FIDELITY ASIAN VALUES PLC
ANNUAL FINANCIAL REPORT, PROXY FORM AND ADDITIONAL DISCLOSURES
TO THE PRELIMINARY RESULTS FOR THE YEAR TO 31 JULY 2012

Further to the voluntary disclosure of the Company's annual results for the year ended 31 July 2012 by way of a preliminary announcement dated 28 September 2012, in accordance with the Disclosure and Transparency Rules ("the Rules") 4.1.3 and 6.3.5(2) this announcement contains the text of the preliminary announcement dated 28 September 2012 together with the additional text in compliance with the Rules.

The Company's annual report and financial statements for the year ended 31 July 2012 together with the accompanying proxy form have been submitted to the UK Listing Authority, and will shortly be available for inspection on the National Storage Mechanism (NSM):

www.hemscott.com/nsm.do

(Documents will usually be available for inspection within two business days of this notice being given)

The annual report and financial statements will shortly be available on the Company's website at
www.fidelity.co.uk/static/pdf/common/investment-trusts/annual/annualannual-2012.pdf

Christopher Pirnie, FIL Investments International, Company Secretary - 01737 837 929
22 October 2012

Fidelity Asian Values PLC

Preliminary Announcement of Audited Results
For the year ended 31 July 2012

Chairman's Statement

PERFORMANCE
In the year to 31 July 2012, the undiluted Net Asset Value ("NAV") per share of the Company decreased by 14.3% whereas its Benchmark Index, the MSCI All Countries (Combined) Far East ex Japan Index (net), decreased by 6.6%. The ordinary share price of the Company decreased by 12.6% over the year and the discount narrowed from 11.6% to 9.9%. (All figures in UK sterling terms and on a total return basis.)

These results are disappointing against a background of continuing high volatility as described in further detail in the Manager's Review section of the annual report.

OUTLOOK
Asian economies have not been immune from the economic crisis affecting developed markets, although they have played an increasingly important role in the domestic consumption story, fuelled by rising wages and institutional reforms that encourage

consumption, such as pension and tax reforms. This being the case, economies across the Far East ex Japan region are poised to deliver stronger growth relative to the rest of the world.

China's economy seems to have lost some momentum in the second quarter of 2012. This is likely to be an outcome of the slowdown in external demand led by the European crisis as well as China's over-tightening in 2010–11, rather than a deterioration of the country's fundamentals. Policy easing in recent months, including stepped-up project approval and reductions in the required reserve ratio and interest rates are encouraging signs.

The policy environment in the rest of the region remains supportive and factors driving structural growth, such as favourable demographics, a focus on infrastructure building and stable government finances are likely to fuel a multi-year expansion cycle. Against this backdrop, Asia continues to offer compelling investment opportunities in quality companies at attractive valuations. The Asia Pacific region remains within the fast lane of a two-speed global economy; the region also offers up a wide array of equity dividend opportunities.

In the face of these challenging markets, the Manager has increased his focus on fewer and higher quality stock names with clearer long-term visibility of earnings.

SUBSCRIPTION SHARES

The final date for exercising the rights attached to the subscription shares is 31 May 2013. Further details on the subscription shares may be found in the Directors' Report in the annual report. Details of the subscription shares exercised during the year are outlined in the notes section of the annual report.

SHARE REPURCHASES

Purchases of ordinary and subscription shares for cancellation are made at the discretion of the Board and within guidelines set from time to time by the Board in light of prevailing market conditions. Share repurchases will only be made when they will result in an enhancement to the net asset value of ordinary shares for remaining shareholders. Details of ordinary shares repurchased for cancellation during the year are outlined in the notes section of the annual report. No subscription shares were repurchased for cancellation during the reporting year.

DIVIDEND

Subject to shareholders' approval at the forthcoming Annual General Meeting, the Directors recommend a final dividend of one penny per ordinary share (2011: one penny). This dividend will be payable on 6 December 2012 to shareholders on the register at close of business on 5 October 2012 (ex-dividend date 3 October 2012). As the Company's objective is long term capital growth, any revenue surplus is a function of a particular year's business and it should not be assumed that dividends will continue to be paid in the future.

GEARING

The Company entered into a two year revolving loan facility with Scotiabank Europe PLC for up to US$15,000,000 on 28 February 2012. The full amount was drawn down on 29 February 2012.

INVESTMENT POLICY

The broad thrust of investment policy continues without significant change. This being said, the Board is always looking for new ways of enhancing the way in which your Company operates.

Shareholders will have received a circular with the Annual Report detailing the Board's recommendation to change the Company's investment policy to permit the use of Contracts for Difference ("CFDs") for gearing purposes. A full explanation is provided in the circular.

The Board believes that it is in the best interests of shareholders for the Company to continue to have the ability to employ gearing. The ability to use CFDs for gearing purposes will increase flexibility and add to the range of gearing options available to the Board. The costs of using CFDs in the manner proposed are currently lower than the costs involved in traditional bank borrowing.

We continue to monitor and review the Company's gearing level. Currently it has net gearing of 4.9%.

CONTINUATION VOTE
In accordance with the Articles of Association of the Company, the Company is subject to a continuation vote every five years. The next continuation vote will therefore take place at the Annual General Meeting in 2016 rather than 2013 as stated in last year's annual report.

ANNUAL GENERAL MEETING
The Annual General Meeting will be held on Wednesday, 28 November 2012 at Fidelity's offices at 25 Cannon Street, London EC4M 5TA (St Paul's or Mansion House tube stations) commencing at 11.00 am. All shareholders and Fidelity Savings Plan and ISA Scheme investors are invited to attend. The Portfolio Manager will be making a presentation on the year under review and the immediate prospects for the Company.

Mr Hugh Bolland
Chairman
28 September 2012

MARKETS
Stockmarkets in Far East ex Japan retreated over the twelve month review period as share prices were weighed down by increased risk aversion due to the continuing uncertainty surrounding the Eurozone debt crisis, and later on due to slowing growth in the US and China. Better than expected economic data from the US in the fourth quarter of 2011 and first quarter of 2012 boosted investor sentiment but fears about a potential break-up of the Eurozone and moderating growth in China and the US in the second quarter of 2012 resulted in a flight to safety. Materials producers declined the most as commodity prices fell. Elsewhere, the energy and industrials sectors retreated in the face of weakening global growth prospects. Consumer discretionary stocks also came under pressure, primarily due to concerns about deteriorating consumer sentiment. Defensively positioned sectors such as utilities, consumer staples and telecommunications services, as well as the information technology ("IT") sector outperformed the regional index and high yielding telecommunications stocks ended the period with double digit gains.

Thailand remained the best performing market in the region, buoyed by strong growth in reconstruction following the devastating floods that hurt industrial activity. Malaysia was also strongly underpinned by expectations of growth and further supported by new government plans to boost infrastructure investment. Indonesia lagged its regional peers despite a robust outlook for growth and a sovereign ratings upgrade that fuelled investor confidence. Taiwan was the worst performing market, mainly due to weak earnings growth potential in the
IT sector. The high level of dependence on exports and falling domestic consumer confidence hurt South Korean equities, even as the Bank of Korea lowered its benchmark rate of interest. Shares in China also performed poorly, despite the central bank's decision to ease monetary policy constraints.

On the economic front, inflationary pressures eased substantially, particularly in China, and central banks across the region cut their benchmark rates of interest to stimulate growth. Industrial production and purchasing managers indices continued to show signs of weakness and the pace of exports growth moderated somewhat.

PORTFOLIO REVIEW
The Company underperformed its benchmark index over the review period, with the undiluted net asset value falling by 14.3% against the benchmark index return of -6.6% (on a total return basis). This was attributed to adverse security selection in the consumer discretionary sector and the underweight position in telecommunications. At a country level, the overweight stance in China, Hong Kong and Singapore detracted from performance as growth indicators showed signs of moderation and consumer spending weakened.

The overweight holding in the consumer discretionary sector reflected growing confidence in rapid consumption growth, particularly in China, whilst some positions were held for their attractive valuations and to benefit from a potential turnaround in their earnings. A stake in Anta Sports Products weighed on returns given a difficult environment in sports products retailing, high inventory and increased competitive pressure. The allocation to retailer Emperor Watch & Jewellery succumbed to a fall in store sales growth in China and Macau, even as Hong Kong store sales continued to expand. Elsewhere, GOME Electrical Appliances hurt returns and the position was sold at the beginning of 2012 in view of sluggish sales growth following the end of rural subsidy programmes. An unexpected change in top management led to a sharp decline in the share price of Esprit Holdings, which was bought in for its compelling valuation and an attractive turnaround strategy. Chinese American Depositary Receipts ("ADRs") were hurt overall as concerns regarding Variable Interest Entity structures were being reviewed - these however were not related to company fundamentals rather to company structuring. Exposure to Ctrip.com International and SouFun Holdings were notable ADRs that were negatively impacted.

Non-exposure to China Mobile was the single largest detractor from relative performance. Share prices surged reflecting the firm's defensive positioning given its dominant market share and strong balance sheet, however, the stock was not held mainly because of its unattractive valuations. A holding in Telstra Corp added value due to attractive dividend yields and an end to regulatory uncertainty.

Within the IT sector, a high-conviction stake in SouFun Holdings, which provides marketing, listing, technology and information consultancy services to the real estate and home furnishing sectors in China, retreated against the backdrop of a challenging property market environment. This holding is retained due to its leadership position; attractive business model; high-quality management; balanced revenue mix based on marketing and listing services; and robust growth in the cards business, a service that helps consumers negotiate cheaper deals. Shares in China Resources Cement Holdings in the materials sector and Hong Kong Exchanges & Clearing in the financials sector were also among the leading detractors from performance.

On a positive note, whilst the overall contribution from both the IT and consumer discretionary sectors disappointed, selected positions helped contain losses. For instance, South Korea-based SM Entertainment surged on the back of growing album and ticket sales. Shares in South Korean duty free shop operator Hotel Shilla also added value on the back of an increase in earnings given rising passenger traffic. Within IT, an overweight stance in Tencent Holdings, the online gaming and instant messaging firm, and a stake in Samsung Electronics, proved highly rewarding. In the industrials sector, the high-conviction exposure to Sarin Technologies, a machinery producer for the diamond processing industry, also enhanced performance in light of its robust earnings growth and dominant market position. The firm is also expected to introduce new products, which are expected to further bolster its competitive position. China Overseas Land & Investment delivered strong sales growth, whilst Bank of China Hong Kong advanced in light of the potential benefits of renminbi internationalisation, however, the position has since been closed for better opportunities elsewhere.

Positioning

The portfolio maintained a focus on companies that are leaders in their fields, a trait that is reflected by their high and growing market shares and pricing power. The portfolio favours companies with management teams that have a proven track record of managing the business through extreme cycles. Typically, these companies tend to outperform during downturns and are likely to emerge in a stronger position once markets and economies normalise. Within the IT sector, the portfolio continues to maintain a position in SouFun Holdings in anticipation of growth driven by its strength in managing relationships. Furthermore, a number of new holdings, such as South Korea based online games producer NCSoft given its attractive valuations and strong demand for its newly released games. In addition, exposure to Tencent Holdings was increased, as was the case with Taiwan Semiconductor Manufacturing, off the back of its defensive earnings and high dividend yields. These purchases were funded by selling the position in HTC in light of an unfavourable outlook and in Unimicron Technology in view of high order volatility and pricing pressures.

New holdings were also purchased in the financials sector, taking advantage of a fall in prices to boost the stake in insurance provider AIA Group given its regional presence, strong growth in new business and a high quality management team with a track record of delivering shareholder value. A new position in Bank Mandiri was opened in light of improved earnings expectations, driven by strong loan growth, stable margins, low credit cost and higher cost efficiency as the bank slows its network expansion to focus on productivity. Stock in China Overseas Land & Investment was also purchased. These positions were funded by selling the stakes in DBS Group Holdings, Hong Kong Exchanges & Clearing and Shinhan Financial Group.

Over the period, positioning in the consumer discretionary segment was realigned and exposure to the materials and industrials sectors was reduced. In case of the former, a holding in Emperor Watch & Jewellery was sold along with a position in Ctrip.com International but a stake in outdoor advertising firm Focus Media Holdings was introduced as it is likely to report strong earnings growth. A new position was purchased in Techtronic Industries, a power tools and floor care appliances manufacturer, given attractive valuations, strong market presence and likely growth driven by geographic expansion. Within materials, a position in Honam Petrochemical was sold in light of strong macroeconomic headwinds and increased pricing pressure. Elsewhere, positions in Hutchison Whampoa and in Samsung Engineering were sold given more rewarding stock opportunities elsewhere and slowing growth in new order flows respectively.

OUTLOOK FOR THE REGION

The outlook for the global economy remains divergent, with expectations of an improvement in the US balanced by concerns about Europe. Despite the slowing pace of expansion in China, growth in Asia is likely to be strong given falling inflation, healthy government balance sheets and the availability of multiple policy tools to boost growth and the continued domestic demand supporting economic activity in the region. Driven by powerful demographic factors and rising per capita income, growth in intra-regional trade is likely to be strong, with Asian economies losing their historical dependency on the West. These factors should also continue to support corporate earnings despite a challenging external environment. Meanwhile, central banks across the region, including in China and South Korea, lowered their benchmark interest rates to protect their economies from the weakening external environment. With inflation coming down, central banks have more room to manoeuvre and ease their monetary policies to encourage growth with many Asian firms having large cash reserves and low leverage, which provide a buffer in the event of a global economic downturn. Firms that can take advantage of the robust domestic demand in Asia are a compelling investment opportunity given sluggish global growth projections.

UPDATE TO 31 AUGUST 2012

The Company strongly outperformed the index in August, with its net asset value rising 0.44% in sterling terms, compared with a negative 2.02% return for the index and a 1.99% fall in its share price.

The Company's relative returns were driven by robust stock selection in the consumer discretionary and IT sectors, whilst in the consumer discretionary space, a holding in China-based outdoor media firm Focus Media Holdings was the top contributor to performance following the announcement of a plan to privatise the firm. A holding in South Korea-based SM Entertainment rose after delivering better than expected earnings and a position in tools manufacturer Techtronic Industries was also a notable contributor to overall gains. Elsewhere in the IT space, a stake in SouFun Holdings added value as its earnings were in line with expectations, demonstrating the firm's underlying strength. Meanwhile, a disappointing second quarter earnings report did not dent confidence in online games producer NCSoft as newly released games registered brisk sales and the firm

rationalised its cost structure. In contrast, shares in retail supply chain manager Li & Fung hampered performance due to weaker than expected earnings and automobile producer KIA Motors also disappointed. KIA Motors retreated after earnings fell marginally below market expectations and due to labour strikes.
The outlook for Asia remains positive given benign inflation, healthy government balance sheets and the availability of multiple policy tools to boost economic growth. Although growth is expected to moderate, the pace of growth would still remain very attractive compared with the developed world. Moreover, domestic demand in Asia would support economic activity in the region driven by powerful demographic factors and rising per capita income and growth in intra-regional trade.

John Lo
Portfolio Manager
28 September 2012

PRINCIPAL RISKS AND UNCERTAINTIES
The Board confirms that there is an ongoing process for identifying, evaluating and managing the principal risks faced by the Company. The Board, with the assistance of the Manager, has developed a risk matrix which, as part of the internal controls process, identifies the key risks that the Company faces. The matrix has identified strategic, marketing, investment management, company secretarial and other support function risks. The Board reviews and agrees policies for managing these risks. The process is regularly reviewed by the Board in accordance with the Financial Reporting Council's ("FRC's") "Internal Control: Revised Guidance for Directors". During this review, risks are identified, introduced and graded. This process, together with the policies and procedures for the mitigation of risks, is updated and reviewed regularly in the form of comprehensive internal controls reports which are considered by the Audit Committee. The Board also determines the nature and extent of any risks it is willing to take in order to achieve its strategic objectives.

Risks identified in the matrix are:

Market risk
The Company's assets consist mainly of listed securities and the principal risks are therefore market related such as market downturn, interest rate movements, deflation/inflation, terrorism and protectionism.

Risks to which the Company is exposed and which form part of the market risk category are included in Note 17 to the financial statements on pages 44 to 49 together with summaries of the policies for managing these risks. These are: market price risk (which comprises other price risk, interest rate risk and foreign currency risk); liquidity risk, counterparty risk and credit risk.

Performance risk
The achievement of the Company's performance objective relative to the market involves risk. Strategy, asset allocation and stock selection might lead to under performance of the Benchmark Index and target. Monitoring of these risks is carried out by the Board which, at each Board meeting, considers the asset allocation of the portfolio and the risks associated with particular countries and industry sectors within the parameters of the investment objective. The Portfolio Manager is responsible for actively managing and monitoring the portfolio selected in accordance with the asset allocation parameters and seeks to ensure that individual stocks meet an acceptable risk/reward profile. The NAV of the Company is published each working day.

Loan risk
The Company has a two year revolving loan facility in place with Scotiabank Europe PLC. The extent to which any loan facilities are retained or renewed is always kept under the most careful scrutiny.

The impact of limited finance from counterparties including suppliers has not impacted the Company to date. However there are alternative suppliers and options available in the market place should the need arise.

Gearing risk

The Company has the option to invest up to the total of its loan facilities in equities. In a rising market the Company would benefit but in a falling market the impact would be detrimental.

In order to manage the level of gearing the Board regularly considers this item and sets gearing limits accordingly. The Portfolio Manager follows the Board approved guidelines and may invest part of the loan facility in Fidelity Institutional Liquidity Fund plc and short term cash deposits to control the level of net gearing.

Currency risk

The functional currency of the Company in which it reports its results, is UK sterling, however, most of its assets and its
income are denominated in other currencies. Consequently, it is subject to currency risk on exchange rate movements between UK sterling and these other currencies. It is the Company's policy not to hedge against currency risks. Borrowings are denominated in US dollars and, therefore, the effect of US dollar exchange rate movements on assets denominated in US dollars will be offset by the effect on these loans. Further details can be found in Note 17 to the Financial Statements on pages 44 to 49.

Financial and financial instrument risks

The financial instrument risks faced by the Company are shown in Note 17 to the Financial Statements on pages 44 to 49.

Income – dividends risk

The Company's objective of long term capital growth relies less on income to support dividends than investment trust companies with a more income oriented target. Nevertheless, generating income to meet expenses and provide adequate reserves is subject to the risk that income generation from its investments fails to meet the level required. The Board monitors this risk through the receipt of detailed income reports and forecasts which are considered at each meeting.

Share price, NAV and discount volatility risk

The price of the Company's shares relative to the Benchmark Index and in absolute terms, as well as its discount to NAV, are factors which are not within the Company's total control. Some short term influence over the discount may be exercised by the use of share repurchases at acceptable prices. Details of repurchases during the year are included in Note 13 on page 42. The Company's ordinary share price, subscription share price, NAV and discount volatility are monitored daily by the Manager and considered by the Board at each of its meetings.

Counterparty risk

The Company relies on a number of main counterparties, namely the Manager, Registrar and Custodian. The Manager is the member of a privately owned group of companies on which a regular internal controls report is provided to the Board. The Manager, Registrar and Custodian are subject to regular audits by Fidelity's internal audit team and the counterparties' own internal controls reports are received by the Board and any concerns investigated.

Governance, operational, financial, compliance, administration etc

While it is believed that the likelihood of poor governance, compliance and operational administration by other third party service providers is low, the financial consequences could be serious, including the associated reputational damage to the Company. Your Board is responsible for the Company's system of internal control and for reviewing its effectiveness. Details
of this process are provided in the Corporate Governance Statement within this Annual Report.

Other risks
Other risks monitored on a regular basis include loan covenants, which are subject to daily monitoring, together with the Company's gearing and cash positions, and the continuation vote (at a time of poor performance). Regular reports are provided to the Board.

Statement of Directors' Responsibilities
The Directors are responsible for preparing the annual report and financial statements in accordance with applicable law and regulations. Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Generally Accepted Accounting Practice.

The financial statements are required by law to give a true and fair view of the state of affairs of the Company and of the profit or loss for the period.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, 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 Company will continue in business.

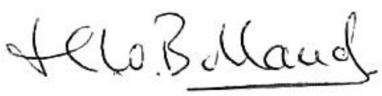
The Directors are responsible for ensuring that adequate accounting records are kept which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that its financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

The Directors have delegated the responsibility for the maintenance and integrity of the corporate and financial information included on the Company's section of the Manager's website www.fidelity.co.uk/its to the Manager. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

We confirm that to the best of our knowledge: the financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company; and the Directors' Report includes a fair review of the development and performance of the business and the position of the Company together with a description of the principal risks and uncertainties it faces.

Approved by the Board on 28 September 2012 and signed on its behalf by



Hugh Bolland
Chairman

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Income Statement for the year ended 31 July 2012

	2012 revenue £'000	**2012 capital £'000**	**2012 total £'000**	2011 revenue £'000	2011 capital £'000	2011 total £'000
(Losses)/gains on investments designated at fair value through profit or loss	**–**	**(21,037)**	**(21,037)**	–	22,068	22,068
Income*	**2,999**	**–**	**2,999**	3,070	–	3,070
Investment management fee	**(1,267)**	**–**	**(1,267)**	(1,509)	–	(1,509)
Other expenses	**(515)**	**–**	**(515)**	(522)	–	(522)
Exchange (losses)/gains on other net assets	**(10)**	**217**	**207**	7	(54)	(47)
Exchange (losses)/gains on bank loans	**–**	**(447)**	**(447)**	–	287	287
Net return/(loss) before finance costs and taxation	**1,207**	**(21,267)**	**(20,060)**	1,046	22,301	23,347
Finance costs	**(204)**	**–**	**(204)**	(214)	–	(214)
Net return/(loss) on ordinary activities before taxation	**1,003**	**(21,267)**	**(20,264)**	832	22,301	23,133
Taxation on return/(loss) on ordinary activities**	**(123)**	**–**	**(123)**	(312)	–	(312)
Net return/(loss) on ordinary activities after taxation for the year	**880**	**(21,267)**	**(20,387)**	520	22,301	22,821
Return/(loss) per ordinary share						
Undiluted	**1.45p**	**(34.99p)**	**(33.54p)**	0.85p	36.35p	37.20p
Diluted	**n/a**	**n/a**	**n/a**	0.84p	36.10p	36.94p

A Statement of Total Recognised Gains and Losses has not been prepared as there are no gains and losses other than those reported in this Income Statement.
The total column of the Income Statement is the profit and loss account of the Company.
All revenue and capital items in the above statement derive from continuing operations.
No operations were acquired or discontinued in the year.

* **INCOME**

	2012 £'000	2011 £'000
Income from investments designated at fair value through profit or loss		
Overseas dividends	**2,784**	2,926
Overseas scrip dividends	**215**	144
Total income	**2,999**	3,070

**Relates to overseas taxation only

Reconciliation of Movements in Shareholders' Funds

for the year ended 31 July 2012

	share capital £'000	share premium account £'000	capital redemption reserve £'000	other non-distributable reserve £'000	other reserve £'000	capital reserve £'000	revenue reserve £'000	total equity £'000
Opening shareholders' funds: 1 August 2010	**15,245**	**60**	**1,785**	**7,367**	**19,238**	**72,958**	**540**	**117,193**
Exercise of rights attached to subscription shares and conversion into ordinary shares	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Issue of ordinary shares on the exercise of rights attached to subscription shares	**163**	**1,080**	**–**	**–**	**–**	**–**	**–**	**1,243**
Net return on ordinary activities after taxation for the year	**–**	**–**	**–**	**–**	**–**	**22,301**	**520**	**22,821**
Closing shareholders' funds: 31 July 2011	**15,408**	**1,140**	**1,785**	**7,367**	**19,238**	**95,259**	**1,060**	**141,257**
Exercise of rights attached to subscription shares and conversion into ordinary shares	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Issue of ordinary shares on the exercise of rights attached to subscription shares	**12**	**78**	**–**	**–**	**–**	**–**	**–**	**90**
Repurchase of ordinary shares	**(439)**	**–**	**439**	**–**	**(3,261)**	**–**	**–**	**(3,261)**
Net (loss)/return on ordinary activities after taxation for the year	**–**	**–**	**–**	**–**	**–**	**(21,267)**	**880**	**(20,387)**
Dividend paid to shareholders	**–**	**–**	**–**	**–**	**–**	**–**	**(615)**	**(615)**
Closing shareholders' funds: 31 July 2012	**14,981**	**1,218**	**2,224**	**7,367**	**15,977**	**73,992**	**1,325**	**117,084**

Balance Sheet as at 31 July 2012

	2012 **£'000**	2011 £'000
Fixed assets		
Investments designated at fair value through profit or loss	**123,758**	146,156
Current assets		
Debtors	**206**	738
Cash at bank	**3,769**	4,423
	3,975	5,161
Creditors		
Bank loans	**(9,563)**	(9,116)
Other creditors	**(1,086)**	(944)
	(10,649)	(10,060)
Net current liabilities	**(6,674)**	(4,899)
Total net assets	**117,084**	141,257
Capital and reserves		
Share capital	**14,981**	15,408
Share premium account	**1,218**	1,140
Capital redemption reserve	**2,224**	1,785
Other non-distributable reserve	**7,367**	7,367
Other reserve	**15,977**	19,238
Capital reserve	**73,992**	95,259
Revenue reserve	**1,325**	1,060
Total equity shareholders' funds	**117,084**	141,257
Net asset value per ordinary share		
Basic	**195.40p**	229.21p
Diluted	**194.70p**	223.20p

Cash Flow Statement for the year ended 31 July 2012

	2012 **£'000**	2011 £'000
Operating activities		
Investment income received	**3,032**	2,410
Investment management fee paid	**(1,663)**	(1,105)
Directors' fees paid	**(123)**	(78)
Other cash payments	**(594)**	(322)
Net cash inflow from operating activities	**652**	905
Servicing of finance		
Interest paid on bank loans	**(219)**	(215)
Net cash outflow from servicing of finance	**(219)**	(215)
Financial investment		
Purchase of investments	**(108,698)**	(142,254)
Disposal of investments	**110,939**	139,813
Net cash inflow/(outflow) from financial investment	**2,241**	(2,441)
Dividend paid to shareholders	**(615)**	–
Net cash inflow/(outflow) before financing	**2,059**	(1,751)
Financing		
Repurchase of ordinary shares	**(3,035)**	–
Exercise of rights attached to subscription shares	**105**	1,244
Net cash inflow from bank loans	**–**	3,674
Net cash (outflow)/inflow from financing	**(2,930)**	4,918
(Decrease)/increase in cash	**(871)**	3,167

The above statements have been prepared on the basis of the accounting policies as set out in the annual financial statements to 31 July 2012. This preliminary statement, which has been agreed with the Auditor, was approved by the Board on 28 September 2012. It is not the Company's statutory financial statements. The statutory financial statements for the financial year ended 31 July 2011 have been delivered to the Registrar of Companies. The statutory financial statements for the financial year ended 31 July 2012 have been approved and audited but have not yet been filed. The statutory financial statements for the financial years ended 31 July 2011 and 31 July 2012 received unqualified audit reports, did not include a reference to any matters to which the Auditor drew attention by way of emphasis without qualifying the report and did not contain statements under section 498(2) and (3) of the Companies Act 2006. The annual report and financial statements will be posted to shareholders as soon as is practicable and in any event no later than 26 October 2012.