most important types are credit risk, liquidity risk, interest rate risk, market price risk and foreign currency risk.

The Board reviews and agrees policies for managing its risk exposures. These policies are summarised below and have remained unchanged for the year under review.

Credit Risk

Credit risk is the risk that an issuer or counterparty will be unable or unwilling to meet a commitment that it has entered into with the Group.

The Group's principal financial assets are investments, cash balances and other receivables, the carrying value of which represents the Group's maximum exposure to credit risk in relation to financial assets.

The Group is exposed to potential failure by counterparties to deliver securities for which the Group has paid, or to pay for securities which the Group has delivered. A list of pre-approved counterparties used in such transactions is maintained and regularly reviewed by the Group, and transactions must be settled on a basis of delivery against payment. Broker counterparties are selected based on a combination of criteria, including credit rating, balance sheet strength and membership of a relevant regulatory body. Risk relating to unsettled transactions is considered to be small because of the short settlement period involved and the credit quality of the brokers used.

All of the assets of the Group, other than cash deposits and receivables, are held by J.P. Morgan Chase Bank N.A., the Group's Custodian, acting as a delegate of J.P. Morgan Europe Limited which has been appointed as the Company's Depositary.

Bankruptcy or insolvency of the Custodian might cause the Group's rights with respect to the securities held by the Custodian to be delayed or limited. The Board monitors the Group's risk by reviewing the Custodian's internal control reports on a regular basis.

The credit risk on cash balances and derivative financial instruments is limited because the counterparties are banks with high credit ratings, rated A or higher, assigned by international credit rating agencies. Bankruptcy or insolvency of such financial institutions might cause the Group's ability to access cash placed on deposit to be delayed or limited. Credit risk and exposure is spread between two counterparties, with a maximum limit of £25 million to be held at each.

Market Price Risk

The fair value of equity and other financial securities held in the Company's portfolio fluctuates with changes in market prices. Prices are themselves affected by movements in currencies and interest rates and by other financial issues including the market perception of future risks. The Company's strategy for the management of market price risk is driven by the Company's investment policy as outlined within the Strategic Report on pages 4-6. The Board sets policies for managing this risk and meets regularly to review full, timely and relevant information on investment performance and financial results. The management of market price risk is part of the fund management process and is fundamental to investment. The portfolio is managed with an awareness of the effects of adverse price movements in markets with an objective of maximising overall returns to shareholders. Investment and portfolio performance are discussed in more detail in the Investment Adviser's Report and the investment portfolio is set out on page 7.

Any changes in market conditions will directly affect the profit or loss reported through the Income Statement. For instance, a 30 per cent. increase in the value of the investment exposure at 30 April 2019 would have increased net return and net assets for the year by £283,938,000 (2018: a 30 per cent. increase in the value of the investment exposure would have increased net return by £247,738,000). A decrease of 30 per cent. (2018: 30 per cent.) would have had an equal but opposite effect. These calculations are based on investment valuations at the respective balance sheet date and are not representative of the year as a whole.

Liquidity Risk

Liquidity risk is the risk that the Group will encounter in realising assets or otherwise raising funds to meet financial commitments. The risk of the Group not having sufficient liquidity at any time is not considered by the Board to be significant, given the liquid nature of the portfolio of investments and the level of cash and cash equivalents ordinarily held. The Investment Adviser reviews liquidity at the time of each investment decision. The Board reviews liquidity exposure at each meeting.

All of the Group's financial liabilities at 30 April 2019 had a maturity period of less than three months.

Interest Rate Risk

Some of the financial instruments held by the Group are interest bearing. As such, the Group is exposed to interest rate risk resulting from fluctuations in the prevailing market rate.

NOTES TO THE ACCOUNTS (CONTINUED)

13. FINANCIAL INSTRUMENTS (CONTINUED)

Floating Rate

When the Group holds cash balances, such balances are held on overnight deposit accounts and call deposit accounts. The benchmark rate which determines the interest payments received on cash balances is the bank base rate, which at 30 April 2019 was 0.75 per cent. in the UK (2018: 0.50 per cent.).

Floating interest rate exposure at 30 April:

	2019	2018
	£'000	£'000
Sterling	**23,443**	36,696
US Dollar	**162**	4,067
	23,605	40,763

Considering effects on cash balances, an increase of 75 basis points (2018: 50 basis points) in interest rates would have increased net assets and income for the period by £177,000 (2018: £204,000). A decrease of 75 basis points (2018: 50 basis points) would have had an equal but opposite effect. The calculations are based on the cash balances at the balance sheet date and are not representative of the year as a whole.

Fixed rate and zero rate

The Company may from time to time hold fixed interest or zero interest investments.

Maturity profile

The maturity profile of the Company's fixed interest or zero interest investments at the Balance Sheet date was as follows:

At 30 April 2019:	Within 1 year £'000	Within 1-5 years £'000	More than 5 years £'000
US TIPS	–	229,502	39,913
US Treasuries	37,161	–	–
UK Index-Linked Gilts	–	32,096	–
UK T-Bills	180,596	–	–
	217,757	261,598	39,913

At 30 April 2018:	Within 1 year £'000	Within 1-5 years £'000	More than 5 years £'000
US TIPS	–	171,528	–
US Treasuries	–	23,146	–
UK Index-Linked Gilts	–	–	31,114
UK T-Bills	193,696	–	–
	193,696	194,674	31,114

Foreign Currency Risk

The Company invests in overseas securities and holds cash in overseas currencies.

Gross currency exposure at 30 April:	**2019 £'000**	2018 £'000
Canadian Dollars	**24,101**	20,723
Euros	**6,615**	19,884
Swiss Francs	**29,305**	26,692
US Dollars[1]	**525,212**	436,529

[1]At 30 April 2019 the Sterling cost of a portion of the US Dollar denominated assets (including US Treasury Inflation Protected Securities ("TIPS") and US equities) was protected by a forward currency contract. The fair value of minus £1,537,000 (2018: fair value of minus £7,659,000) on the US$537,400,000 (2018: US$362,250,000) sold forward against £409,231,314 (2018: £254,491,000) is included in financial liabilities (2018: financial liabilities). All foreign exchange contracts in place at 30 April 2019 were due to mature within three months. The exposure to US Dollars as shown above also includes Gold Bullion. At 30 April 2019 the net exposure to US Dollars was £114,443,000 (2018: £174,379,000) including Gold Bullion and £35,611,000 (2018: £97,492,000) excluding Gold Bullion.

Foreign Currency Sensitivity

The following table illustrates the sensitivity of the total return for the year and net assets in relation to the Company's overseas monetary financial assets and financial liabilities. It assumes a 10 per cent. depreciation of Sterling against the Canadian Dollar, Euro, Swiss Franc and US Dollar. The sensitivity analysis is based on the Company's monetary foreign currency financial instruments held at each balance sheet date.

If Sterling had weakened by 10 per cent. against the currencies shown, this would have had the following positive effect:

Income Statement – return on ordinary activities after taxation:

		2019			2018	
	Revenue	**Capital**	**Total**	Revenue	Capital	Total
	£'000	**£'000**	**£'000**	£'000	£'000	£'000
Canadian Dollars	**44**	**2,678**	**2,722**	37	2,303	2,340
Euros	**33**	**735**	**768**	23	2,209	2,232
Swiss Francs	**82**	**3,256**	**3,338**	89	2,966	3,055
US Dollars	**1,036**	**12,716**	**13,752**	1,113	19,375	20,488
	1,195	**19,385**	**20,580**	1,262	26,853	28,115

A 10 per cent. strengthening of Sterling against the above currencies would have had an equal but opposite effect on the return on ordinary activities after taxation.

14. FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE

				2019				2018
	Level 1	**Level 2**	**Level 3**	**Total**	Level 1	Level 2	Level 3	Total
Description	**£'000**	**£'000**	**£'000**	**£'000**	£'000	£'000	£'000	£'000
Investments	**946,459**	**–**	**783**	**947,242**	825,792	–	737	826,529
Financial liabilties	**–**	**(1,537)**	**–**	**(1,537)**	–	(7,659)	–	(7,659)
Total	**946,459**	**(1,537)**	**783**	**945,705**	825,792	(7,659)	737	818,870

Level 1 reflects financial instruments quoted in an active market. The Company's investment in Gold Bullion has been included in this level.

NOTES TO THE ACCOUNTS (CONTINUED)

14. FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE (CONTINUED)

Level 2 reflects financial instruments the fair value of which is evidenced by comparison with other observable current market transactions in the same instrument or based on a valuation technique the variables of which include only data from observable markets. The Company's forward currency contract has been included in this level as fair value is achieved using the foreign exchange spot rate and forward points which vary depending on the duration of the contract.

Level 3 reflects financial instruments the fair value of which is determined in whole or in part using a valuation technique based on assumptions that are not supported by prices from observable market transactions in the same instrument and not based on available observable market data. The Company's subsidiary has been included in this level as its valuation is based on its net assets. A reconciliation of Level 3 fair value measurements of financial assets can be found in note 8 on page 18.

15. SUBSIDIARY UNDERTAKING

At 30 April 2019, Personal Assets' subsidiary undertaking, which has been consolidated, was as follows:

Name	Place of incorporation	Business activity	Shares owned	Percentage of Share Capital owned
PATAC Limited	Scotland	Company secretarial and administrative services	600,000 Ordinary shares of £1	100

PATAC has its registered offce at 21 Walker Street, Edinburgh EH3 7HX.

The Company holds the full voting power in the subsidiary undertaking.

16. RELATED PARTY TRANSACTIONS

The Company pays £30,000 per annum for the rental of the Executive Office to Rushbrook & Co LLP, of which Frank Rushbrook is a partner. The notice period on the lease is six months. No amount was outstanding at the year end.

Investment advisory services are provided by Troy Asset Management Limited. The investment advisory fee for the year ended 30 April 2019 was £5,869,000 (2018: £5,405,000). An amount of £1,517,125 was outstanding to the Investment Adviser at 30 April 2019 (2018: £1,334,500).

Secretarial and administrative services are provided by the Company's wholly owned subsidiary, PATAC. Costs, net of third party income, amounted to £307,000 (2018: £257,000) in respect of these services in the year to 30 April 2019. No amounts were outstanding at the year end.

Directors of the Company received fees for their services. An amount of £13,000 was outstanding to the Directors at 30 April 2019 (2018: £25,000). Further details are provided in the Directors' Remuneration Report on pages 26 and 27. The Directors' shareholdings are also detailed on pages 22 and 26.

17. ALTERNATIVE INVESTMENT FUND MANAGERS DIRECTIVE ("AIFMD") – UNAUDITED

In accordance with the AIFMD, information in relation to the Company's leverage and the remuneration of the Company's AIFM, PATAC, is required to be made available to investors. In accordance with the Directive, the AIFM's remuneration policy and remuneration disclosures in respect of the year ended 30 April 2019 are available from PATAC on request.

The Company's maximum and actual leverage levels at 30 April 2019 are shown below:

	Gross Method	Commitment Method
Maximum limit	200%	200%
Actual	140%	143%

There have been minor amendments to the Company's investor disclosure document in the year to 30 April 2019. The investor disclosure document and all additional periodic disclosures required in accordance with the requirements of the FCA Rules implementing the AIFMD in the UK are made available on the Company's website (www.patplc.co.uk).

DIRECTORS' REPORT

The Directors have pleasure in presenting their Annual Report together with the audited financial statements of the Group for the year to 30 April 2019.

RESULTS

A review of the Company's returns during the financial year, the position of the Company at the year end and the outlook for the coming year are contained within the Chairman's Statement and Investment Adviser's Report on pages 2 and 3.

BOARD OF DIRECTORS

At the year end the Board comprised six non-executive Directors and an Executive Director. All the Directors held office throughout the year under review.

Hamish Buchan

Joined the Board as a non-executive Director in 2001 and became Chairman in 2009.

Shares held: 1,132 Fees during year: £42,000

He has worked in the investment trust sector since 1969 and headed the award-winning Wood Mackenzie (later, NatWest Securities) trust research team for many years. He is a past Chairman of the Association of Investment Companies.

Robin Angus

Joined the Board as a non-executive Director in 1984 and became Executive Director in 2002.

Shares held: 4,842 Fees during year: *nil*
Annual Salary: £200,000

He has worked in the investment trust sector since 1977. He trained as an investment trust manager at Baillie, Gifford & Co and worked with Hamish Buchan for 17 years as an investment trust analyst.

Iain Ferguson CBE

Joined the Board as a non-executive Director in 2017.

Shares held: 2,572 Fees during year: £21,000

Chairman of Stobart Group Limited and Senior Independent Director and Chairman of the Remuneration Committee at Balfour Beatty plc. Until 2009 he was Chief Executive of Tate & Lyle. Prior to joining Tate & Lyle in 2003, he spent 26 years at Unilever in a succession of rôles culminating in his appointment as senior vice president, corporate development. He holds a BSc (Hons) in Chemistry & Psychology from St Andrews University and has the Harvard Business School Advanced Management Programme.

Gordon Neilly

Joined the Board as a non-executive Director in 1997.

Shares held: 1,922 Fees during year: £21,000

Chief of Staff at Standard Life Aberdeen. He was previously Head of Strategy and Corporate Activity at Aberdeen Standard Investments, Co-Chief Executive Officer of Cantor Fitzgerald Europe, Chief Executive of Intelli Corporate Finance and Finance and Business Development Director of Ivory & Sime. Company Secretary of the Company for ten years, he joined the Board as a non-executive Director in 1997 and has considerable experience and knowledge of investment trusts.

Paul Read

Joined the Board as a non-executive Director in 2017.

Shares held: 1,000 Fees during year: £21,000

Co-leads Invesco Perpetual's fixed interest team, managing a number of government, corporate and non-investment grade portfolios across the maturity spectrum. He began his investment career with UBS (Securities) Ltd in 1986, and then moved to Merrill Lynch International in 1988 in various rôles prior to his appointment as a director of fixed interest trading before joining Invesco in 1995. He holds a BA in Economics and History from the University of Toronto and also has an MBA from INSEAD.

Frank Rushbrook

Joined the Board as a non-executive Director in 2009.

Shares held: 15,245 Fees during year: £21,000

A partner in Rushbrook & Co LLP, he has worked in the fund management industry since 1998. Following eleven years at F&C Investment Management Ltd, latterly as Associate Director Continental European Smaller Equities, he co-founded Nettle Capital Management LLP and has considerable experience of European mid and small cap markets.

Jean Sharp

Joined the Board as a non-executive Director in 2016.

Shares held: 1,102 Fees during year: £25,000

Chief Taxation Officer of Aviva and its predecessor companies since 1998. She is a Chartered Accountant.

ACTIVITIES

A review of the Company's activities during the year can be found in the Strategic Report on pages 4-6 and in the Chairman's Statement and Investment Adviser's Report.

RESPONSIBILITY STATEMENT

The Directors are responsible for preparing the Annual Report and the Group financial statements in accordance with applicable United Kingdom law and those International Financial Reporting Standards ("IFRSs") adopted by the European Union.

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

- present fairly the financial position, financial performance and cash flows of the Group;

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state that the Group has complied with IFRSs, subject to any material departures disclosed and explained in the financial statements; *and*
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Group and enable them to ensure that the Group financial statements comply with the Companies Act 2006 and Article 4 of the IAS Regulation. They are also responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors consider that the Annual Report is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy. In reaching this conclusion the Directors have assumed that the reader of the Annual Report has a reasonable level of knowledge of the investment industry.

Under applicable law and regulations, the Directors are also responsible for preparing a Strategic Report, Directors' Report, Directors' Remuneration Report and Corporate Governance Statement that comply with that law and those regulations.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Responsibility Statements under the Disclosure Guidance and Transparency Rules

Each of the Directors listed on page 22 confirms that to the best of her or his knowledge:

- the financial statements, prepared in accordance with IFRSs as adopted by the European Union, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group and the undertakings included in the consolidation taken as a whole; *and*
- the Strategic Report includes a fair review of the development and performance of the business and the position of the Group and the undertakings included in the consolidation taken as a whole together with a description of the principal risks and uncertainties that it faces.

Going Concern

The Directors believe, in the light of the controls and review processes reported in the Report of the Audit Committee on page 31 and bearing in mind the nature of the Group's business and assets, which are considered to be readily realisable if required, that the Group has adequate resources to continue operating for at least twelve months from the date of approval of the financial statements. For this reason, they continue to adopt the going concern basis in preparing the accounts.

Viability Statement

The Board considered its obligation to assess the viability of the Company over a period longer than the twelve months from the date of approval of the financial statements required by the 'going concern' basis of accounting.

The Board considers the Company, with no fixed life, to be a long term investment vehicle but, for the purposes of this viability statement, has decided that a period of five years is an appropriate period over which to report. The Board considers that this period reflects a balance between looking out to a long term horizon and the inherent uncertainties of looking out further than five years.

When deciding on this period the Directors considered the nature of the Company's portfolio of liquid investments comprising listed global equities, US TIPS, US Treasuries, UK Index-Linked Gilts, UK T-Bills, Gold Bullion and cash and cash equivalents. The Directors also considered the Company's ability to fulfil the stated dividend policy and the operation of its discount and premium control policy.

The Directors have also carried out an exhaustive assessment of the principal risks as noted in the Strategic Report on page 6 and discussed in note 13 to the financial statements that are facing the Company over the period of the review, including those that would threaten its business model, future performance, solvency or liquidity.

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

Capital Structure

At 30 April 2019 there were 2,392,275 Ordinary shares of £12.50 each in issue.

During the year the Company issued 179,842 Ordinary shares for proceeds of £71,566,000.

The revenue profits of the Company (including accumulated revenue reserves) and realised capital profits are available for distribution by way of dividends to the holders of the Ordinary shares (excluding any Ordinary shares held in Treasury, which have no entitlement to dividends).

Voting rights and deadlines for exercising voting rights can be found in the Notes for the Annual General Meeting ("AGM") which can be found on pages 39 and 40.

DIRECTORS' REPORT (CONTINUED)

RESULTS AND DIVIDEND

The results for the year are set out in the Group Income Statement on page 11. The Company paid four quarterly dividends of £1.40 per share to shareholders in the year ended 30 April 2019.

SUBSTANTIAL INTERESTS

At 30 April 2019 the following holding representing (directly or indirectly) 3 per cent. or more of the voting rights attaching to the issued share capital of the Company had been disclosed to the Company:

Substantial Holder	Shares Held	Percentage
Brewin Dolphin Limited	117,806	4.9

There have been no changes notified in respect of the above holding, and no new holdings notified, since the end of the year.

FINANCIAL INSTRUMENTS

Information on the Company's financial instruments can be found in the Notes to the Accounts on pages 15-21.

PRINCIPAL RISKS AND RISK MANAGEMENT

Information on the principal risks to shareholders and management of these risks can be found in the Strategic Report on pages 4-6 and in note 13 to the Accounts on pages 19 and 20.

DIRECTORS' INDEMNITY

The Company's Articles of Association entitle any Director or Officer of the Company to be indemnified out of the assets of the Company against any loss or liability incurred by her or him in the execution of her or his duties in relation to the Company's affairs to the extent permitted by law.

Directors' and officers' liability insurance cover is in place in respect of the Directors and was in place throughout the year under review.

CARBON EMISSIONS

The Company's carbon emissions result predominantly from its consumption of gas and electricity at its offices. Using the 2018 Government Greenhouse Gas Conversion Factors for Company Reporting, emissions for the year to 30 April 2019 were 16.0 tonnes of CO_2e (2018: 19.6 tonnes of CO_2e). This equates to 0.10 tonnes of CO_2e (2018: 0.13 tonnes of CO_2e) per square metre.

INDEPENDENT AUDITORS

PricewaterhouseCoopers LLP ("PwC") have indicated their willingness to continue in office as Auditors and a resolution proposing their re-appointment will be proposed at the AGM.

STATEMENT OF DISCLOSURE OF INFORMATION TO AUDITORS

As far as the Directors are aware, there is no relevant audit information of which the Auditors are unaware, and each Director has taken all the steps that he or she ought to have taken as a Director in order to make herself or himself aware of any relevant audit information and to establish that the Auditors are aware of that information.

RESOLUTIONS TO BE PROPOSED AT THE AGM

Resolutions 1, 2 and 4 to 10 are self explanatory.

Dividend Policy

As a result of the timing of the payment of the Company's quarterly dividends in January, April, July and October the Company's shareholders are unable to approve a final dividend each year. As an alternative the Board intends to put the Company's dividend policy to shareholders for approval on an annual basis.

Resolution 3 relates to the approval of the Company's dividend policy which is as follows:

Dividends on the Ordinary shares are payable quarterly in January, April, July and October. The Company aims to pay as high, secure and sustainable a dividend as is compatible with protecting and increasing the value of its shareholders' funds and maintaining its investment flexibility. The Company has the ability in accordance with its Articles of Association to make distributions from capital.

Directors' Remuneration

The annual limit on Directors' fees is set out in the Articles of Association. The present limit is £175,000 per annum and the approval of shareholders is required to change this limit. Following a review of the level of Directors' fees for the year ended 30 April 2019 the aggregate fees payable to Directors will increase. In order to provide the Company with sufficient flexibility to appoint additional Directors as part of the refreshment of the Board it is proposed the annual limit be increased to £250,000 per annum. **Resolution 11** seeks shareholder approval for the proposed increase in the annual limit on Directors' fees.

Authority to Allot Shares

During the year the Company continued its policy of issuing shares at a small premium to net asset value in response to demand. **Resolution 12** is to authorise the Directors to issue new shares up to an aggregate nominal amount of £3,033,675, being 10 per cent. of the total issued shares at 5 June 2019. **Resolution 13** is to enable the Directors to issue such new shares and to reissue shares from Treasury (see Treasury Shares below) up to an aggregate nominal amount of £3,033,675, being 10 per cent. of the total issued shares at 5 June 2019, for cash without first offering such shares to existing shareholders *pro rata* to their existing shareholdings. The Directors issue new shares or reissue shares from Treasury only when they believe it is advantageous to the Company's shareholders to do so and for the purpose of operating the Company's premium control policy. In no circumstances would such issue of new shares or reissue of shares from Treasury result in a dilution of net asset value per share.

Authority to Buy Back Shares

The Company's current authority to make market purchases of up to 14.99 per cent. of the issued Ordinary shares expires at the end of the Annual General Meeting. No Ordinary shares were bought back under this authority during the year to 30 April 2019.

Resolution 14 is to renew the authority for a further period until the Company's Annual General Meeting in 2020. The price paid for shares on exercise of the authority will not be less than the nominal value of £12.50 per share or more than the higher of (a) 5 per cent. above the average of the middle market quotations of those shares for the five business days before the shares are purchased and (b) the higher of the last independent trade and the highest current independent bid on the London Stock Exchange. The authority, which may be used to buy back shares either for cancellation or to be held in Treasury, will be used to purchase shares only if, in the opinion of the Directors, a purchase would be in the best interests of the shareholders as a whole and would result in an increase in the net asset value per share for the remaining shareholders. There are no outstanding options or warrants to subscribe for equity shares in the capital of the Company.

Treasury Shares

Under UK company law investment trusts are able to acquire their own shares to hold in Treasury for reissue. The Directors consider that this facility gives the Company more flexibility in managing its share capital. At 30 April 2019 there were no Ordinary shares held in Treasury.

Resolutions 13 and 14 would provide the Directors with the authority they need to manage Treasury shares. Treasury shares will be reissued only at a premium to the net asset value of the shares at the time of sale.

Notice Period for General Meetings

The Company's Articles of Association enable the Company to call General Meetings (other than an Annual General Meeting) on 14 clear days' notice. In order for this to be effective, the shareholders must also approve annually the calling of meetings other than Annual General Meetings on 14 days' notice. **Resolution 15** will be proposed at the Annual General Meeting to seek such approval. The approval will be effective until the Company's next Annual General Meeting, when it is intended that a similar resolution will be proposed. The Company meets the requirements for electronic voting under the Companies Act 2006, offering facilities for all shareholders to vote by electronic means. The Directors believe it is in the best interests of the shareholders for the shorter notice period to be available to the Company, although it is intended that this flexibility will be used only for early renewals of the Board's authority to issue new shares or reissue shares from Treasury and only where merited in the interests of shareholders as a whole.

RECOMMENDATION

The Board considers that the resolutions to be proposed at the AGM are in the best interests of the shareholders as a whole and recommends that they vote in favour of such resolutions, as the Directors intend to do in respect of their own beneficial holdings.

By Order of the Board

Steven K Davidson
Secretary
10 St Colme Street
Edinburgh EH3 6AA

5 June 2019

DIRECTORS' REMUNERATION REPORT

STATEMENT BY THE CHAIRMAN

This report has been prepared in accordance with the requirements of the Companies Act 2006. An Ordinary resolution for the approval of this report will be put to shareholders at the forthcoming Annual General Meeting. The remuneration policy, which was approved by shareholders at the Company's AGM in July 2017 (the resolution received 99.6 per cent. of votes for, 0.2 per cent. against, and 0.2 per cent. of votes cast were withheld), will next be put to shareholders at the AGM in 2020.

Remuneration Committee

The Remuneration Committee, chaired by Frank Rushbrook and comprising Mr Rushbrook, Hamish Buchan and Paul Read, reviews the Directors' fees, employees' salaries and the remuneration paid to the Investment Adviser (together with the terms and conditions of appointment of the Investment Adviser) on an annual basis. The terms of reference of the Remuneration Committee clearly define the Committee's responsibilities. These terms are reviewed annually and are available for inspection on the Company's website.

DIRECTORS' REMUNERATION POLICY

The Board's policy is that fees should be sufficient to attract and retain Directors capable of managing the Company on behalf of its shareholders. No shareholder views were sought in setting the remuneration policy although any comments received from shareholders are considered. It is intended that this policy will continue until it is put to shareholders at the AGM in 2020. Non-executive Directors do not have service contracts but on being appointed are provided with a letter of appointment.

Executive Director's Service Contract

Robin Angus has a rolling twelve month contract of employment, signed in November 2002. Mr Angus does not receive any element of variable pay or a separate Director's fee. In the event of termination of his contract, the Company would incur a liability for 12 months' salary.

Directors do not receive any pension benefits, share options, long-term incentive schemes or other benefits. The pay and employment conditions of the employees of the Company's subsidiary are not taken into account when determining Directors' remuneration.

ANNUAL REPORT ON REMUNERATION

Following review of the level of Directors' fees for the forthcoming year the Board concluded that the amounts, which had remained unchanged since 2017, should be increased for the forthcoming year. Therefore, with effect from 1 May 2019, the Chairman's fee was increased to £50,000 (previously £42,000), the Audit Committee Chair's fee was increased to £29,000 (previously £25,000) and the Directors' fees were increased to £25,000 (previously £21,000) per annum. The annual limit on Directors' fees is set out in the Company's Articles of Association. The present limit is £175,000 in aggregate per annum and the approval of shareholders in a General Meeting would be required to change this limit.

Directors' Interests (Audited)

The Directors at the end of the year and their interests in the shares of the Company at 30 April 2019 and 30 April 2018 were as follows:

Director	**Interest**	**2019**	2018
Hamish Buchan (Chairman)	Beneficial	**1,132**	1,132
Robin Angus	Beneficial	**4,842**	4,689
Iain Ferguson	Beneficial	**2,572**	2,435
Gordon Neilly	Beneficial	**1,922**	1,919
Paul Read	Beneficial	**1,000**	1,000
Frank Rushbrook	Beneficial	**15,245***	15,289*
Jean Sharp	Beneficial	**1,102**	1,026

* Includes an interest in 1,462 (2018: 1,549) shares held by The Rushbrook Charitable Trust of which Mr Rushbrook is a Trustee.

Since 30 April 2019, Robin Angus has acquired a beneficial interest in an additional 8 shares and Iain Ferguson in an additional 3 shares. There have been no other changes in the above holdings between 30 April 2019 and 5 June 2019.

Directors' Remuneration for the Year (Audited)

	Year ended 30 April 2019		Year ended 30 April 2018	
Director	**Fees**	**Salary**	Fees	Salary
Hamish Buchan (Chairman)	**£42,000**	–	£42,000	–
Robin Angus	–	**£200,000**	–	£200,000
Iain Ferguson*	**£21,000**	–	£8,696	–
Gordon Neilly	**£21,000**	–	£21,000	–
Stuart Paul†	–	–	£4,622	–
Paul Read*	**£21,000**	–	£8,696	–
Frank Rushbrook	**£21,000**	–	£21,000	–
Jean Sharp	**£25,000**	–	£21,000	–
Total	**£151,000**	**£200,000**	£127,014	£200,000

* Appointed 1 December 2017.
† Retired 20 July 2017.

The rates of Directors' fees for the year ended 30 April 2019 were set out in the Directors' Remuneration Report contained in the Company's 2018 Annual Report.

We are required to report on the remuneration of the Company's Executive Director over the five years to 30 April 2019. On 1 January 2015 Mr Angus received a 5.3 per cent. increase in his remuneration from £190,000 to £200,000. There have been no other changes to Mr Angus' remuneration over the period.

DIRECTORS' REMUNERATION REPORT (CONTINUED)

Relative Importance of Directors' Fees

	2019 £'000	2018 £'000	% change
Directors' fees and salaries	**351**	327	7.3
Expenses	**8,292**	7,574	9.5
Employee costs	**957**	799	19.8
Dividends paid	**12,850**	11,745	9.4

Directors' fees and salaries as a percentage of:

	2019 %	2018 %
Expenses	**4.2**	4.3
Employee costs	**36.7**	40.9
Dividends paid	**2.7**	2.8

Further details of the Company's expenses and employee costs can be found in notes 3 and 4 on page 17 and of dividends paid in note 7 on page 17.

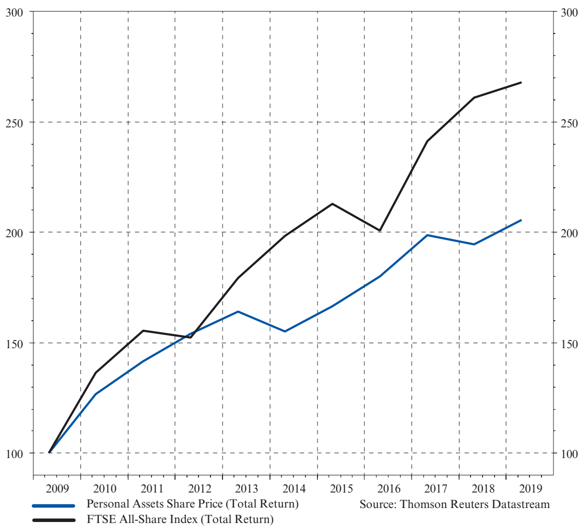
Approval

Voting on the resolution to approve the Directors' Remuneration Report at the Company's AGM on 19 July 2018 was as follows:

Resolution	% For	% Against	% Withheld
Approve Directors' Remuneration Report	98.46	0.87	0.67

Company Performance

The graph below compares, for the ten financial years ended 30 April 2019, the share price total return (assuming all dividends were reinvested) to Ordinary shareholders in each period compared to the total shareholder return on a notional investment in the FTSE All-Share Index. This index represents a comparable broad equity market index and is the Company's comparator. An explanation of the performance of the Company for the year ended 30 April 2019 is given in the Chairman's Statement and Investment Adviser's Report on pages 2 and 3.



On behalf of the Board

Frank Rushbrook
Director

5 June 2019

ADDITIONAL REPORTS

Corporate Governance

Introduction

Personal Assets is a self-managed investment trust run by its Board, which takes all major decisions collectively. While Robin Angus has executive duties, all of the Directors regard themselves and one another as equal in the duties and responsibilities they owe to shareholders and accordingly work together as a unitary Board within which the Chairman (who is elected by the Directors from among their own number) acts as *primus inter pares*.

The Directors are elected by the shareholders and regard corporate governance and accountability to shareholders as fundamental. They therefore place considerable emphasis on running the Company in the way they believe to be best suited to the successful management of an investment trust on behalf of its shareholders.

Arrangements appropriate to an investment trust in respect of corporate governance have been made by the Board. The Board has considered the principles and recommendations of the AIC's Code of Corporate Governance (the "AIC Code") by reference to the AIC Corporate Governance Guide for Investment Companies (the "AIC Guide"). The AIC Code, as explained by the AIC Guide, addresses all the principles set out in the UK Corporate Governance Code issued by the Financial Reporting Council (the "UK Code"), as well as setting out additional principles and recommendations which are of specific relevance to investment trusts. The AIC Code can be obtained from the AIC's website at www.theaic.co.uk.

The Board considers that reporting against the principles and recommendations of the AIC Code, and by reference to the AIC Guide (which incorporates the UK Code), will provide better information to shareholders than if it had adopted the UK Code.

Compliance

The Company has complied throughout the year, and continues to comply, with the recommendations of the AIC Code and the relevant provisions of the UK Code, except as disclosed below.

The Board does not consider it appropriate for a Senior Independent Director to be appointed as recommended by provision A.4.1 of the UK Code, as it operates as a unitary Board.

The Board does not consider it appropriate for Directors to be appointed for a specific term as recommended by principle 4 of the AIC Code and provision B.2.3 of the UK Code. However, the Company's practice since 2007 has been that each Director will retire annually and, if appropriate, stand for re-election.

The Board does not consider it appropriate for an external evaluation of the Board to be carried out as recommended by provision B.6.2 of the Code as it believes the current evaluation process to be objective and rigorous. The Board, which is a unitary Board the members of which meet formally at least five times a year and are in regular contact as required, is also of the view that its composition is suitably diverse and effective.

Directors

All of the non-executive Directors are considered to be independent in character and judgement and, in the opinion of the Board, there are no relationships or conflicts of interest which are likely to affect the judgement of any Director. Hamish Buchan, Frank Rushbrook and Gordon Neilly have served for more than nine years. However, the Board subscribes to the view expressed within the AIC Code that long-serving Directors should not be prevented from forming part of an independent majority, and does not consider that a Director's length of tenure reduces her or his ability to act independently.

Directors' fees are determined within the limits set out in the Company's Articles of Association. The approval of shareholders in a General Meeting is required to change this limit.

Director	**Date of Appointment**	**Due date for Re-election**
Hamish Buchan (Chairman)	5 July 2001	AGM 2019
Robin Angus (Executive Director)	18 May 1984	AGM 2019
Iain Ferguson	1 December 2017	AGM 2019
Gordon Neilly	30 April 1997	AGM 2019
Paul Read	1 December 2017	AGM 2019
Frank Rushbrook*	16 July 2009	–
Jean Sharp	21 July 2016	AGM 2019

* As noted in the Chairman's Statement, Frank Rushbrook has intimated he will retire following the 2019 AGM and will not stand for re-election.

Any new Directors appointed during the year must stand for election at the first Annual General Meeting following their appointment. All executive and non-executive Directors retire annually and, where appropriate, stand for re-election. Other than for Robin Angus there is no notice period and no provision for compensation on early termination of appointment.

Only Robin Angus has a contract of service with the Company. Details of this service contract, his remuneration, and fees paid to other Directors during the year are shown in the Directors' Remuneration Report.

Individual Directors may, after having obtained the consent of any other Director, seek independent professional advice at the Company's expense on any matter that concerns the furtherance of their duties. Details of the Directors' authority in relation to the issue and buying back by the Company of its shares can be found in the Directors' Report. Similarly, details of those persons with significant holdings in the Company are set out in the Directors' Report.

CONFLICTS OF INTEREST

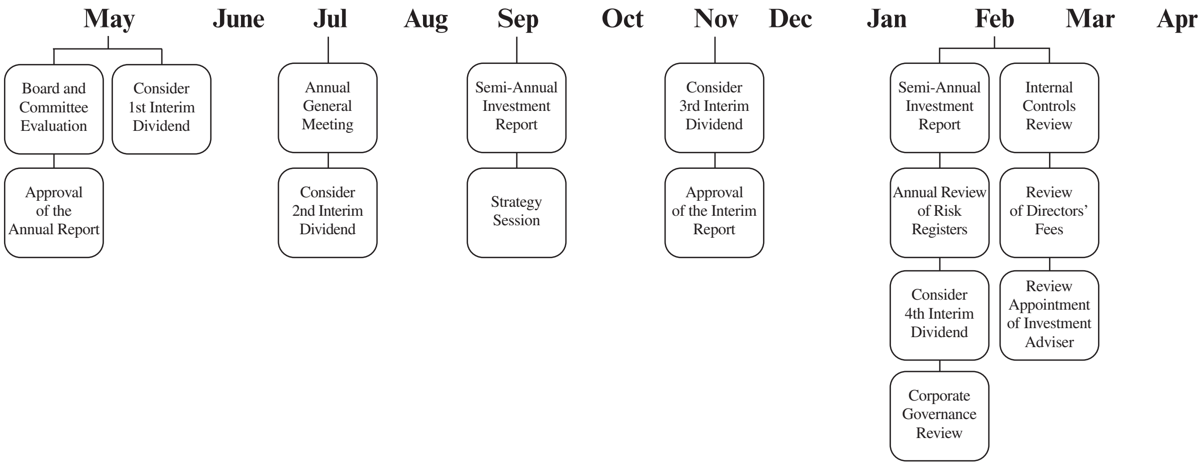
The Companies Act 2006 requires that a Director of the Company must avoid a situation in which he or she has, or might have, an interest that conflicts, or may conflict, with the interests of the Company. Each Director submits a list of potential conflicts prior to each meeting. The other Directors consider these and recommend whether or not each potential conflict should be authorised. No situation arose during the year whereby an interest of a Director conflicted with the interests of the Company.

MEETINGS

During the year there were five formal Board meetings, each of which was attended by all of the Directors. There were three Audit Committee meetings, two Remuneration Committee meetings and a Nomination Committee meeting held during the year. All of these meetings were attended by all of the respective committee members.

Under the terms of the contracts with the AIFM and the Investment Adviser, the following matters have been expressly reserved to the Board: (a) the level and form of liquidity within the portfolio; (b) asset allocation within the portfolio; (c) the Company's gearing levels; (d) matters relating to the buying back and issuance of the Company's shares; (e) matters relating to shareholder communication; (f) hedging; (g) investment in any new asset class; (h) and such other matters as the Board may reasonably intimate from time to time. However, the Board is required to engage in active dialogue with the Investment Adviser in relation to the matters referred to at items (a), (b), (e), and (f) above.

The following diagram highlights various matters considered by the Board during the past year:



VOTING POLICY

The Investment Adviser is to exercise all votes exercisable by the Company in relation to the Company's investments in favour of resolutions proposed by the Boards of investee companies, save where the Board instructs otherwise. Board decisions regarding voting on corporate resolutions of companies in which the Company invests are a matter for the whole Board. All resolutions on which the Company is entitled to vote are monitored and, although normally the Company would vote in favour of all Board resolutions, any contentious matters are referred to the Directors by e-mail for comment. Any Director disagreeing that the Company should cast an affirmative vote informs the Company Secretary and requests that her or his view be considered by a sub-committee of the Board consisting of any two Directors. The sub-committee then considers the matter and informs the Director of its conclusion. Should the Director disagree with the sub-committee's conclusion, a full Board meeting is called to consider the matter.

COMMUNICATION WITH SHAREHOLDERS

The Board welcomes the views of shareholders and places considerable importance on communications with them. The Investment Adviser reports back to the Board on meetings with shareholders and the Chairman and other Directors are available to meet shareholders if required. The Annual General Meeting of the Company and presentations held in London provide a forum, both formal and informal, for shareholders to meet and discuss issues with the Board.

NOMINATION COMMITTEE

The Nomination Committee, chaired by Hamish Buchan and comprising Mr Buchan, Iain Ferguson and Frank Rushbrook, considers the appointment of new Directors. Although the Company does not have a formal policy on diversity, consideration of Board diversity forms part of the responsibilities of the Nomination Committee. The Board believes in the benefits of having a diverse range of skills and backgrounds, including gender and length of service, on its board of Directors. All appointments will continue to be based on merit and therefore the Board is unwilling to commit to numerical diversity targets. The Nomination Committee meets at least annually.

New Directors appointed to the Board are given an induction meeting with the Executive Office and are provided with all relevant information regarding the Company and their duties as a Director. Thereafter, regular briefings are provided on changes in regulatory requirements that could affect the Company and the Directors. Professional advisers report from time to time and Directors will, if necessary, attend seminars covering relevant issues and developments.

PERFORMANCE EVALUATION

During the year the performance of the Board, the Audit Committee, the Nomination Committee, the Remuneration Committee and individual Directors was evaluated through a discussion based assessment process led by the Chairman. The performance of the Chairman was evaluated by the other Directors. The Board concluded that the Chairman and each Director contributed effectively and demonstrated commitment to her or his rôle. The Board also concluded that the performance of the Board as a whole and its committees was effective. The UK Code requires the Company to engage an external facilitator for the Board evaluation every three years. However, the Board has elected not to comply with this requirement, as disclosed on page 28.

ADDITIONAL INFORMATION

The Company's Articles of Association may be amended only by a special resolution passed at a General Meeting of shareholders.

By Order of the Board

Steven K Davidson
Secretary
10 St Colme Street
Edinburgh EH3 6AA

5 June 2019

Report of the Audit Committee

Audit Committee

The Audit Committee, chaired by Jean Sharp and comprising Ms Sharp, Iain Ferguson and Frank Rushbrook, meets at least twice yearly to coincide with the annual and interim reporting cycle. The principal rôle of the Audit Committee is to review the annual and interim financial statements, the Accounting Policies applied therein and to ensure compliance with financial and regulatory reporting requirements. The Audit Committee discusses and agrees the scope of the audit plan for the year ahead and the Auditors' Report on their findings at the conclusion of the audit. The terms of reference of the Audit Committee clearly define the Committee's responsibilities. These terms are reviewed annually and are available for inspection on the Company's website.

The Audit Committee also reviews the system of internal controls, the terms of appointment of the Auditors (including their remuneration), the objectivity of the Auditors and the terms under which they are appointed to perform non-audit services. The Audit Committee also received a report from the Auditors identifying to its satisfaction how their independence and objectivity is maintained when providing these non-audit services. Fees for these services amounted to £19,000 for the year ended 30 April 2019 (2018: £nil) and the services related to a review of controls associated with third party oversight and the risk framework along with CASS regulatory reporting. The Board considers that the provision of such services at this level is cost effective and does not impair the independence of PricewaterhouseCoopers LLP ("PwC").

The Audit Committee assessed the effectiveness of the audit, the quality of the team and advice received from them through reviewing interaction with the Auditors, reports received from them and discussion with management. The Audit Committee is satisfied with the effectiveness of the work provided by PwC and that PwC remain objective and independent.

At the request of the Board, the Audit Committee considered whether the 2019 Annual Report was fair, balanced and understandable and whether it provided the necessary information for shareholders to assess the Company's performance, business model and strategy. The Audit Committee is satisfied that the Annual Report is fair, balanced and understandable. The Audit Committee reached this conclusion based on a detailed review of the financial statements and subsequent discussion on whether these are fair, balanced and understandable by all members of the Committee.

Audit

The Company confirms that it complied with the provisions of The Statutory Audit Services for Large Companies Market Investigation (Mandatory Use of Competitive Tender Processes and Audit Committee Responsibilities) Order 2014 during the financial year ended 30 April 2019.

Following a formal tender process, the Company's external Auditors', PwC, were appointed on 19 July 2018. The Audit Engagement Partner rotates every five years in accordance with ethical guidelines and 2019 is the first year for the current partner.

Internal Controls

The Board is responsible for the Company's system of internal controls and for reviewing its effectiveness. The Board has therefore established an ongoing process designed to meet the particular needs of the Company in managing the risks to which it is exposed, consistent with the internal control guidance issued by the Financial Reporting Council. The process relies principally on a risk-based system of internal control whereby a test matrix is created that identifies the key functions carried out by the Company and other service providers, the individual activities undertaken within those functions, the risks associated with each activity and the controls employed to minimise those risks.

During the year the Company engaged PwC to perform a detailed review of these procedures. Following this exercise the Group's risk management framework has been modernised and enhanced. A formal annual review of the Company's risk-based system of internal controls is carried out by the Board and includes consideration of internal control reports issued by the Investment Adviser and other service providers.

Such review procedures have been in place throughout the financial year and up to the date of approval of the Annual Report, and the Board is satisfied with their effectiveness. These procedures are designed to manage, rather than eliminate, risk and, by their nature, can provide only reasonable, not absolute, assurance against material misstatement or loss. At each Board Meeting the Board reviews the Company's activities since the previous Board Meeting to ensure that the Investment Adviser adheres to the agreed investment policy and approved investment guidelines and, if necessary, the Board approves changes to the guidelines.

PATAC acts as the Company's AIFM for the purposes of the AIFM Directive and provides secretarial and administrative services to the Company.

The Company does not have an internal audit function as the Audit Committee believes that the Company's straightforward structure and small number of employees do not warrant such a function. This is reviewed by the Committee annually.

Significant Accounting Matters

The significant issue considered by the Audit Committee during the year in relation to the financial statements of the Group was the existence and valuation of investments. The AIFM regularly reconciles the portfolio holdings to confirmations from the Company's Custodian and carries out testing of the prices obtained from the independent pricing source. Based on confirmation from the AIFM that these procedures have operated correctly at 30 April 2019 and based on conversations with and written reporting from the Depositary, the Committee is satisfied that there is no material misstatement in the context of the Annual Report.

Jean Sharp
Director

5 June 2019

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PERSONAL ASSETS TRUST PLC

Report on the audit of the financial statements

Opinion

In our opinion, Personal Assets Trust plc's group financial statements and parent company financial statements (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 April 2019 and of the group's return and the group's and the parent company's cash flows for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and, as regards the parent company's financial statements, as applied in accordance with the provisions of the Companies Act 2006; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and, as regards the group financial statements, Article 4 of the IAS Regulation.

We have audited the financial statements, included within the Annual Report (the "Annual Report"), which comprise: the Statements of Financial Position as at 30 April 2019; the Group Income Statement, the Cash Flow Statements, and the Group and Company Statements of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Our opinion is consistent with our reporting to the Audit Committee.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

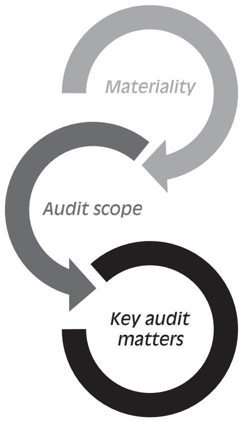
We remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, as applicable to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, we declare that non-audit services prohibited by the FRC's Ethical Standard were not provided to the group or the parent company.

Other than those disclosed in the Report of the Audit Committee, we have provided no non-audit services to the group or the parent company in the period from 1 May 2018 to 30 April 2019.

Our audit approach

Overview



- Overall group materiality: £9.7m based on 1% of net assets.
- Overall parent company materiality: £9.7m, based on 1% of net assets.

- The Group is made up of two components, the parent company, Personal Assets Trust plc, a self-managed investment trust company and the company's wholly owned subsidiary, PATAC Ltd, which provides secretarial and administrative services to the Group and third parties as well as AIFM and discount control services.
- We conducted our audit of the financial statements using information from PATAC Ltd (the "Administrator").
- We tailored the scope of our audit taking into account the types of investments within the Group, the involvement of the third parties referred to above, the accounting processes and controls, and the industry in which the Group operates.
- We obtained an understanding of the control environment in place at the Administrator, and adopted a fully substantive testing approach using reports obtained from the Administrator.

- Accuracy, occurrence and completeness of dividend income (Group and parent).
- Valuation and existence of investments (Group and parent).

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we looked at where the directors made subjective judgements, for example in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain.

Capability of the audit in detecting irregularities, including fraud

Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to the on-going qualification as an Investment Trust under the Corporation Tax Act 2010, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and Chapter 15 of the UK Listing Rules applicable to Closed-Ended Investment Funds. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting of inappropriate journal entities to increase income or to overstate the value of investments and increase the net asset value of the Group. Audit procedures performed by the group engagement team included:

- Discussions with management and the Administrator, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluation of the controls implemented by the Group and the Administrator designed to prevent and detect irregularities;
- Assessment of the Company's compliance with the requirements of s1158 of the Corporation Tax Act 2010, including recalculation of numerical aspects of the eligibility conditions; and
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations or round sum amounts.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the 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) identified by the auditors, 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, and any comments we make on the results of our procedures thereon, 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. This is not a complete list of all risks identified by our audit.

Key audit matter	***How our audit addressed the key audit matter***
Accuracy, occurrence and completeness of dividend income	
Group and parent	
Refer to page 15 (Accounting Policies) and page 16 (Notes to the financial statements). Income from investments comprised dividend income and fixed interest income. We focused on the accuracy, completeness and occurrence of investment income recognition as incomplete or inaccurate income could have a material impact on the Group's net asset value. We also focused on the accounting policy for investment income recognition and the presentation of investment income in the Group Income Statement for compliance with the requirements of The Association of Investment Companies Statement of Recommended Practice (the "AIC SORP"), as incorrect application could indicate a misstatement in income recognition.	We assessed the accounting policy for investment income recognition for compliance with accounting standards and the AIC SORP and performed testing to check that income from investments had been accounted for in accordance with this stated accounting policy. We found that the accounting policies implemented were in accordance with accounting standards and the AIC SORP, and that income from investments has been accounted for in accordance with the stated accounting policy. **Dividend income** We tested accuracy of dividend receipts by agreeing the dividend rates from investments to independent market data. No misstatements were identified which required reporting to those charged with governance. To test for completeness, we tested, for all investment holdings in the portfolio, that all dividends declared in the market by investment holdings had been recorded. Our testing did not identify any incorrectly recorded or omitted dividends.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF PERSONAL ASSETS TRUST PLC (CONTINUED)

Key audit matter	*How our audit addressed the key audit matter*
	We tested occurrence by tracing a sample of dividends received to bank statements. Our testing did not identify any misstatements which required reporting to those charged with governance. We also tested the allocation and presentation of dividend income between the revenue and capital return columns of the Income Statement in line with the requirements set out in the AIC SORP by determining reasons behind dividend distributions. Our procedures did not identify any misstatements which required reporting to those charged with governance. **Fixed interest income** We tested fixed interest income by recalculating the expected coupon interest and amortisation, using the opening and closing portfolios and coupon rates and maturity dates. We also agreed a sample of coupon rates and maturity dates to independent third party sources. No misstatements were identified by our testing which required reporting to those charged with governance. To test for completeness, for a sample of investment holdings in the portfolio, we tested that all fixed interest income earned by investment holdings had been recorded. Our testing did not identify any incorrectly recorded or omitted fixed interest income. We tested occurrence by testing that all fixed interest income recorded in the year had been earned and by tracing a sample of fixed interest income received to bank statements. Our testing did not identify any misstatements which required reporting to those charged with governance.
Valuation and existence of investments *Group and parent* Refer to page 31 (Report of the Audit Committee), pages 15 and 16 (Accounting Policies) and page 18 (Notes to the financial statements). The investment portfolio at the year-end comprised listed equity investments, fixed interest investments and gold bullion valued at £946m. We focused on the valuation and existence of investments because investments represent the principal element of the net asset value as disclosed on the Statements of Financial Position in the financial statements.	We tested the valuation of the listed equity investments, fixed interest investments and gold bullion by agreeing the prices used in the valuation to independent third party sources. No misstatements were identified by our testing which required reporting to those charged with governance. We tested the existence of the investment portfolio by agreeing investment holdings to an independent custodian confirmation. No differences were identified which required reporting to those charged with governance.

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the group and the parent company, the accounting processes and controls, and the industry in which they operate.

The Group's accounting is delegated to the Administrator who maintains the Group's accounting records and who has implemented controls over those accounting records.

We obtained our audit evidence from substantive tests. However, as part of our risk assessment, we understood and assessed the internal controls in place at both the Group and the Administrator to the extent relevant to our audit. This assessment of the operating and accounting structure in place at both organisations involved obtaining and analysing the relevant control reports issued by the independent service auditor of the Group and the Administrator in accordance with generally accepted assurance standards for such work. Following this assessment, we applied professional judgement to determine the extent of testing required over each balance in the financial statements.

Independent Auditors' Report to the Members of Personal Assets Trust PLC (continued)

Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	Group financial statements	*Parent company financial statements*
Overall materiality	£9.7m.	£9.7m.
How we determined it	1% of net assets.	1% of net assets.
Rationale for benchmark applied	The benchmark used is a generally accepted auditing practice for investment trust audits and is also the primary measure used by the shareholders in assessing the performance of the group.	The benchmark used is a generally accepted auditing practice for investment trust audits and is also the primary measure used by the shareholders in assessing the performance of the parent company.

For each component in the scope of our group audit, we allocated a materiality that is less than our overall group materiality. The range of materiality allocated across components was £13k to £9.7m. Certain components were audited to a local statutory audit materiality that was also less than our overall group materiality.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above £484,000 (Group audit) and £484,000 (Parent company audit) as well as misstatements below those amounts that, in our view, warranted reporting for qualitative reasons.

Going concern

In accordance with ISAs (UK) we report as follows:

Reporting obligation	***Outcome***
We are required to report if we have anything material to add or draw attention to in respect of the directors' statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting in preparing the financial statements and the directors' identification of any material uncertainties to the group's and the parent company's ability to continue as a going concern over a period of at least twelve months from the date of approval of the financial statements.	We have nothing material to add or to draw attention to. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the group's and parent company's ability to continue as a going concern. For example, the terms on which the United Kingdom may withdraw from the European Union are not clear, and it is difficult to evaluate all of the potential implications on the group's trade, customers, suppliers and the wider economy.
We are required to report if the directors' statement relating to Going Concern in accordance with Listing Rule 9.8.6R(3) is materially inconsistent with our knowledge obtained in the audit.	We have nothing to report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, 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 audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

With respect to the Strategic Report, Directors' Report and Corporate Governance Statement, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Independent Auditors' Report to the Members of Personal Assets Trust PLC (continued)

Based on the responsibilities described above and our work undertaken in the course of the audit, the Companies Act 2006 (CA06), ISAs (UK) and the Listing Rules of the Financial Conduct Authority (FCA) require us also to report certain opinions and matters as described below (required by ISAs (UK) unless otherwise stated).

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 30 April 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements. *(CA06)*

In light of the knowledge and understanding of the group and parent company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and Directors' Report. *(CA06)*

Corporate Governance Statement

In our opinion, based on the work undertaken in the course of the audit, the information given in the Corporate Governance Statement (on pages 28 to 30) about internal controls and risk management systems in relation to financial reporting processes and about share capital structures in compliance with rules 7.2.5 and 7.2.6 of the Disclosure Guidance and Transparency Rules sourcebook of the FCA ("DTR") is consistent with the financial statements and has been prepared in accordance with applicable legal requirements. *(CA06)*

In light of the knowledge and understanding of the group and parent company and their environment obtained in the course of the audit, we did not identify any material misstatements in this information. *(CA06)*

In our opinion, based on the work undertaken in the course of the audit, the information given in the Corporate Governance Statement (on pages 28 to 30) with respect to the parent company's corporate governance code and practices and about its administrative, management and supervisory bodies and their committees complies with rules 7.2.2, 7.2.3 and 7.2.7 of the DTR. *(CA06)*

We have nothing to report arising from our responsibility to report if a corporate governance statement has not been prepared by the parent company. *(CA06)*

The directors' assessment of the prospects of the group and of the principal risks that would threaten the solvency or liquidity of the group

We have nothing material to add or draw attention to regarding:

- The directors' confirmation on page 23 of the Annual Report that they have carried out a robust assessment of the principal risks facing the group, including those that would threaten its business model, future performance, solvency or liquidity.
- The disclosures in the Annual Report that describe those risks and explain how they are being managed or mitigated.
- The directors' explanation on page 23 of the Annual Report as to how they have assessed the prospects of the group, over what period they have done so and why they consider that period to be appropriate, and their statement as to whether they have a reasonable expectation that the group will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

We have nothing to report having performed a review of the directors' statement that they have carried out a robust assessment of the principal risks facing the group and statement in relation to the longer-term viability of the group. Our review was substantially less in scope than an audit and only consisted of making inquiries and considering the directors' process supporting their statements; checking that the statements are in alignment with the relevant provisions of the UK Corporate Governance Code (the "Code"); and considering whether the statements are consistent with the knowledge and understanding of the group and parent company and their environment obtained in the course of the audit. *(Listing Rules)*

Other Code Provisions

We have nothing to report in respect of our responsibility to report when:

- The statement given by the directors, on page 23, that they consider the Annual Report taken as a whole to be fair, balanced and understandable, and provides the information necessary for the members to assess the group's and parent company's position and performance, business model and strategy is materially inconsistent with our knowledge of the group and parent company obtained in the course of performing our audit.
- The section of the Annual Report on page 31 describing the work of the Audit Committee does not appropriately address matters communicated by us to the Audit Committee.
- The directors' statement relating to the parent company's compliance with the Code does not properly disclose a departure from a relevant provision of the Code specified, under the Listing Rules, for review by the auditors.

Directors' Remuneration

In our opinion, the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006. *(CA06)*

Independent Auditors' Report to the Members of Personal Assets Trust PLC (continued)

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Responsibility Statement set out on page 23, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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 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.

Auditors' 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 auditors' 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.

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

Use of this report

This report, including the opinions, has been prepared for and only for the parent company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.

Appointment

Following the recommendation of the audit committee, we were appointed by the members on 19 July 2018 to audit the financial statements for the year ended 30 April 2019 and subsequent financial periods. This is therefore our first year of uninterrupted engagement.

Allan McGrath (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Edinburgh

5 June 2019

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 38th Annual General Meeting ("AGM") of Personal Assets Trust Public Limited Company will be held at The Kimpton Charlotte Square Hotel (formerly The Roxburghe Hotel), 38 Charlotte Square, Edinburgh EH2 4HQ, on Thursday 11 July 2019 at 12 noon for the following purposes:

To consider and, if thought fit, pass the following resolutions which will be proposed as Ordinary Resolutions:

1. That the Report and Accounts for the year to 30 April 2019 be received.
2. That the Directors' Remuneration Report for the year to 30 April 2019 be approved.
3. That the dividend policy of the Company as set out in the Annual Report be approved.
4. That Hamish Buchan, who retires from office annually, be re-elected as a Director.
5. That Iain Ferguson, who retires from office annually, be re-elected as a Director.
6. That Gordon Neilly, who retires from office annually, be re-elected as a Director.
7. That Paul Read, who retires from office annually, be re-elected as a Director.
8. That Jean Sharp, who retires from office annually, be re-elected as a Director.
9. That Robin Angus, who retires from office annually, be re-elected as a Director.
10. That PricewaterhouseCoopers LLP be re-appointed as Auditors and that the Directors be authorised to determine their remuneration.
11. That the maximum aggregate sum available for Directors' fees for their services shall be £250,000 per annum.
12. Authority to allot shares

    That, in substitution for any existing authority, but without prejudice to the exercise of any such authority prior to the date hereof, the Directors of the Company be and are hereby generally and unconditionally authorised in accordance with Section 551 of the Companies Act 2006 (the "Act") 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 ("Securities") provided that such authority shall be limited to the allotment of shares and the grant of rights in respect of shares with an aggregate nominal value of up to £3,033,675 (being 10 per cent. of the nominal value of the issued share capital of the Company at 5 June 2019), such authority to expire at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution or on the expiry of 15 months from the passing of this resolution, whichever is the earlier, unless previously revoked, varied or extended by the Company in a general meeting, save that the Company may at any time prior to the expiry of this authority make an offer or enter into an agreement which would or might require Securities to be allotted or granted after the expiry of such authority and the Directors shall be entitled to allot or grant Securities in pursuance of such an offer or agreement as if such authority had not expired.

To consider and, if thought fit, pass the following resolutions which will be proposed as Special Resolutions:

13. Disapplication of pre-emption rights

    That, subject to the passing of Resolution 12 above and in substitution for any existing power but without prejudice to the exercise of any such power prior to the date hereof, the Directors of the Company be and are hereby generally empowered, pursuant to Section 570 of the Companies Act 2006 (the "Act"), to allot equity securities (as defined in Section 560 of the Act), including the grant of rights to subscribe for, or to convert securities into, Ordinary shares in the Company for cash either pursuant to the authority given by Resolution 12 above or by way of a sale of Treasury shares (as defined in Section 724 of the Act) as if Section 561(1) of the Act did not apply to any such allotment of equity securities, provided that this power:

    (a) expires at the conclusion of the next Annual General Meeting of the Company after the passing of this resolution or on the expiry of 15 months from the passing of this resolution, whichever is the earlier, save that the Company may, before such expiry, make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of any such offer or agreement as if the power conferred hereby had not expired; *and*

    (b) shall be limited to the allotment of equity securities up to an aggregate nominal value of £3,033,675, being 10 per cent. of the nominal value of the issued share capital of the Company at 5 June 2019.

This power applies in relation to a sale of shares which is an allotment of equity securities by virtue of Section 560(2) of the Act as if in the first paragraph of this resolution the words "subject to the passing of Resolution 12 above" were omitted.

14. Share buyback authority

That, in substitution for any existing authority but without prejudice to the exercise of any such authority prior to the date hereof, the Company be and is hereby generally and unconditionally authorised, pursuant to and in accordance with Section 701 of the Companies Act 2006 (the "Act"), to make market purchases (within the meaning of Section 693(4) of the Act) of fully paid Ordinary shares of £12.50 each in the capital of the Company ("Ordinary shares") (either for retention as Treasury shares for future reissue, resale or transfer or for cancellation), provided that:

(a) the maximum aggregate number of Ordinary shares hereby authorised to be purchased is 363,798 or, if less, the number representing 14.99 per cent. of the issued share capital of the Company at the date of the passing of this resolution;

(b) the minimum price (excluding expenses) which may be paid for each Ordinary share is £12.50;

(c) the maximum price (excluding expenses) which may be paid for each Ordinary share shall not be greater than the higher of:

(i) 5 per cent. above the average middle market quotation on the London Stock Exchange of an Ordinary share over the five business days immediately preceding the date of purchase; *and*

(ii) the higher of the last independent trade and the highest current independent bid on the London Stock Exchange; *and*

(d) unless previously varied, revoked or renewed by the Company in a General Meeting, the authority hereby conferred shall expire at the conclusion of the Company's next Annual General Meeting or on 31 October 2020, whichever is the earlier, save that the Company may, prior to such expiry, enter into a contract to purchase Ordinary shares under such authority which will or might be completed or executed wholly or partly after the expiration of such authority and may make a purchase of Ordinary shares pursuant to any such contract.

15. That a General Meeting of the Company other than an Annual General Meeting may be called on not less than 14 clear days' notice provided that this authority shall expire at the conclusion of the next Annual General Meeting of the Company.

By Order of the Board

Steven K Davidson

Secretary

10 St Colme Street

Edinburgh EH3 6AA

5 June 2019

Notes

1. A shareholder who is entitled to attend, speak and vote at the meeting is entitled to appoint one or more proxies to attend, speak and vote on her or his behalf. Such proxy need not also be a shareholder of the Company. If appointing more than one proxy, each proxy must be appointed to exercise rights attaching to different shares held by the shareholder.

2. A proxy form for use by shareholders at the meeting is enclosed with this document. Proxies must be lodged with the Company's registrar, Equiniti Limited, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA, not less than 48 hours (excluding non-working days) before the time appointed for the meeting together with any power of attorney or other authority (if any) under which it is signed. Completion of the proxy form will not prevent a shareholder from attending the meeting and voting in person.

3. As an alternative to completing the hard copy proxy form you can appoint a proxy electronically at www.sharevote.co.uk. For an electronic proxy appointment to be valid, your appointment must be received by the Company's registrar not less than 48 hours (excluding non-working days) before the time of the meeting.

4. Only those shareholders having their names entered on the Company's share register not later than 6.30 pm on 9 July 2019 or, if the meeting is adjourned, 6.30 pm on the day which is two days (excluding non-working days) prior to the date of the adjourned meeting, shall be entitled to attend and vote at the meeting in respect of the number of shares registered in their name at that time. Changes to the entries on the Company's share register after that time shall be disregarded in determining the rights of any shareholder to attend, speak and vote at the meeting, notwithstanding

any provision in any enactment, the Articles of Association of the Company or other instrument to the contrary.

5. Any corporation which is a shareholder may appoint one or more corporate representatives who may exercise on its behalf all of its powers as a shareholder provided that such corporate representatives do not do so in relation to the same shares.

6. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) thereof by using the procedures described in the CREST Manual, and by logging on to the website www.euroclear.com. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

   In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST message (a "CREST Proxy Instruction") must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications, and must contain the information required for such instruction, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or is an amendment to the instruction given to a previously appointed proxy, must, in order to be valid, be transmitted so as to be received by the Company's Registrar, Equiniti Limited (ID RA 19), by no later than 12 noon on 9 July 2019. No such message received through the CREST network after this time will be accepted. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST application host) from which the Company's Registrar is able to retrieve the message by inquiry to CREST in the manner prescribed by CREST. After this time any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

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

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

7. The right to appoint a proxy does not apply to persons whose shares are held on their behalf by another person and who have been nominated to receive communications from the Company in accordance with Section 146 of the Companies Act 2006 ("Nominated Persons"). Nominated Persons may have a right under an agreement with the member who holds the shares on their behalf to be appointed (or to have someone else appointed) as a proxy. Alternatively, if Nominated Persons do not have such a right, or do not wish to exercise it, they may have a right under such an agreement to give instructions to the person holding the shares as to the exercise of voting rights. The statement of the rights of members in relation to the appointment of proxies in notes 1 and 2 above does not apply to Nominated Persons. The rights described in these notes can be exercised only by members of the Company.

8. At 5 June 2019, the latest practicable date prior to publication of this document, the Company's issued share capital comprised 2,426,942 Ordinary shares of £12.50 each with a total of 2,426,942 voting rights.

9. Any person holding three per cent. of the total voting rights in the Company who appoints a person other than the Chairman as her or his proxy must ensure that both he or she and such third party comply with their respective disclosure obligations under the Disclosure Guidance and Transparency Rules.

10. Information regarding the meeting, including information required by Section 311A of the Companies Act 2006, is available from the Company's website, www.patplc.co.uk.

11. Under Section 319A of the Companies Act 2006, the Company must answer any question relating to the business being dealt with at the meeting put by a member attending the meeting unless:

    (a) answering the question would interfere unduly with the preparation for the meeting or involve the disclosure of confidential information;

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

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

12. Shareholders are advised that, unless otherwise stated, any telephone number, website or e-mail address which may be set out in this notice of meeting or in any related documents (including the proxy form) is not to be used for the purposes of serving information or documents on, or otherwise communicating with, the Company for any purposes other than those expressly stated.

13. The members of the Company may require the Company (without payment) to publish, on its website, a statement (which is also to be passed to the Auditors) setting out any matter relating to the audit of the Company's accounts, including the Auditors' report and the conduct of the audit. The Company will be required to do so once it has received such requests from either members representing at least 5 per cent. of the total voting rights of the Company or at least 100 members who have a relevant right to vote and hold shares in the Company on which there has been paid up an average sum per member of at least £100. Such requests must be made in writing and must state the sender's full name and address and be sent to the Company's registered address at 10 St Colme Street, Edinburgh EH3 6AA.

14. The letters of appointment of the non-executive Directors and the service contract of the Executive Director will be available for inspection at the registered office of the Company during normal business hours on any weekday (Saturdays, Sundays and public holidays excepted) from the date of this notice and at the location of the meeting for at least 15 minutes prior to the meeting and during the meeting.

15. Members meeting the threshold requirements set out in the Companies Act 2006 have the right (a) to require the Company to give notice of any resolution which can properly be, and is to be, moved at the meeting pursuant to section 338 of the Companies Act 2006; and/or (b) to require the Company to include a matter in the business to be dealt with at the meeting, pursuant to section 338A of the Companies Act 2006.

Corporate Information

Board of Directors

Hamish Buchan (Chairman)
Robin Angus
Iain Ferguson CBE
Gordon Neilly
Paul Read
Frank Rushbrook
Jean Sharp

Registered Office

10 St Colme Street
Edinburgh EH3 6AA

Telephone: 0131 538 1400
www.patplc.co.uk

Company Secretary

Steven Davidson ACIS
PATAC Limited
21 Walker Street
Edinburgh EH3 7HX

Telephone: 0131 538 1400

AIFM

PATAC Limited
21 Walker Street
Edinburgh EH3 7HX

Investment Adviser

Troy Asset Management Limited
33 Davies Street
London W1K 4BP

www.taml.co.uk

Custodian

J.P. Morgan Chase Bank N.A.
25 Bank Street
Canary Wharf
London E14 5JP

Depositary

J.P. Morgan Europe Limited
25 Bank Street
Canary Wharf
London E14 5JP

Solicitors

Dickson Minto W.S.
16 Charlotte Square
Edinburgh EH2 4DF

Data Protection

The Company is committed to ensuring the privacy of any personal data provided to it. Further details of the Company's privacy policy can be found on the Company's website www.patplc.co.uk

Shareholder Information

Telephone: 0131 538 1400

Investment Account and ISA

Alliance Trust Savings

Telephone: 01382 573737
Email: contact@alliancetrustsavings.co.uk
www.alliancetrustsavings.co.uk

Registrars

Equiniti Limited
Aspect House
Spencer Road
Lancing
West Sussex BN99 6DA

Telephone: 0371 384 2459*

Stockbrokers

J.P. Morgan Cazenove
25 Bank Street
Canary Wharf
London E14 5JP

Independent Auditors

PricewaterhouseCoopers LLP
Atria One
144 Morrison Street
Edinburgh EH3 8EX

Identification Codes

SEDOL:	0682754
ISIN:	GB0006827546
Bloomberg:	PNL LN
EPIC:	PNL

Global Intermediary Identification Number (GIIN)

2W8KH5.99999.SL.826

Legal Entity Identifier (LEI)

213800Z7ABM7RLQ41516

* Lines open 8:30am to 5:30pm, Monday to Friday (excluding public holidays in England and Wales). The overseas helpline number is +44 (0)121 415 7047.

Personal Assets Trust plc, 10 St Colme Street, Edinburgh EH3 6AA.
Shareholder Telephone: 0131 538 1400. Website: www.patplc.co.uk