Invesco Income Growth Trust plc

Annual Financial Report
Year Ended 31 March 2015

If you have any queries about Invesco Income Growth Trust plc, or any of the other specialist funds managed by Invesco Perpetual, please contact our Investor Services Team on

☎ 0800 085 8677
Website:- www.invescoperpetual.co.uk/investmenttrusts

The Company is a member of

aic
The Association of Investment Companies

Front Cover: close up of swirls caused by water through soft sandstone, Loch Ness.

CONTENTS

The Board believes that many investors will be attracted by the prospect of income and capital growth superior to that of the UK stock market and by dividends paid quarterly that, over time, grow above the rate of inflation.

Highlights

	2015	2014
Net asset value total return†	+10.3%	+14.2%
FTSE All-Share Index total return†	+6.6%	+8.8%
Share price total return†	+9.9%	+16.7%
Dividend	+2.5%	+3.1%

† Source: Thomson Reuters Datastream

Nature of the Company

The Company is a public listed UK investment company whose shares are traded on the London Stock Exchange. The business of the Company consists of investing the pooled funds of its shareholders, according to a specified investment objective and policy (set out on page 11), with the aim of spreading investment risk and generating a return for shareholders. The Company may use bank borrowings, the proceeds from which can also be invested with the aim of enhancing returns to shareholders. Such additional investment increases the potential risk to shareholders should the value of the investments fall.

The Company has contracted with an external investment manager, Invesco Fund Managers Limited (the 'Manager'), to manage its investments and for the Company's general administration. Other administrative functions are contracted to external service providers. The Company has a Board of non-executive directors who oversee and monitor the activities of the Manager and other service providers on behalf of shareholders and ensure that the investment policy is adhered to. The Company has no employees.

The Company's shares are eligible for investment in an ISA and qualify to be considered as a mainstream investment product suitable for promotion to retail investors.

Investment Objective

The Company's investment objective is to produce income and capital growth superior to that of the UK stock market and dividends paid quarterly that, over time, grow above the rate of inflation.

Principal Investment Aims

The Company aims to:

- have a portfolio yielding more than the FTSE All-Share Index in order to generate sufficient income;
- provide shareholders with dividend growth in excess of inflation over the longer term;
- achieve capital growth in excess of the FTSE All-Share Index over the longer term;
- reduce risk by diversifying investments across a wide range of companies and sectors; and
- enhance returns by utilising borrowings, when appropriate.

Manager's Investment Approach

The Manager aims to exploit stock market inefficiencies. A strong emphasis is placed on:

- Analysis – focusing on the fundamentals of a company; its business model, sales growth, pricing power, market position, profit margins, financial characteristics and management strategy, including dividend outlook;
- Valuation – to ensure a stock offers an appropriate investment opportunity at its current share price.

Borrowings

Gearing is provided by a bank overdraft facility and will never exceed 25% of the net asset value of the Company.

FINANCIAL INFORMATION AND PERFORMANCE STATISTICS

Performance Statistics

The Company's benchmark is the FTSE All-Share Index.

Terms marked† are defined in the Glossary on page 58

Total Return†	YEAR ENDED 31 MARCH 2015	YEAR ENDED 31 MARCH 2014
(includes net dividends reinvested)		
Net asset value† per ordinary share	+10.3%	+14.2%
FTSE All-Share Index	+6.6%	+8.8%
Share price	+9.9%	+16.7%

Source : Thomson Reuters Datastream

Capital	AT 31 MARCH 2015	AT 31 MARCH 2014	CHANGE %
Net asset value† per ordinary share	309.2p	289.5p	+6.8
FTSE All-Share Index	3,664	3,556	+3.0
Share price	292.8p	276.0p	+6.1
Discount† per ordinary share	5.3%	4.7%	
Gearing†			
Gross gearing† – excluding the effect of cash	8.3%	9.9%	
Net gearing† – including the effect of cash	8.3%	9.9%	

Revenue and Dividends	YEAR ENDED 31 MARCH 2015	YEAR ENDED 31 MARCH 2014	CHANGE %
Net revenue after tax (£'000)	6,398	5,786	+10.6
Revenue return per ordinary share	10.9p	9.9p	+10.1
Dividends:			
– first interim	2.10p	2.05p	
– second interim	2.10p	2.05p	
– third interim	2.15p	2.10p	
– final	3.75p	3.65p	
	10.10p	9.85p	+2.5
Retail Price Index – annual change	0.9%	2.5%	
Ongoing charges ratio†	0.88%	0.89%	

Ten Year Historical Information

YEAR	REVENUE				CAPITAL		
To 31 March	Income £'000	Net revenue available for ordinary shareholders £'000	Dividend on ordinary shares Cost £'000	Dividend on ordinary shares Rate p	Shareholders' funds £'000	Diluted net asset value per ordinary share p	Share Price p
2006	5,222	3,940	3,895	7.05(1)	135,441	229.5(2)	204.8
2007	5,789	4,598	4,483	7.75	158,078	262.8(3)	240.0
2008	6,128	4,855	4,831	8.25	124,552	212.7(4)	199.0
2009	5,913	5,401	5,064	8.65	81,315	138.9	122.5
2010	5,422	4,703	5,182	8.85	114,817	196.1	174.0
2011	5,346	4,538	5,269	9.00	121,767	208.0	191.3
2012	6,369	5,510	5,387	9.20	129,831	221.7	213.8
2013	6,447	5,545	5,592	9.55	153,971	263.0	245.5
2014	6,783	5,786	5,767	9.85	169,530	289.5	276.0
2015	7,411	6,398	5,913	10.10	181,033	309.2	292.8

(1) Includes special dividend of 0.9p per share.

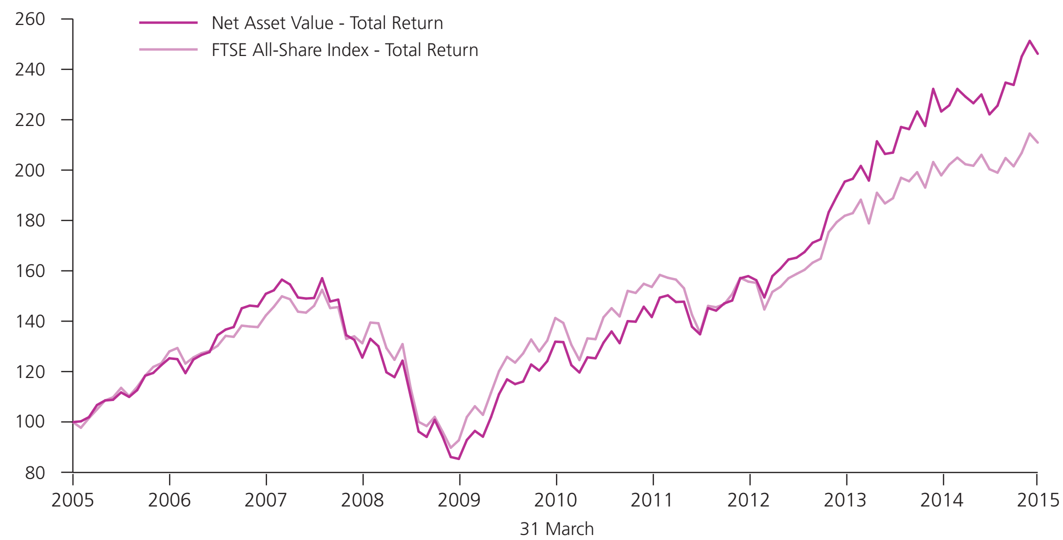
(2) During the year 492,000 ordinary shares were bought back leaving 55,443,724 ordinary shares in issue.

(3) All the Company's cumulative unsecured loan stock was converted into ordinary shares in the year ended 31 March 2007. Thereafter the diluted Net Asset Value (NAV) is the same as the basic NAV. During the year 6,935,249 ordinary shares were bought back leaving 60,162,036 ordinary shares in issue.

(4) During the year 1,610,506 ordinary shares were bought back leaving 58,551,530 ordinary shares in issue.

Ten Year Total Returns

Rebased to 100 at 31 March 2005



FINANCIAL INFORMATION AND PERFORMANCE STATISTICS
continued

Net Asset Value, Share Price and FTSE All-Share Total Return Performance

Total Returns to 31 March 2015

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	3yr	5yr	10yr
NAV per ordinary share %	25.3	20.4	-16.8	-32.0	54.5	7.4	11.5	23.7	14.2	10.3	55.9	86.6	146.1
FTSE All-Share %	28.0	11.1	-7.7	-29.3	52.3	8.7	1.4	16.8	8.8	6.6	35.4	49.3	110.9
Share Price %	26.7	19.4	-11.6	-35.2	52.7	13.3	17.0	19.7	16.7	9.9	53.6	103.5	169.4

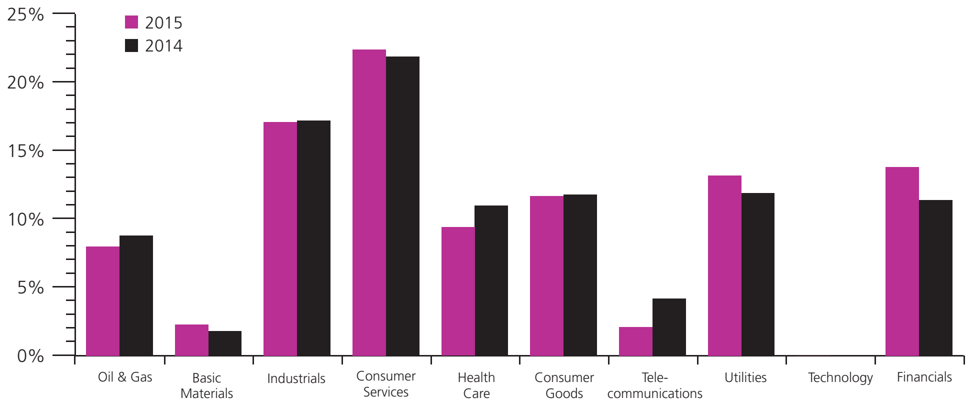
Source: Thomson Reuters Datastream.

Ten Year Company Dividend, FTSE All-Share Dividend, RPI and CPI Growth

Rebased to 100 at 31 March 2005

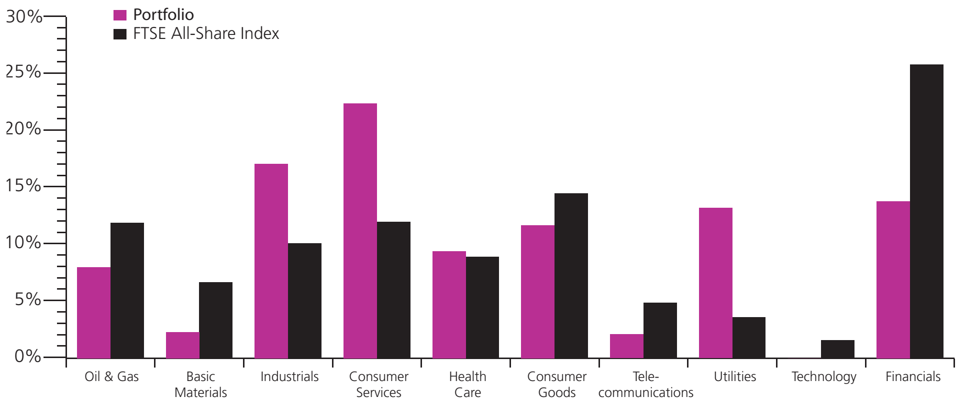
Analysis of Portfolio by Industry

At 31 March 2015 and 2014



Comparison of Portfolio to FTSE All-Share Index by Industry

At 31 March 2015



CHAIRMAN'S STATEMENT

Performance

I am delighted to be able to report that despite my fears at the half year that we would be facing more challenging market conditions, we have been able to achieve a very creditable performance with the total return on our net asset value over the year to 31 March 2015 being 10.3% which significantly outperformed our benchmark's equivalent return of 6.6%. Our share price's total return was 9.9% as a result of the discount to NAV widening a little to 5.3% at the end of the year from 4.7% last year. This outperformance is a great credit to Ciaran Mallon, our portfolio manager, who will give more details in his own report, and reflects the benefits of his careful and thoughtful stock selection. It also further establishes the excellent long term record that Ciaran has achieved over the last ten years of his management of our portfolio, as can be seen opposite on page 6. This has helped us to meet our longer term investment objective and provide us, the shareholders, with superior capital and income growth to that of the UK stock market and real growth of our dividends.

Revenue and Dividends

During the year, earnings per share increased to 10.9p per share from 9.9p, once again helped along by special dividends received. We are consequently again able to meet our long term dividend growth objective this year. We are pleased to recommend a final dividend of 3.75p per share, which together with aggregate interim dividends paid of 6.35p, gives a total dividend per share for the year of 10.10p (2014:9.85p), an increase of 2.5%. This exceeds the annualised inflation rate for the year to 31 March 2015 of 0.9% (as measured by RPI) and is consistent with our objective of growing the dividend at above the rate of inflation. If approved by shareholders, the final dividend will be paid on 27 July 2015 to shareholders on the register on 26 June 2015.

Management Fee

The Board, as is reported in this annual financial report on page 27, review each year the management arrangements for the Company and confirm the arrangements for the following year. This is no formality and the review covers a number of important aspects, including the terms of our agreement with Invesco Perpetual, and often results in a lively discussion between the Board and Invesco Perpetual. This year, as a result of the need to appoint an Alternative Investment Fund Manager, we agreed a new and up to date management agreement, which became effective on 22 July 2014. Fee arrangements were unchanged for the purposes of this agreement, but both parties agreed that it would be appropriate to also review them. Following subsequent constructive discussions with Invesco Perpetual, the Board announced on 20 March 2015 the agreement of a new fee arrangement, effective from 1 April 2015. The new fee structure, which is set out on page 26 of this report, has just two tiers of charging, rather than the previous three, and will be applied to market capitalisation rather than to gross assets as previously. For the first £150 million of market capitalisation the fee will be levied at the rate of 0.65% p.a. and a fee of 0.55% p.a. will apply above this level. The Board believes that this new arrangement will ensure that the Company continues to benefit from Invesco Perpetual's proven successful management of the Company in a way that incentivises them and benefits shareholders.

Corporate Broker

In May this year, after a thorough review, the Board decided to appoint Westhouse Securities as our corporate broker in place of JP Morgan Cazenove. I would like to put on record our thanks and appreciation to JP Morgan Cazenove for their service, support and encouragement since the launch of the Company in 1996.

Auditor

The Company's auditor has been Grant Thornton UK LLP since their merger in 2007 with RSM Robson Rhodes LLP, who were appointed in 1996. Having regard to new regulations and evolving best practice on auditor rotation, the Audit Committee initiated a tender process during the year. As a result of this exercise the Board has invited, on the Audit Committee's recommendation, Ernst & Young LLP to be the Company's auditor in 2016. Accordingly, a resolution proposing the appointment of Ernst & Young LLP and authorising the Audit Committee to determine their remuneration has been included in the notice for the forthcoming AGM. I would like to take this opportunity to thank Grant Thornton for their service over the years and their sound advice when we have sought it.

CHAIRMAN'S STATEMENT
continued

Directors
Whilst the Board seeks to comply with the provisions of the AIC Code, it does not subscribe to the view that Directors are no longer independent after nine years of tenure and conversely considers that experience has great value on investment trust boards – a view that is recognised by the AIC Code. However, we are also cognisant of the need for periodic refreshment, and we consider this as part of our annual board appraisal process. Chris Hills has indicated his intention to retire from the Board at the conclusion of the AGM in 2016 and so his retirement will help with this, albeit at the cost of his considerable experience and expertise. We will start the replacement process this autumn.

Outlook
If Ciaran found last year was challenging then I suspect this year may well turn out to be really challenging. As I write this we have a number of storm clouds appearing such as the consequences of the recent UK election and its impact on both the future of the United Kingdom and our membership of the European Union, Greece's current flirtation with default and Grexit, the speculation over when the US will start raising interest rates and its impact on bond markets and that is without the antics of Mr Putin or Islamic extremists. Notwithstanding all these, there are some positives like continued very low interest rates and the economic benefits of a lower oil price and, of course, unpleasant as market disruptions are at the time, they do throw up attractive opportunities for long term investors like our Company. So there will be attractive opportunities and with little prospect that interest rates are going to rise substantially soon, I also remain confident in the abilities of Ciaran to find attractive opportunities for our portfolio in order to continue to meet our longer term investment objectives. Positive returns, such as we have enjoyed in recent years, may be harder to achieve, but there are no apparent reasons to believe that the all-important income part of the return will not be maintained.

Annual General Meeting (AGM)
This year's AGM will be held at Invesco Perpetual's city office, 6th Floor, 125 London Wall, London EC2Y 5AS at 11.30am on 22 July 2015. The Notice of the AGM of the Company is on pages 52 to 55 and a summary of the resolutions is set out in the Directors' Report on page 29. Whilst I urge all shareholders to vote in favour of these resolutions by returning their completed voting papers or voting on-line, I do hope that as many shareholders as possible will attend the AGM in person and have the opportunity of hearing from Ciaran about the portfolio and his views on the outlook, as well as meeting myself and my fellow directors.

Hugh Twiss MBE
Chairman
16 June 2015

STRATEGIC REPORT
FOR THE YEAR ENDED 31 MARCH 2015

PORTFOLIO MANAGER'S REPORT
Portfolio Strategy and Review

The 12 month period under review saw the UK equity market, as measured by the FTSE All-Share Index, deliver a total return of 6.6%. UK equities were range bound for much of 2014, as a result of concerns over future profit growth caused by the strength of sterling, the end to the Quantitative Easing (QE) programme in the US, rising geopolitical risk, and the prospect of UK domestic elections.

A renewed sense of optimism occurred at the start of 2015. This improved sentiment came despite uncertainty ahead of the general election in May, growing fears over China's growth rate and a weakening European economy. Offsetting this, the fall in the price of oil led to increased optimism that consumer disposable income would rise as fuel and utility costs fell. The deflationary impact of this should also serve to reduce any short-term upward pressure on interest rates. Further positive factors were the news in January that the European Central Bank was to introduce a programme of QE and an increase in takeover speculation.

The Company's net asset value per share, including reinvested dividends, returned 10.3%, outperforming the 6.6% total return of the benchmark FTSE All-Share index.

Positive contributions to the performance of the portfolio came from a range of companies. Amongst these were the holdings in the tobacco sector, notably Imperial Tobacco. As part of consolidation within the sector, Imperial Tobacco is to purchase certain of US company Lorillard's brands, including Winston and leading e-cigarette brand Blu, and strengthen its US position. The deal is expected to provide a near term boost to Imperial Tobacco's earnings. Another year of strong results from the major tobacco companies also served to remind the stock market of the companies' ability to deliver profit and dividend increases against a backdrop of declining cigarette volumes.

The holdings in life insurance groups Friends Life and Legal & General delivered strong performances over the period. Friends Life benefited from news of an agreed purchase of the company by fellow insurance group Aviva, a deal which provides the combined entity with significant scope for cost savings and synergies, along with a strengthened balance sheet, which should underpin dividend growth. Since completion of the deal in April the investment in Aviva has been retained in the portfolio. Legal & General, meanwhile, reminded the stock market of the strength of its global business and of its cash flow, delivering a 21% increase in its annual dividend on the back of 10% increase in operating profits.

Notable contributions to performance came from some mid cap companies including soft drinks business Nichols, whose key brand is Vimto, and Essentra, an international supplier of speciality plastic and fibre products. Both companies pleased the stock market with profits ahead of stock market expectations along with upbeat trading statements.

I noted in my half year report that speciality chemical business Croda International had been through a difficult period in 2014, but that I remained confident that this would be a rewarding long term investment. It is pleasing to note that the company delivered a positive performance over the 12 months as a whole, as the company confirmed in November that it was seeing improved organic sales growth as it benefited from global organisational changes implemented in the first half of the year.

Detractors to the portfolio's performance in the year included power suppliers Drax and Centrica, both of which were adversely affected by falling energy prices and political uncertainty ahead of the general election. The share price of Drax was additionally hit by the UK government's decision to remove a future biomass subsidy and by possible EU intervention.

The holding in Tesco also delivered negative returns. Having initially seen the widely publicised market share gains by the discount chains Lidl and Aldi as headwinds that could be surmounted, it became apparent that the turnaround will take much longer than expected and will involve a much greater fall in profitability. Consequently, as I reported in my half year report, I decided to sell the shares.

Niche clothing retailer N. Brown endured a challenging year, as the company seeks to move towards an internet offering and to diversify away from its traditional mail order base.

In terms of portfolio activity, in addition to the disposal of Tesco outlined above, the holdings in Domino Printing, Wm. Morrison Supermarkets, Smiths Group and Vodafone were sold in the first half of the year as their long term earnings prospects were considered to have deteriorated. More recently, the holding in Synergy Healthcare was disposed of following news of a proposed merger with Steris Corporation and a sharp rise in Synergy's share price.

STRATEGIC REPORT
continued

As a result of these sales, the portfolio has become more concentrated as reliable value becomes harder to find. One company that did meet the portfolio selection criteria, and in which I have invested, is CVS, a chain of veterinary practices and an online seller of pet products and animal medicines.

Outlook

The FTSE All-Share Index has risen strongly over the last six years and now stands at an all-time peak level. Although political uncertainty in the UK has been resolved for now, there are other headwinds to withstand in the short term, including weakening demand in the Chinese economy and the political backdrop internationally, but valuations suggest that the long term outlook for returns from investing in the stock market are still attractive. My investment strategy remains intact - I am seeking companies with strong fundamentals, with sensible management whose interests are aligned with shareholders and with a low risk balance sheet. I remain confident in the long term return potential of the holdings in the Company's portfolio.

Ciaran Mallon
Portfolio Manager
16 June 2015

BUSINESS REVIEW

Invesco Income Growth Trust plc is a UK investment company and its investment objective is set out below. The strategy the Board follows to achieve that objective is to set investment policy and risk guidelines, together with investment limits, and to monitor how they are applied. These are also set out below and have been approved by shareholders.

The business model the Company has adopted to achieve its objective has been to contract the services of Invesco Fund Managers Limited (IFML or the 'Manager') to manage the portfolio in accordance with the Board's strategy and under its oversight. Prior to 22 July 2014 the contracted Manager was Invesco Asset Management Limited (IAML), a company related to IFML. The Manager is also responsible for providing company secretarial, marketing, accounting and general administration services. The change in the Manager entity was made necessary by the implementation of the Alternative Investment Fund Managers Directive. IAML continues to provide management, administration and secretarial services to the Company under delegated authority from IFML. Invesco Perpetual is a business name of both IFML and IAML. The portfolio manager responsible for the day to day management of the portfolio continues to be Ciaran Mallon.

All administrative support is provided by third parties under the oversight of the Board. In addition to the management and administrative functions of the Manager, the Company has contractual arrangements with Capita Asset Services to act as registrar and, since 22 July 2014, with BNY Mellon Trust & Depositary (UK) Limited as depositary. The depositary has delegated safekeeping of the Company's investments to The Bank of New York Mellon (London Branch) which was previously the Company's custodian and retains that function under delegated authority.

Investment Policy

The Company's investment objective, principal investment aims, investment policy and risk and investment limits combine to form the 'Investment Policy' of the Company.

Investment Objective

The Company's investment objective is to produce income and capital growth superior to that of the UK stock market and dividends paid quarterly that, over time, grow above the rate of inflation.

Principal Investment Aims

The Company aims to:

- have a portfolio yielding more than the FTSE All-Share Index in order to generate sufficient income;
- provide shareholders with dividend growth in excess of inflation over the longer term;
- achieve capital growth in excess of the FTSE All-Share Index over the longer term;
- reduce risk by diversifying investments across a wide range of companies and sectors; and
- enhance returns by utilising borrowings, when appropriate.

Investment Policy and Risk

The Company invests principally in quoted UK equities and equity-related securities of UK companies selected from any market sector.

At certain times some exposure to fixed interest securities may be considered desirable by the Manager whereby the main criteria for inclusion will be income, liquidity and credit quality.

The Company utilises borrowings when appropriate in order to seek to enhance its returns but the associated risks will be mitigated by limiting the maximum amount of borrowings that can be utilised and by investing predominantly in liquid investments so that any gearing can be managed in a timely way.

One of the Company's principal characteristics is that it diversifies its investments across a wide range of companies and sectors, so minimising the risks associated with having too much invested in one stock or sector. The Manager's aim is to have a broad cross-section of the best-performing stocks that he can find consistent with this characteristic.

Investment Limits

The Board has prescribed limits on the Investment Policy, among which are the following:

- no more than 10% of gross assets will be held in a single investment;
- no more than 15% of gross assets will be held in other listed investment companies;
- no more than 5% of gross assets will be held in unquoted investments; and
- borrowings may be used to raise market exposure up to a maximum of 25% of net assets.

Except for borrowings, all of the above limits are measured at the time of investment.

STRATEGIC REPORT

continued

The Company does not currently use derivative instruments, but could potentially do so for efficient portfolio management purposes, subject to specific sanction of the Board.

Performance

Key Performance Indicators

The Board and Manager work closely together to achieve the Company's investment objective. To help shareholders understand how this is achieved and monitored, the following key performance indicators are used:

- the income available to be paid as dividends compared to Retail Price Inflation (RPI);
- the net asset value performance;
- the Company's total return performance compared to inflation, its benchmark & its peer group;
- the premium or discount to net asset value at which the Company's shares trade; and
- ongoing charges (the total cost to shareholders incurred by the Company).

Dividends

The Board aims to pay a sustainable level of base dividend that grows at least in line with the Company's investment objective to provide shareholders with real long-term growth in dividends. Additional dividend payments above the sustainable level may be paid on a case by case basis as special dividends.

For the year ended 31 March 2015, three interim dividends have been paid and shareholder approval is being sought at this year's AGM to pay a final dividend of 3.75p (2014: 3.65p) per share. The first two interim dividends were of 2.1p (2014: 2.05p) each per share and were paid on 31 October 2014 and 31 December 2014. The third interim dividend was 2.15p (2014: 2.1p) and was paid on 16 March 2015. If approved by shareholders, the final dividend will be paid to shareholders on 27 July 2015. In total, the Directors have declared dividends of 10.10p, an increase of 2.5% over the previous year. Further details on the dividend payment history can be found on page 5.

The Board keeps under review the income generated by the portfolio. The average yield of the portfolio during the year was approximately 3.9%, a premium of 0.6% over the average yield of the FTSE All-Share Index over the same period, which was 3.3%. Whilst the portfolio's yield has been, and is anticipated to continue to be, at a premium to the index the premium has narrowed in recent years. This is mostly because of the strong capital return from the portfolio, leading to a concomitant fall in dividend yield. Many of the large, higher yielding companies in the benchmark index have dividends which are not well covered by earnings. Inclusion in the portfolio takes account not only of current dividend yield, but also dividend safety and growth prospects.

Asset Performance

On 31 March 2015, the share price and the net asset value (NAV) per share were 292.75p and 309.2p respectively. The comparable figures for 31 March 2014 were 276p and 289.5p.

The Board monitors the Company's NAV and compares its performance with relevant indices, principally the FTSE All-Share Index, which is the Company's benchmark. The NAV total return of the Company for the year was 10.3% compared with a total return of 6.6% for the FTSE All-Share Index, 6.9% for the FTSE All-Share 5% Capped Index, 6.3% for the FTSE 100 Share Index and 6.6% for the FTSE 350 High Yield Index.

Peer Group Performance

The Board monitors the performance of the Company in relation to both the AIC UK Equity Income sector as a whole and, as this sector is quite diverse in its objectives and structures, to those companies within it which the Board consider to be the peer group that most closely matches it.

As at 31 March 2015, out of the 21 investment trusts ranked within the AIC UK Equity Income sector, the Company was ranked 8th over one year, 11th over three years and 5th over five years by NAV performance (source: JPMorgan Cazenove).

Discount

The Board monitors the discount at which the Company's shares trade in relation to its assets and how this compares to other investment trusts in the AIC UK Equity Income sector. During the year the Company's shares traded at a discount between 1.6% and 8.6%. At the year end the discount was 5.3% (2014: 4.7%) and the average discount of the sector was 2.5% (2014: 0.5%) (source: JPMorgan Cazenove).

The Board and Manager closely monitor movements in the Company's share price and dealings in the Company's shares. In order to avoid significant overhang or shortage of shares in the market, the Board asks shareholders to approve resolutions every year authorising the repurchase of shares (for cancellation or to be held as treasury shares) and also their issuance. This may assist in the management of the discount. These authorities were not utilised in the year.

The Company does not currently hold shares in treasury. However, should the Board consider it to be in shareholders' interests to do so, then it is the Board's policy to sell shares held as treasury shares on terms that are in the best interests of shareholders.

Ongoing Charges Ratio

The expenses of managing the Company are reviewed by the Board at every meeting. The Board aims to minimise the ongoing charges ratio, which provides a guide to the effect on performance of all annual operating costs of the Company. The ongoing charges ratio is calculated by dividing the annualised ongoing charges, including those charged to capital, by average undiluted net asset value during the year.

Ongoing charges for the year totalled £1,528,000 (2014: £1,470,000) and at the year end the ongoing charges ratio was 0.88% (2014: 0.89%)

Financial Position

At 31 March 2015, the Company's net assets were valued at £181 million (2014: £170 million). The portfolio consisted of equity investments, fixed rate securities and cash.

Due to the readily realisable nature of the Company's assets, cash flow does not have the same significance as for an industrial or commercial company. The Company's principal cash flows arise from the purchase and sales of investments and the income from investments, against which must be set the costs of borrowing and management expenses. The Company's use of financial instruments is disclosed in note 1(c) and note 16 to the financial statements.

The Company has an overdraft facility, which is limited to the lesser of 25% of net asset value and £25 million. At the balance sheet date, drawings were £14.9 million (2014: £16.9 million). Note 11 gives details of the facility.

Future Trends

Details of the main trends and factors likely to affect the future development, performance and position of the Company's business can be found in the Portfolio Manager's Report section of this Strategic Report on pages 9 and 10. Further details as to the risks affecting the Company are set out below under 'Principal Risks and Uncertainties'.

Principal Risks and Uncertainties

The following are considered to be the most significant risks to shareholders in relation to their investment in the Company. Further details of risks and risk management policies as they relate to the financial assets and liabilities of the Company are detailed in note 16 to the financial statements.

Investment Objective

There can be no guarantee that the Company will meet its investment objective.

The Board monitors the performance of the Company and has established guidelines to ensure that the investment policy is followed.

Market Risk

All of the investments held in the year traded on the London Stock Exchange. The prices of securities and the income derived from them are influenced by many factors such as general economic conditions, interest rates, inflation, political events and government policies, as well as by supply and demand reflecting investor sentiment. Such factors are outside the control of the Board and Manager and may give rise to high levels of volatility in the prices of investments held by the Company, although the risk can be mitigated to an extent by adjusting the level of borrowing or holding cash balances.

STRATEGIC REPORT
continued

Investment Risk

There is a risk that the performance of stocks selected for the portfolio might disappoint. Any poor performance of individual investments is mitigated by the diversification of the portfolio and the continual analysis of all holdings by the portfolio manager. The portfolio of investments held at 31 March 2015 is set out on pages 16 and 17.

Shares

Shareholders are exposed to certain risks in addition to risks applying to the Company itself. The market value of the shares in the Company may not reflect their underlying net asset value (NAV) and they may trade at a discount to it. The Board and the Manager monitor the market rating of the Company's shares and both share repurchase and issuance powers that can be used to help in its management are in place and are intended to be renewed at the AGM.

The value of an investment in the Company and the income derived from that investment may go down as well as up and an investor may not get back the amount invested. Past performance of the Company is not necessarily indicative of future performance.

While it is the intention of the Directors to pay dividends to shareholders quarterly from revenue earned, the ability to do so will depend upon the level of income received from securities and the timing of receipt of such income by the Company. Accordingly, the amount of quarterly dividends paid to shareholders may fluctuate.

Gearing Arising from Borrowings

Whilst the use of borrowings by the Company should enhance the total return on the shares where the return on the Company's underlying securities is rising and exceeds the cost of borrowing, it will have the opposite effect where the underlying return is falling, further reducing the total return on the shares. The Board and the Manager keep the level of borrowing under review.

Regulatory

The Company is subject to various laws and regulations by virtue of its status as a public limited company registered under section 833 of the Companies Act 2006, its status as an investment trust, and its listing on the Official List of the UK Listing Authority.

Loss of investment trust status could lead to the Company being subject to tax on the realised capital profits on the sale of its investments. A serious breach of other regulatory rules could lead to suspension from the Official List, a fine or a qualified audit report. Other control failures, either by the Manager or any other of the Company's service providers, could result in operational or reputational problems, erroneous disclosures or loss of assets through fraud, as well as breaches of regulations.

The Manager reviews compliance with tax and other financial regulatory requirements on a daily basis. All transactions, income and expenditure are reported to the Board. The Board regularly considers all perceived risks and the measures in place to control them. The Board ensures that satisfactory assurances are received from service providers. The Manager's Compliance and Internal Audit Officers produce reports regularly for review by the Company's Audit Committee.

The most significant regulatory change in the year has been the implementation of the Alternative Investment Fund Managers Directive. This has required the appointment of a depositary and a change in the contractual arrangements with the Manager, who bears the main compliance obligations.

Reliance on Third Party Service Providers

The Company has no employees and the Directors are all appointed on a non-executive basis. The Company is reliant upon the performance of third party service providers for its executive functions. In particular, the Manager performs services which are integral to the operation of the Company. Failure by any service provider to carry out its obligations to the Company in accordance with the terms of its appointment could have a materially detrimental impact on the operation of the Company and could affect the ability of the Company to successfully pursue its Investment Policy.

The Manager may be exposed to reputational risks, in particular, the risk that litigation, misconduct, operational failures, negative publicity and press speculation, whether or not it is valid, will harm its reputation.

Any damage to the reputation of the Manager could result in potential counterparties and third parties being unwilling to deal with the Manager and by extension the Company.

The Board regularly reviews the quality of services provided. The Company's main service providers are listed on page 57.

Board Diversity

The Company's policy on diversity is set out on page 25. The Board comprises five non-executive directors of whom one is a woman, thereby constituting 20% female representation. Summary biographical details of the Directors are set out on page 18. The Company has no employees.

Social and Environmental Matters

As an investment company with no employees, property or activities outside investment, environmental policy has limited application. The Manager considers various factors when evaluating potential investments. While a company's policy towards the environment and social responsibility, including with regard to human rights, is considered as part of the overall assessment of risk and suitability for the portfolio, the Manager does not decide to, or not to, make an investment on environmental and social grounds alone. The Company does not have a human rights policy, although the Manager applies the United Nations Principles for Responsible Investment.

This Strategic Report was approved by the Board on 16 June 2015

Invesco Asset Management Limited
Company Secretary

INVESTMENTS IN ORDER OF VALUATION
AT 31 MARCH 2015

UK listed ordinary shares unless otherwise stated

HOLDINGS	COMPANY	ACTIVITY BY SECTOR	VALUE £'000	% OF PORTFOLIO
285,808	Imperial Tobacco	Tobacco	8,468	4.3
164,954	AstraZeneca	Pharmaceuticals & Biotechnology	7,630	3.9
208,341	British American Tobacco	Tobacco	7,268	3.7
460,851	GlaxoSmithKline	Pharmaceuticals & Biotechnology	7,122	3.7
2,042,158	Legal & General	Life Insurance	5,687	2.9
1,284,917	BP	Oil & Gas Producers	5,611	2.9
79,366	Next	General Retailers	5,575	2.9
1,345,864	Friends Life	Life Insurance	5,566	2.9
956,462	HSBC	Banks	5,489	2.8
592,153	National Grid	Gas, Water & Multiutilities	5,120	2.6
Top ten holdings			**63,536**	**32.6**
616,364	Pennon	Gas, Water & Multiutilities	5,091	2.6
167,023	Croda International	Chemicals	4,575	2.4
626,800	Young & Co.'s Brewery – Non voting	Travel & Leisure	4,513	2.3
85,993	Whitbread	Travel & Leisure	4,510	2.3
386,858	Reed Elsevier	Media	4,484	2.3
306,874	Pearson	Media	4,450	2.3
436,502	Essentra	Support Services	4,337	2.2
107,192	Wolseley	Support Services	4,279	2.2
232,000	Bunzl	Support Services	4,248	2.2
1,014,328	Jupiter Fund Management	Financial Services	4,148	2.2
Top twenty holdings			**108,171**	**55.6**
934,688	BT	Fixed Line Telecommunications	4,094	2.1
709,518	Informa	Media	4,005	2.1
357,190	Experian	Support Services	3,990	2.0
1,347,424	G4S	Support Services	3,986	2.0
192,206	Severn Trent	Gas, Water & Multiutilities	3,958	2.0
185,141	Royal Dutch Shell B Shares	Oil & Gas Producers	3,886	2.0
324,043	Compass	Travel & Leisure	3,795	1.9
247,350	SSE	Electricity	3,705	1.9
327,693	Euromoney Institutional Investor	Media	3,651	1.9
315,675	Nichols	Beverages	3,630	1.9
Top thirty holdings			**146,871**	**75.4**

HOLDINGS	COMPANY	ACTIVITY BY SECTOR	VALUE £'000	% OF PORTFOLIO
316,645	Smith & Nephew	Health Care Equipment & Services	3,622	1.9
396,059	Amec Foster Wheeler	Oil Equipment, Services & Distribution	3,582	1.9
316,234	Capita	Support Services	3,529	1.8
370,873	United Utilities	Gas, Water & Multiutilities	3,458	1.8
1,224,252	MITIE	Support Services	3,367	1.7
127,488	InterContinental Hotels	Travel & Leisure	3,358	1.7
926,478	GKN	Automobiles & Parts	3,322	1.7
584,369	CVS	General Retailers	2,975	1.5
1,172,730	Centrica	Gas, Water & Multiutilities	2,967	1.5
220,200	Land Securities	Real Estate Investment Trusts	2,757	1.4
Top forty holdings			179,808	92.3
384,258	Wood	Oil Equipment, Services & Distribution	2,440	1.2
708,726	Senior	Aerospace & Defence	2,305	1.2
711,700	N Brown	General Retailers	2,265	1.2
86,039	Spectris	Electronic & Electrical Equipment	1,858	1.0
409,260	Drax	Electricity	1,489	0.8
76,900	Ultra Electronic	Aerospace & Defence	1,311	0.7
Total ordinary shares (46)			191,476	98.4
1,300,000	Barclays Bank 14% Perpetual (BBB-)*	Banks	1,748	0.9
1,027,000	Friends Life 12% 21 May 2021 (BBB+)*	Life Insurance	1,459	0.7
Total fixed income investments (2)			3,207	1.6
Total value of investments (48)			194,683	100.0

*Standard & Poor's Long term Credit Rating; investment grade range is from BBB to AAA, non-investment (speculative) grade is BB and below.

DIRECTORS

Hugh Twiss MBE

Mr Twiss was appointed to the Board on 23 November 2001. He became Chairman of the Company on 13 July 2012 and also chairs the Nomination Committee. He is currently Chairman of Henderson High Income Trust plc, a trustee of The Royal Navy and Royal Marines Charity, as well as undertaking various consultancy work, including working with Trust Associates. He was formerly a Director of Fleming Investment Management for many years.

Jonathan Silver

Mr Silver was appointed to the Board on 1 August 2007 and is Chairman of the Audit Committee. He was Chief Financial Officer on the main Board of Laird plc until he retired in May this year, a position he had held since 1994. Prior to 1994, Mr Silver held various senior financial positions within Laird plc, which he joined in 1986. He is a member of the Institute of Chartered Accountants of Scotland.

Davina Curling

Ms Curling was appointed to the Board on 1 March 2011. She is also a Non-Executive Director of BlackRock Greater Europe Investment Trust plc and is a member of the Investment Committee of St. James' Place. Prior to this she was Managing Director and Head of Pan European Equities at Russell Investments and before this of F&C Asset Management. Ms Curling started her career at Kleinwort Benson in 1987 before moving to run the European desks at Nikko, RSA and then ISIS Asset Management.

Roger Walsom

Mr Walsom was appointed to the Board on 5 May 2006. He is currently Chairman of a company related to Ashurst, the City law firm, where he was previously a partner for many years and had a wide-ranging corporate practice including advising a number of investment trusts and other funds. He was previously a Non-Executive Director of the Pensions Regulator, St. James's Place plc and the Miller insurance broking group at Lloyds.

Chris Hills

Mr Hills was appointed to the Board on 11 October 1999 and is Chairman of the Management Engagement Committee. He is currently Chief Investment Officer of Investec Wealth & Investment Limited. He was formerly a Director of Baring Fund Management, where he ran a wide range of portfolios and was a senior member of the UK policy group. He is also a Non-Executive Director of Henderson Opportunities Trust plc and a Director of the AIC.

All Directors are non-executive and considered independent.
All Directors are members of the Audit, Management Engagement and Nomination Committees.

THE COMPANY'S CORPORATE GOVERNANCE FRAMEWORK

The Board and Committees

Responsibility for good governance lies with the Board. The governance framework of the Company reflects the fact that it is an Investment Company with no employees and outsources investment management to the Manager and administration to the Manager and other external service providers.

The Board

Five non-executive directors (NEDs)
Chairman Hugh Twiss

Key responsibilities:
– to set strategy, values and standards;
– to provide leadership within a framework of prudent and effective controls which enable risk to be assessed and managed; and
– to challenge constructively and scrutinise performance of all outsourced activities

Audit Committee

All NEDs

Chairman
Jonathan Silver

Key responsibilities:
– to oversee financial reporting and the control environment; and
– to manage the relationship with the external auditor.

Management Engagement Committee

All NEDs

Chairman
Chris Hills

Key responsibilities:
– to review the performance of the Manager; and
– to review other service providers.

Nomination Committee

All NEDs

Chairman
Hugh Twiss

Key responsibilities:
– to review regularly the Board's structure and composition; and
– to recommend any changes or new Board appointments.

Remuneration Committee Function

The Board as a whole performs this function

Key responsibility:
– to set the remuneration policy of the Company.

The Portfolio Manager

The portfolio manager, Ciaran Mallon, is based in Henley-on-Thames. He is a member of the UK Equities team in Henley and is responsible for the management of a number of UK equity portfolios.

Ciaran began his investment career in 1994, joining HSBC where he was an investment analyst before moving to United Friendly Asset Management in 1999 as a fund manager and joining Invesco Perpetual in 2005. He holds a BA (Honours) in Chemistry from Oxford University and has also gained the CFA and Securities Institute Diploma.

CORPORATE GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 MARCH 2015

The Board is committed to maintaining high standards of Corporate Governance and is accountable to shareholders for the governance of the Company's affairs.

The Directors have considered the principles and recommendations of the 2013 AIC Code of Corporate Governance (AIC Code) by reference to the AIC Corporate Governance Guide for Investment Companies (AIC Guide). The AIC Code, as explained by the AIC Guide, addresses all the principles set out in the 2012 UK Corporate Governance Code (UK Code), as well as setting out additional principles and recommendations on issues that are of specific relevance to investment trusts.

The AIC Code is available from the Association of Investment Companies (www.theaic.co.uk). The UK Code is available from the Financial Reporting Council website (www.frc.org.uk).

The Company has complied with the recommendations of the AIC Code and provisions of the UK Code, except the provisions relating to:

- the role of the chief executive;
- executive directors' remuneration;
- the need for an internal audit function; and
- nomination of a senior independent director (explained further on page 23).

For the reasons set out in the AIC Guide, and as explained in the UK Code, the Board considers these provisions are not relevant to the position of Invesco Income Growth Trust plc, being an externally managed investment company with no executive employees and, in relation to the third, in view of the Manager having an internal audit function.

Information on how the Company has applied the principles of the AIC Code and the UK Code follows:

The composition and operation of the Board and its committees are summarised on pages 23 to 25, and pages 21 and 22 in respect of the Audit Committee.

The Company's approach to internal control and risk management is summarised on page 22.

The contractual arrangements with, and assessment of, the Manager are summarised on pages 26 and 27.

The Company's capital structure and voting rights are summarised on page 28.

The most substantial shareholders in the Company are listed on page 28.

The rules concerning the appointment and replacement of directors are contained in the Company's Articles of Association and are discussed on pages 24 and 25. There are no agreements between the Company and its directors concerning compensation for loss of office.

Amendment of the Company's Articles of Association and powers to issue or buy back the Company's shares, which are sought annually, require shareholders approval.

By order of the Board

Invesco Asset Management Limited
Company Secretary

16 June 2015

AUDIT COMMITTEE REPORT
FOR THE YEAR ENDED 31 MARCH 2015

The Audit Committee comprises all of the Directors on the Board and is chaired by myself, Jonathan Silver. The Committee has written terms of reference that clearly define its responsibilities and duties.

Audit Committee Responsibilities

The responsibilities of the Audit Committee include:

- reviewing the effectiveness of the internal controls and risk management systems, including reports received on the operational controls of the Company's service providers;
- reviewing the annual and half-yearly financial reports and announcements of the Company and ensuring compliance with relevant statutory and listing requirements;
- management of the relationship with the external auditor, including their appointment, fees, and the scope, effectiveness, independence and objectivity of their audit; and
- advising the board on whether the Committee believes the annual financial report taken as a whole is fair, balanced and understandable and provides the necessary information for shareholders to assess the Company's position and performance, business model and strategy.

The Committee meets at least three times a year. At these meetings the Committee reviews the internal financial and non-financial controls, accounting policies, the contents of the half-yearly and annual financial reports to shareholders, the auditor's independence, objectivity and effectiveness and, together with the Manager, reviews the Company's compliance with financial reporting and regulatory requirements as well as risk management processes. This year a further meeting was held to receive audit tender presentations, from three audit firms, and to make a recommendation to the Board following this exercise. Representatives of the Manager's Compliance and Internal Audit Departments attended two meetings. The Committee has direct access to the depositary which provided its first report to the Committee at the meeting to discuss the year end accounts.

The audit programme and timetable were drawn up and agreed with the auditor, Grant Thornton LLP, in advance of the end of the financial year. At this stage, matters for audit focus were discussed and agreed. These matters were given particular attention during the audit process and, among other matters, were reported on by the auditor in their audit results report to the Committee. Representatives of the auditor attended the Committee meeting at which the draft annual financial report was reviewed and were given the opportunity to speak to Committee members without the presence of representatives of the Manager. The audit results report was considered by the Committee and discussed with the auditor and the Manager prior to approval and signature of the financial statements.

Accounting Matters and Significant Areas

For the year end the accounting matters that were subject to specific consideration by the Committee and consultation with the auditor, where necessary, were as follows:

SIGNIFICANT AREA	HOW ADDRESSED
Portfolio Valuation and Ownership	Actively traded listed investments are valued using stock exchange prices provided by third party pricing vendors. The investments are held on behalf of the Company by the Company's custodian, The Bank of New York Mellon. The Company's records were reconciled to those of the custodian by both the auditor and the depositary.
Income Recognition	The Manager reviewed each stock line to ensure that those marked ex-dividend in the year were included in revenue and that any special dividends were appropriately attributed to revenue or capital.

The above were satisfactorily addressed through consideration of reports provided by, and discussed with, the Manager and the auditor. Following a thorough review process, the Audit Committee is satisfied that the 2015 annual financial report, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

I will be present at the AGM to deal with questions relating to the financial statements.

AUDIT COMMITTEE REPORT
continued

Auditor

The Committee assesses the effectiveness of the external audit process through discussions with the Manager and the auditor and consideration of review points raised.

The Audit Committee has considered the independence of the external auditor and the objectivity of the audit process and is satisfied that Grant Thornton UK LLP has fulfilled its obligations to shareholders and as independent auditor to the Company for the year.

The auditor is responsible for the annual statutory audit and certain tax compliance services which the Committee believes they are best placed to undertake due to their position as auditor. No other services have been provided by the auditor and it is the Company's policy not to seek substantial non-audit services from its auditor. Were the provision of significant non-audit services being considered, the Committee would consider whether the particular skills of the audit firm made them a suitable supplier of those services and that there was no threat to the objectivity and independence of the audit.

The Company's auditor has been Grant Thornton UK LLP since their merger in 2007 with RSM Robson Rhodes LLP, who were appointed in 1996. Having regard to recent EU legislation and provisions in the UK Corporate Governance and AIC Codes on auditor rotation the Committee decided to initiate a tender process during the year with a view to appointing another firm for the 2016 audit. As a result of this tender process the Board has invited, on the Audit Committee's recommendation, Ernst & Young LLP to be the Company's auditor in 2016 and a resolution proposing their appointment and authorising the Audit Committee to determine their remuneration has been included in the notice for the forthcoming AGM.

Internal Controls and Risk Management

The Committee assesses the risks to which the Company is exposed by reference to a risk control summary, which maps the risks, mitigating controls in place and relevant information reported to the Directors. The resultant ratings of the mitigated risks, in the form of a risk heat map, allow the Directors to concentrate on those risks that are most significant and also forms the basis of the list of principal risks and uncertainties set out in the Strategic Report on pages 13 to 15.

The Committee, on behalf of the Board, is responsible for ensuring that the Company maintains a sound system of internal control to mitigate risk and safeguard shareholders' investment and the Company's assets. The effectiveness of the Company's system of internal controls, including financial, operational and compliance and risk management systems is reviewed at least annually. Appropriate action is taken to remedy any significant failings or weaknesses identified from these reviews. No significant items were identified in the year.

The Committee receives and considers, together with representatives of the Manager, reports in relation to the operational controls of the investment manager, accounting administrator, custodian, company secretary and registrar. These reviews identified no issues that impacted the Company in the last year. Following the year end it was announced that the FCA had fined certain BNY Mellon group companies, including the entity acting as custodian of the Company's assets. The Company incurred no loss as a consequence of the related failings and has been assured by the custodian that remedial action has been taken. The Manager and the depositary are working to satisfy themselves, and the Committee, that the remedial action taken was appropriate and is sufficient.

The Committee has reviewed and accepted the Manager's 'Whistleblowing' policy under which staff of Invesco Fund Managers Limited can, in confidence, raise concerns about possible improprieties or irregularities in matters affecting the Company.

Internal Audit

Due to the nature of the Company, being an externally managed investment company with no executive employees, and in view of the Manager having an internal audit function the Company does not have its own internal audit function.

Jonathan Silver
Chairman of the Audit Committee

16 June 2015

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2015

Business and Status

The Company was incorporated and registered in England and Wales on 22 December 1995 as a public limited company under the Companies Act 2006 (Act), registered number 3141073.

The Company is an investment company as defined by section 833 of the Act and operates as an investment trust within the meaning of the Corporation Tax Act 2010 (CTA) and the Investment Trusts (Approved Company) (Tax) Regulations 2011. HM Revenue and Customs has approved the Company's status as an investment trust and, in the opinion of the Directors, the Company has conducted its affairs so as to enable it to maintain such approval.

The Board

The Company has a Board of five non-executive directors who oversee and monitor the activities of the Manager and other service providers on behalf of shareholders and ensure that the investment policy is adhered to. Details of the Board's responsibilities, information it relies upon and the number of meetings it holds are set out on the following pages. Certain aspects of the Company's affairs are dealt with by the Directors sitting as the Nomination Committee, the Management Engagement Committee and the Audit Committee, as summarised on page 24 and pages 21 and 22. In view of the size of the Board and the nature of the Company, all of these committees are comprised of all of the Directors.

Each committee has written terms of reference which are available for inspection at the registered office of the Company, at the Company's correspondence address (see page 57), on the Company's section of the Manager's website and will be available at the AGM.

The Board has resolved that a remuneration committee is not appropriate for a company of this size and nature. Remuneration is therefore regarded as part of the Board's responsibilities. For information on the Directors' remuneration, please refer to the Directors' Remuneration Report on pages 31 to 33.

The Board regards all of the Directors to be wholly independent of the Company's Manager. The Directors have a range of business, financial and asset management skills as well as experience relevant to the direction and control of the Company. Brief biographical details of the members of the Board are shown on page 18.

Chairman

The Chairman of the Board is Hugh Twiss, a non-executive Director who has no conflicting relationships.

Senior Independent Director

The Board does not consider it necessary to identify a senior independent director. All the Directors are available to shareholders if they have concerns which contact through the normal channels of Chairman, Manager or Company Secretary has failed to resolve or for which such contact is inappropriate.

Board Responsibilities

The Directors have a duty to promote the success of the Company taking into consideration the likely consequences of any decision in the long-term, the need to foster the Company's business relationships with its Manager and advisers, the impact of the Company's operations on the community and the environment, the desirability of the Company maintaining a reputation for high standards of business conduct and the need to act fairly as between stakeholders of the Company.

In order to promote the success of the Company, the Board directs and supervises its affairs within a framework of effective controls which enable risk to be assessed and managed. A formal schedule of matters reserved for the Board has been established. The schedule is reviewed annually to ensure compliance with the latest regulatory requirements, best practice and the AIC Code and is available for inspection at the registered office of the Company, at the Company's correspondence address (see page 57), in the Company's section of the Manager's website and will be available at the AGM. The main responsibilities of the Board include: setting policies and standards, ensuring that the Company's obligations to shareholders and others are understood and complied with, approving accounting and dividend policies, managing the capital structure, setting long-term objectives and strategy, assessing risk, reviewing investment performance, approving loans and borrowing, approving recommendations presented by the Company's respective Board Committees, controlling risks and the ongoing assessment of the Manager. The Board also seeks to ensure that shareholders are provided with sufficient information in order to understand the risk/reward balance to which they are exposed by holding their shares, through the details given in the annual and half-yearly financial reports, and regulatory information service announcements, including daily NAV disclosures.

The Board is committed to the prevention of corruption in the conduct of the Company's affairs and, taking account of the nature of the Company's business and operations, has put in place procedures that the Board

DIRECTORS' REPORT

continued

considers adequate to prevent persons associated with it from engaging in bribery for and on behalf of the Company.

Supply of Information

To enable the members of the Board to fulfil their roles, the Manager and Company Secretary ensure that Directors have timely access to all relevant management, financial and regulatory information.

The Board meets on a regular basis six times each year, including once to specifically review strategy issues, and additional meetings are arranged as necessary. Regular contact is maintained between the Manager, the Company Secretary and the Board outside formal meetings. Board meetings follow a formal agenda, which includes a review of the investment portfolio with reports from the Manager on the current investment position and outlook, strategic direction, performance against stock market indices and the Company's peer group, asset allocation, borrowing policy, cash management, revenue forecasts for the financial year, marketing and shareholder relations, corporate governance and industry and other issues.

On being appointed to the Board, Directors are fully briefed as to their responsibilities and are continually updated throughout their term in office on industry and regulatory matters. The Manager and the Board have formulated a programme of induction training for newly appointed Directors. They have also put arrangements in place to address ongoing training requirements of Directors, which include briefings from key members of the Manager's staff and which ensure that Directors can keep up to date with new legislation and changing risks.

Board, Committee and Directors' Performance Appraisal

The Directors recognise the importance of the AIC Code particularly in terms of evaluating the performance of the Board as a whole, the respective Committees of the Board and individual Directors. Performance of the Board, Committees and Directors has been assessed during the year in terms of:

- attendance at Board and Committee Meetings;
- the independence of individual Directors;
- the ability of Directors to make an effective contribution to the Board and Committees due to the diversity of skills and experience each Director brings to meetings; and
- the Board's ability to challenge the Manager's recommendations, suggest areas of debate and fix timetables for debates on the future strategy of the Company.

This year the Board conducted a formal evaluation process using questionnaires. The review concluded that the Board and its Committees collectively, and the Directors individually, including the Chairman, continue to be effective and that the Directors demonstrate commitment to their respective roles.

Attendance at Board and Committee Meetings

The number of scheduled meetings held during the year to 31 March 2015 and the attendance of individual Directors are shown in the table below:

	SCHEDULED BOARD MEETINGS	AUDIT COMMITTEE MEETINGS	MANAGEMENT ENGAGEMENT COMMITTEE MEETINGS	NOMINATION COMMITTEE MEETINGS
Number of Meetings	6	4	2	1
Davina Curling	5	2	1	–
Chris Hills	6	4	2	1
Jonathan Silver	6	4	2	1
Hugh Twiss	6	4	2	1
Roger Walsom	6	4	2	1

In addition to the above, occasional meetings of sub-committees of the Board were held to deal with ad hoc items.

Appointment, Re-election and Tenure of Directors

New Directors are appointed by the Board, following recommendation by the Nomination Committee, and are then subject to election by shareholders at the first Annual General Meeting (AGM) following their appointment. No Director has a contract of employment with the Company. Directors' terms and conditions of appointment are set out in letters of appointment, copies of which are on the Manager's website.

The Company's Articles of Association (Articles) require that each Director shall retire at an AGM at least every three years after appointment or (as the case may be) last reappointment, and may offer themselves for re-election. A

Director's normal tenure of office will be for three terms of three years, except that the Board may determine otherwise if it is considered that the continued participation on the Board of an individual Director is in the best interests of the Company and its shareholders. Such long serving Directors will stand for re-election annually.

No Directors are required to retire by rotation at this year's AGM. However, due to their length of service, Hugh Twiss, Chris Hills and Roger Walsom will seek re-election at this year's AGM. The Board confirms that each of the Directors standing for re-election continues to perform effectively and to demonstrate commitment to their respective roles and recommends that shareholders vote in favour of the resolutions, numbered 4 to 6, for their re-election. Notwithstanding their length of service, the Board considers that Hugh Twiss, Chris Hills and Roger Walsom remain independent in character and judgement from the Company's Manager, a view which has been demonstrated by their actions on behalf of the Company.

Chris Hills has indicated that he intends to retire from the Board at the conclusion of the AGM in 2016. It is intended that an external search consultancy will be engaged this autumn to assist in the selection of a replacement Director.

Nomination Committee

The Nomination Committee comprises all of the Directors and is chaired by Hugh Twiss. The main responsibilities of the Nomination Committee are to review the size, structure, diversity and skills of the Board and to make recommendations to the Board with regard to any changes considered necessary or new appointments.

The Nomination Committee has written terms of reference, which are reviewed as and when appropriate and clearly define its responsibilities and duties.

The Board's policy on diversity is that the Board seeks to ensure that its structure, size and composition, including the skills, knowledge, diversity (including gender) and experience of the Directors, is sufficient for the effective direction and control of the Company. The Board has not set any measurable objectives in respect of this policy.

The Board has formulated a formal, rigorous and transparent procedure for the selection and appointment of new Directors to the Board. The Nomination Committee carries out the procedure with a view to making recommendations to the Board and may appoint an external search consultancy to identify potential candidates.

Management Engagement Committee

All of the Directors are members of the Management Engagement Committee, which is chaired by Chris Hills. The Committee has written terms of reference, which are reviewed as and when appropriate and clearly define its responsibilities and duties.

The Committee meets at least once a year to formally review all supplier services and, in particular, the performance of, and contractual arrangements with, the Manager in the roles of investment manager, company secretary and administrator. The assessment of the Manager is reported on page 27.

Audit Committee

The composition and activities of the Audit Committee are summarised in the Audit Committee Report on pages 21 and 22, which is included in this Directors' Report by reference.

Directors

Conflicts of Interest

A Director must avoid a situation where he or she has an interest that conflicts with the Company's interests. The Articles of the Company give the Directors authority to authorise potential conflicts of interest and there are safeguards that apply when they decide whether to do so. First, only Directors who have no interest in the matter being considered are able to take the relevant decision, and second, in taking the decision the Directors must act in a way they consider, in good faith, will be most likely to promote the Company's success. The Directors are able to impose limits or conditions when giving authorisation if they think this is appropriate.

The Directors have declared any potential conflicts of interest to the Company. These are entered into the Company's register of potential conflicts, which is reviewed regularly by the Board. The Directors are obliged to advise the Company Secretary and/or Chairman as soon as they become aware of any potential conflicts of interest.

Disclosable Interests

The Directors' interests in the ordinary share capital of the Company are disclosed in the Directors' Remuneration Report on page 33.

DIRECTORS' REPORT
continued

No Director was a party to, or had any interests in, any contract or arrangement with the Company at any time during the year or at the year end other than in respect of indemnification and insurance as set out below.

Directors' Indemnification and Insurance

The Company maintains a Directors' and Officers' liability insurance policy.

A Deed of Indemnity has been executed by the Company under the terms of which, to the extent permitted by law and the Company's Articles of Association, the Company will indemnify the Directors against liabilities incurred in connection with their office as Directors of the Company and fund reasonable expenditure incurred by them in defending proceedings brought against them in connection with their position as Directors of the Company. The indemnity does not apply in certain circumstances, including to the extent that the costs are recoverable under the Directors' and Officers' liability insurance policy maintained by the Company or from any other insurance maintained by the Director.

Going Concern

The financial statements have been prepared on a going concern basis. The Directors consider this is the appropriate basis as the Company has adequate resources to continue in operational existence for the foreseeable future. In reaching this conclusion, the Directors took into account the diversified portfolio of readily realisable securities which can be used to meet funding commitments and the ability of the Company to meet all of its liabilities, including bank overdraft, and ongoing expenses from its assets. The Directors also considered the revenue forecasts for the forthcoming year and future dividend payments in concluding that the going concern basis is appropriate.

The Manager

Invesco Fund Managers Limited (the Manager) is the Company's alternative investment fund manager (AIFM). It is responsible for the management of the Company's investment portfolio and also provides administration and company secretarial services to the Company.

Investment Management Agreement

The Manager's services are provided under the terms of an agreement dated 22 July 2014. Prior to that date the Manager was Invesco Asset Management Limited, a related company which still provides most of the services under the agreement on delegated authority from Invesco Fund Managers Limited. The agreement may be terminated on six months' written notice. However, the notice period can be reduced to 3 months in certain circumstances or termination can be immediate in the event of a serious breach, insolvency or change of control of the Manager. The new agreement did not affect notice period or fee arrangements.

For the year under review the investment management fee was calculated and payable monthly in arrear based on the value of the funds under management before deducting borrowings, of 0.7% up to £100 million, 0.6% on the next £50 million, 0.55% on the next £50 million, and with fees in excess of £200 million subject to review. The average rate charged over the course of the year was 0.64% (2014: 0.65%). Further details are given in note 3 to the financial statements.

This fee was allocated 50% to capital and 50% to revenue (2014: same) in accordance with the Board's expected long-term split of returns, in the form of capital gains and income respectively, from the investment portfolio of the Company.

Following constructive discussions with the Manager, the Board announced in March the agreement of a new fee arrangement, effective 1 April 2015. The new fee structure has just two tiers of charging, rather than the previous three, and will be applied to market capitalisation rather than to gross assets. For the first £150 million of market capitalisation the fee will be levied at the rate of 0.65% p.a. and a fee of 0.55% p.a. will apply above this level. All other aspects of the fee arrangements remain unchanged.

The Manager's Responsibilities

The Manager is responsible for the day to day investment management activities of the Company, seeking and evaluating investment opportunities and analysing the results of investee companies. The Manager has full discretion to manage the assets of the Company in accordance with the Company's Investment Policy, as determined from time to time by the Board and approved by shareholders, with a view to achieving the Company's investment objective and meeting shareholder expectations. The Manager has discretion to make purchases and sales, make and withdraw cash deposits, enter into underwriting commitments and exercise all rights over the investment portfolio. The Manager also advises on borrowings.

The Manager also provides full company secretarial and administration services ensuring that the Company complies with all legal, regulatory and corporate governance requirements. Representatives attend and officiate at Board meetings and shareholder meetings. The Manager additionally maintains records of the Company's investment transactions, portfolio and all monetary transactions, from which the Manager prepares annual and half-yearly financial reports on behalf of the Company and various statistical reports and information throughout the year.

Assessment of the Manager

The performance of the Manager in the roles of investment manager, company secretary and administrator is subject to continual review by the Board and an annual review of the management contract is undertaken by the Management Engagement Committee.

The Board has formally reviewed the Manager's performance for the year ended 31 March 2015 and, taking into account the performance of the portfolio, the other services provided by the Manager and the risk and governance environment in which the Company operates, the Board considers that the continuation of the management contract is in the best interests of shareholders.

Company Secretary

Invesco Asset Management Limited is the Company Secretary, acting under delegated authority from Invesco Fund Managers Limited.

The Board has direct access to the advice and services of the Company Secretary, which is responsible for ensuring that the Board and Committee procedures are followed and that applicable rules and regulations are complied with. The Company Secretary is also responsible to the Board for ensuring timely delivery of information and reports and that the statutory obligations of the Company are met. Additionally, the Company Secretary is responsible for advising the Board through the Chairman on governance matters.

Other Service Providers

In addition to the Manager, the main service providers contracted by the Company are as follows:

Registrar

The Company's share register is administered by Capita Asset Services. Contact details for the Registrar are set out on page 57.

Depositary and Custodian

The depositary, BNY Mellon Trust & Depositary (UK) Limited, is responsible for certain monitoring functions and the safekeeping of the Company's assets. The majority of the Company's assets are held by a custodian on its behalf and the depositary has delegated this function to The Bank of New York Mellon (BNYM). BNYM is also the Company's bank.

Corporate Governance

The Corporate Governance Statement set out on page 20 is included in this Directors' Report by reference.

Stewardship

The Board considers that the Company has a responsibility as a shareholder towards ensuring that high standards of Corporate Governance are maintained in the companies in which it invests. The Company's stewardship functions have been delegated to the Manager, who exercises the Company's voting rights and reports back to the Board. The Manager has adopted a clear and considered policy towards its responsibility on behalf of the Company. As part of this policy, the Manager takes steps to satisfy itself about the extent to which the companies in which it invests look after shareholders' value and comply with local recommendations and practices, such as the UK Corporate Governance Code. A copy of the Manager's Policy on Corporate Governance and stewardship can be found at www.invescoperpetual.co.uk.

Greenhouse Gas Emissions

The Company has no employees or property, it does not combust any fuel or operate any facility. The Company does not purchase electricity, heat, steam or cooling for its own use. Accordingly, the quantifiable amount of carbon dioxide equivalent produced by the Company annually is zero tonnes. All services are outsourced on a fee basis that is independent of any energy expended on its behalf and it is not practical for the Company to attempt to quantify emissions in respect of such proxy energy use.

Disclosures Required by Listing Rule 9.8.4

Listing Rule 9.8.4 requires the Company to include certain information in a single identifiable section of the annual financial report. None of the prescribed information is applicable to the Company in the year under review.

DIRECTORS' REPORT
continued

Capital Structure

At the year end the Company's share capital comprised 58,551,530 shares of 25p each. No shares were issued or repurchased during the year and no shares were held in treasury at the year end.

Rights Attaching to the Shares

At a general meeting of the Company every shareholder has one vote on a show of hands and on a poll one vote for each share held.

On a winding up or return of capital the assets of the Company shall be distributed rateably among shareholders according to the number of shares held.

Restrictions on Shares

The Directors may restrict voting powers and dividends where shareholders fail to provide information with respect to interests in voting rights when so requested, may refuse to register any transfer of a share in favour of more than four persons jointly and can require certain US holders of shares to transfer their shares compulsorily.

Save for the foregoing there are no restrictions concerning the transfer of securities in the Company; no special rights with regard to control attached to securities; no agreements between holders of securities regarding their transfer known to the Company; and no agreements which the Company is party to that might affect its control following a successful takeover bid.

Substantial Holdings in the Company

The Company was aware of the following holdings of 3% and over of the Company's issued share capital:

	AT 31 MAY 2015		AT 31 MARCH 2015		AT 31 MARCH 2014	
	HOLDINGS	%	HOLDINGS	%	HOLDINGS	%
Charles Stanley	5,079,452	8.7	5,152,889	8.8	5,236,497	8.9
Investec Wealth & Investment	4,872,441	8.3	4,860,928	8.3	4,864,908	8.3
Brewin Dolphin	3,375,384	5.8	3,488,432	6.0	3,945,431	6.7
Alliance Trust Savings	2,599,490	4.4	2,573,296	4.4	2,381,956	4.1
EFG Harris Allday	2,531,651	4.3	2,532,560	4.3	2,688,295	4.6
Hargreaves Lansdown	2,399,283	4.1	2,434,177	4.2	1,820,556	3.1
Rathbones	2,066,984	3.5	2,035,615	3.5	1,645,817	2.8
AXA Framlington Investment Managers	1,840,725	3.1	1,840,725	3.1	1,902,200	3.3
London & St Lawrence Investment Company	1,575,000	2.7	1,575,000	2.7	1,800,000	3.1

Shareholder Relations

Shareholder relations are given high priority by both the Board and the Manager. The prime medium by which the Company communicates with shareholders is through the annual and half-yearly financial reports, which aim to provide shareholders with a full understanding of the Company's activities and its results. This information is supplemented by daily publication of the NAV of the Company's shares via the London Stock Exchange, ad hoc regulatory announcements, factsheets and the Manager's website. A presentation is made by the Manager following the main business of the AGM each year and shareholders have the opportunity to communicate directly with the Directors. All shareholders are encouraged to attend the AGM. It is the intention of the Board that the annual financial report and the notice of the AGM be published at least twenty working days before the AGM. Shareholders wishing to lodge questions in advance of the AGM are invited to do so, either on the reverse of the proxy card, via the Manager's website or in writing to the Company Secretary at the address given on page 57.

Shareholders can also visit the Company's section of the Manager's website (www.invescoperpetual/incomegrowth) in order to contact the Directors, Manager and Company Secretary, access copies of annual and half-yearly financial reports, shareholder circulars, Company factsheets, Stock Exchange announcements, schedule of matters reserved for the Board, terms of reference of Board Committees, Directors' letters of appointment, the Company's share price and proxy voting results. Visitors to the website need to be aware that legislation in the United Kingdom governing the preparation and dissemination of the financial statements may differ from legislation in other jurisdictions.

There is a regular dialogue between the Manager and individual major shareholders to discuss aspects of investment performance, governance and strategy and to listen to shareholder views in order to help develop a balanced understanding of their issues and concerns. General presentations to institutional shareholders and analysts take place throughout the year. All meetings between the Manager and institutional shareholders are reported to the Board.

Business of the Annual General Meeting (AGM)

The following summarises the business of the forthcoming AGM of the Company, which is to be held on 22 July 2015 at 11.30am. The Notice of the AGM and related notes can be found on pages 52 to 55.

Resolution 1 is for members to receive this Annual Financial Report, including the financial statements and Auditor's Report.

Resolution 2 is to approve the Annual Statement and Report on Remuneration. It is mandatory for listed companies to put their Annual Statement and Report on Remuneration to an advisory shareholder vote. The Annual Statement and Report on Remuneration are set out on pages 31 to 33 of this Annual Financial Report.

Resolution 3 is to declare a final dividend, as recommended on page 7.

Resolutions 4 to 6 are to re-appoint Directors. Biographical details of the Directors seeking re-appointment, Hugh Twiss, Chris Hills and Roger Walsom, are set out on page 18. The Board has confirmed that all of these Directors continue to perform effectively and demonstrate independence and commitment to their roles.

Resolution 7 is to appoint Ernst & Young LLP as the Company's auditor and to authorise the Audit Committee to determine the auditor's remuneration. Ernst & Young LLP has been invited to replace Grant Thornton LLP as auditor following a tender exercise in the year, as described on page 22.

Resolution 8 is to renew the Directors' authority to allot shares. Your Directors are asking for authority to allot new ordinary shares up to an aggregate nominal value of £4,879,294 (one third of the Company's issued share capital at 15 June 2015). This will allow Directors to issue shares within the prescribed limits should opportunities to do so arise that they consider would be in shareholders' interests. This authority will expire at the AGM in 2016.

Resolution 9 is to renew the authority to disapply pre-emption rights. Your Directors are asking for authority to issue new ordinary shares for cash up to an aggregate nominal value of £1,463,788 (10% of the Company's issued share capital at 15 June 2015), disapplying pre-emption rights. This will allow shares to be issued to new shareholders without them first having to be offered to existing shareholders, thus broadening the shareholder base of the Company. This authority will not be exercised at a price below NAV so the interests of existing shareholders are not diluted and will expire at the AGM in 2016.

Resolution 10 is to renew the authority for the Company to purchase its own shares. Your Directors are seeking authority for the purchase of up to 14.99% of the Company's issued share capital as at the date of the AGM, subject to the restrictions referred to in the notice of the AGM (equivalent to 8,776,874 shares at 15 June 2015). This authority will expire at the AGM in 2016. Your Directors are proposing that shares bought back by the Company either be cancelled or, alternatively, be held as treasury shares with a view to their resale, if appropriate, or later cancellation. Any resale of treasury shares will only take place on terms that are in the best interests of shareholders.

Resolution 11 is to permit the Company to hold general meetings (other than annual general meetings) on 14 days notice, which is the minimum notice period permitted by the Companies Act 2006. The EU Shareholder Rights Directive increases the minimum notice period to 21 days unless two conditions are met. The first condition is that the company offers facilities for shareholders to vote by electronic means. The second condition is that there is an annual resolution of shareholders approving the reduction in the minimum notice period from 21 days to 14 days, hence this resolution being proposed. It is intended that this flexibility will be used only where the Board believes it is in the interests of shareholders as a whole.

By order of the Board

Invesco Asset Management Limited
Company Secretary

16 June 2015

DIRECTORS' RESPONSIBILITIES STATEMENT
in respect of the preparation of the Annual Financial Report

The Directors are responsible for ensuring that the annual financial report is prepared in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. The Directors have elected to prepare financial statements in accordance with United Kingdom Generally Accepted Accounting Practice.

Under company law, the Directors must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the net return of the Company for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and which enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

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

In so far as each of the Directors is aware:

- there is no relevant audit information of which the Company's Auditor is unaware; and
- the Directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the Auditor is aware of that information.

The Directors of the Company each confirm to the best of their knowledge that:

- 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 of the Company; and
- this annual financial report includes a fair review of the development and performance of the business and the position of the Company together with a description of the principal risks and uncertainties that it faces.

The Directors consider that this annual financial report, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

Signed on behalf of the Board of Directors

Hugh Twiss MBE
Chairman

16 June 2015

DIRECTORS' REMUNERATION REPORT
FOR THE YEAR ENDED 31 MARCH 2015

The Board presents this Remuneration Report which has been prepared in accordance with The Large and Medium-sized Companies and Groups (Accounts and Reports)(Amendment) Regulations 2013 and the Listing Rules of the Financial Conduct Authority. An advisory resolution for the approval of the Annual Statement and Report on Remuneration will be put to shareholders at the Annual General Meeting.

The Company's auditor is required to audit certain of the disclosures provided in this Report. Where disclosures have been audited, they are indicated in this Report. The independent auditor's opinion is included on pages 34 to 37.

Remuneration Responsibilities

The Board has resolved that a remuneration committee is not appropriate for a company of this size and nature. Remuneration is therefore regarded as part of the Board's responsibilities to be addressed regularly. All Directors are non-executive and all participate in meetings of the Board at which Directors' remuneration is considered.

Directors' Remuneration Policy

The Directors' Remuneration policy was approved by shareholders at the AGM on 21 July 2014 and became effective on that date.

The Board's policy is that the remuneration of non-executive Directors should be fair and reasonable in relation to the time commitment and responsibilities of the Directors and having regard to remuneration paid by comparable companies. Fees for the Directors are determined by the Board within the limit stated in the Company's Articles of Association. The maximum currently dictated by the Company's Articles of Association is £225,000 in aggregate per annum. Directors do not have service contracts. Directors are appointed under letters of appointment, copies of which are available for inspection at the registered office of the Company and on the Company's section of the Manager's website: www.invescoperpetual.co.uk/incomegrowth. Directors are entitled to be reimbursed for any reasonable expenses properly incurred by them in connection with the performance of their duties and attendance at board and general meetings and committees. Directors are not eligible for bonuses, pension benefits, share options or other incentives or benefits. Directors may, in the furtherance of their duties, take legal advice at the Company's expense up to an initial outlay of £10,000 per Director, having first consulted with the Chairman. There are no agreements between the Company and its Directors concerning compensation for loss of office.

Directors' fees at the time this Directors' Remuneration Policy was approved by Shareholders were as follows:

Chairman	£30,450 per annum
Audit Committee Chairman	£24,150 per annum
Other Directors	£21,000 per annum

These fees are subject to regular review by the Board having regard to the above factors. The same principles apply to any new appointments.

Notwithstanding the above, the Company's Articles also provide that additional discretionary payments can be made for services which in the opinion of the Board are outside the scope of the ordinary duties of a Director. Any such payment would reflect the Board's assessment of the value to the Company of such services.

The Company has no employees and consequently has no policy on the remuneration of employees.

The Board will consider, where raised, shareholders' views on Directors' remuneration.

Annual Statement on Directors' Remuneration

For the year to 31 March 2015, the Directors were paid fees at the rates shown in the following table. These rates had remained at this level since 1 July 2013. Prior to the year end the Directors conducted their regular review of fee levels taking into account the increasing demands of regulatory compliance and the additional workload resulting. The Directors also referred to fees paid by other investment companies in the UK Equity Income Sector and to other relevant research. The Board did not use the services of an external remuneration consultant after weighing up the cost/benefit involved.

DIRECTORS' REMUNERATION REPORT
continued

The Directors resolved to revise the fees from 1 April 2015 as shown in the following table. The same fees will apply to any new appointments.

	FEES FROM 1 APRIL 2015	FEES FROM 1 JULY 2013
Chairman	£32,625	£30,450
Chairman of the Audit Committee	£25,875	£24,150
Other Directors	£22,500	£21,000

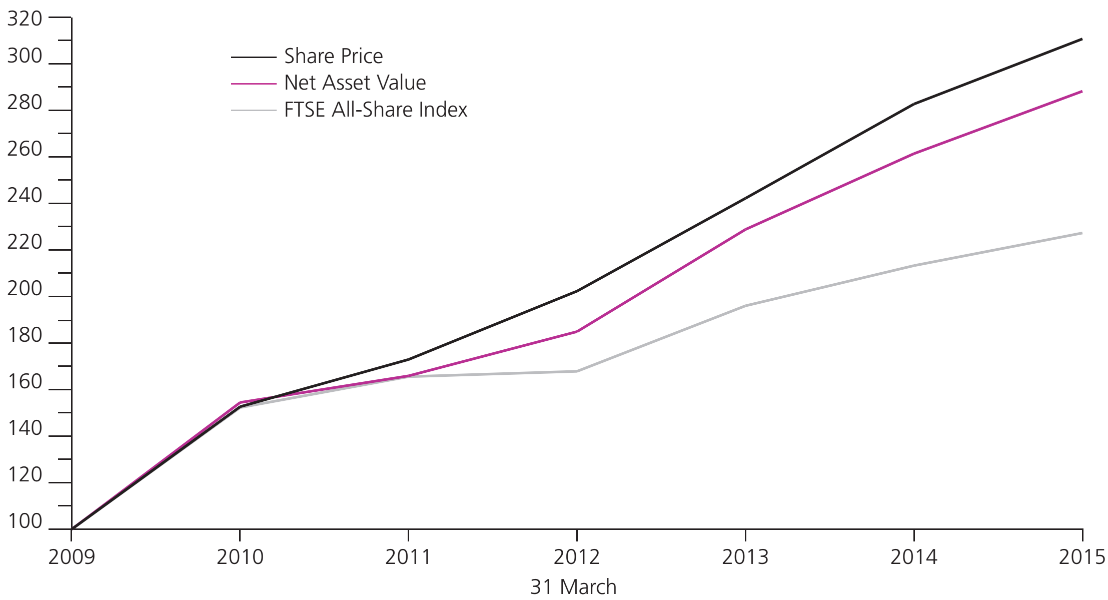
Report on Remuneration for the Year Ended 31 March 2015

The Company's Performance

The graph below plots, in annual increments, the total return of the share price and diluted net asset value to ordinary shareholders compared to the total return of the FTSE All-Share Index over the six years to 31 March 2015. This index is the benchmark adopted by the Company for performance measurement purposes.

All figures are rebased to 100 as at 31 March 2009.

Total Return Graph



Directors' Emoluments for the Year (Audited)

The Directors who served during the year received the following emoluments, all of which were in the form of fees:

	2015 £	2014 £
Hugh Twiss (Chairman of the Company)	30,450	29,875
Jonathan Silver (Chairman of the Audit Committee)	24,150	23,959
Davina Curling	21,000	20,833
Chris Hills	21,000	20,833
Roger Walsom	21,000	20,833
Total	117,600	116,333

Directors' Shareholdings and Share Interests (Audited)

The beneficial interests of the Directors in the ordinary share capital of the Company are set out below:

	31 MAY 2015	31 MARCH 2015	31 MARCH 2014
Hugh Twiss	16,880	16,880	16,880
Davina Curling	3,000	3,000	3,000
Chris Hills	14,202	14,202	14,202
Jonathan Silver	6,000	6,000	6,000
Roger Walsom	7,500	7,500	7,500

Save as aforesaid, no Director had any interests, beneficial or otherwise, in the securities of the Company during the year. No connected person interests have been notified.

Directors hold shares in the Company at their discretion. Share ownership is encouraged, but no guidelines have been set.

Relative Importance of Spend on Pay

The following table compares the remuneration paid to the Directors with aggregate distributions to shareholders with respect to the year to 31 March 2015 and the prior year.

	2015 £'000	2014 £'000	CHANGE £'000
Aggregate Directors' Emoluments	118	116	+2
Aggregate Shareholder Distributions	5,913	5,767	+146

Voting at Last Annual General Meeting

At the Annual General Meeting of the Company held on 21 July 2014 resolutions were put to shareholders to approve the Directors' Remuneration Policy (binding) and the Annual Statement and Report on Remuneration (advisory). These were both passed by show of hands. The proxy votes registered in respect of these resolutions were as follows:

	VOTES FOR	%	VOTES AGAINST	%	VOTES WITHHELD
Directors' Remuneration Policy	9,384,784	99.7	23,928	0.3	4,700
Annual Statement and Report on Remuneration	9,384,784	99.8	16,002	0.2	9,626

Approval

This Directors' Remuneration Report was approved by the Board of Directors on 16 June 2015.

Hugh Twiss MBE
Chairman

Signed on behalf of the Board of Directors

INDEPENDENT AUDITOR'S REPORT
To the Members of Invesco Income Growth Trust plc

Our opinion on the financial statements is unmodified

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Who we are reporting to:

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

What we have audited

Invesco Income Growth Trust plc's financial statements comprise the Income Statement, the Reconciliation of Movements in Shareholders' Funds, the Balance Sheet, the Cash Flow Statement, the Reconciliation of Cash Flow to Movement in Net Debt and the related notes.

The financial reporting framework that has been applied in their preparation is United Kingdom Generally Accepted Accounting Practice.

Our assessment of risk

In arriving at our opinions set out in this report, we highlight the following risks that are, in our judgement, likely to be most important to users' understanding of our audit.

Investments

The Risk: The Company's investment objective is to produce income and capital growth superior to that of the UK stock market and dividends paid quarterly that, over time, grow above the rate of inflation. The investment portfolio is the most quantitatively significant amount of the Company's net asset value at year end and is the main driver of the Company's performance. We therefore identified the ownership and valuation of the investment portfolio as a risk that requires particular audit attention. Portfolio valuation and ownership was also identified as a significant issue by the Audit Committee in its report on page 21, where the Committee also describes how it addressed this area.

Our response: Our audit work included, but was not restricted to, the following:

- We obtained an understanding, through reading controls report on the description, design and operating effectiveness of controls of the investment manager, of the processes in place to value investments, record all investment transactions and reconcile the investments held against the custodian's statements. In addition, we read the controls report on the description, design and operating effectiveness of controls at the custodian to confirm the controls over safekeeping of assets.
- We confirmed the existence and completeness of investments through checking the holdings listed in the portfolio at year end to an independent confirmation we received directly from the Company's custodian.
- We independently priced all the listed equity portfolio by obtaining the bid prices from independent market sources.
- To test that investments are actively traded, we extracted a report of trading volumes around year end from an independent market source for the equity investments held.

The Company's accounting policy on the valuation of investments is included in note 1(c) and disclosures about investments held at the year end are included in note 9.

Investment income

The risk: Investment income is the Company's major source of revenue and a significant balance in the Income Statement. Accordingly, the recognition of investment income is a risk that requires particular audit attention. Income recognition was also identified as a significant issue by the Audit Committee in its report on page 21, where the Committee also describes how it addressed this area.

Our response: Our audit work included, but was not restricted to, the following:

- We assessed whether the Company's accounting policy for revenue recognition is in accordance with United Kingdom Generally Accepted Accounting Practice and the Statement of Recommended Practice 'Financial Statements of Investment Trust Companies and Venture Capital Trusts' (the 'SORP') issued by the AIC in January 2009.
- We obtained an understanding of management's process for recognising revenue in accordance with the Company's stated accounting policy. We tested that income transactions were recognised in accordance with the policy by selecting a sample of quoted investments and agreeing the relevant investment income receivable for those investments.
- Also, for the selected investments, we obtained the respective dividend rate entitlements from independent sources and checked against the amounts recorded in the Company's accounting records. In addition, we agreed the receipt of the dividend income to bank statements.
- We performed, on a sample basis, a search for special dividends on the equity investments held during the year to check whether dividend income attributable to those investments has been properly recognised. We checked the categorisation of special dividends as either revenue or capital receipts.

The Company's accounting policy on the recognition of income is shown in note 1(d) and the components of that revenue are included in note 2.

Our application of materiality and an overview of the scope of our audit

Materiality

We define materiality as the magnitude of misstatement in the financial statements that makes it probable that the economic decisions of a reasonably knowledgeable person would be changed or influenced. We determined materiality for the audit of the financial statements as a whole to be £1,810,000, which is 1% of total net assets. This benchmark is considered the most appropriate because net assets are fundamental to the performance and financial position of the business. We use a different level of materiality, performance materiality, to drive the extent of our testing and this was set at 75% of financial statement materiality.

We also determine a lower level of specific materiality for certain areas such as the revenue column of the income statement, directors' remuneration and related party transactions.

We determined the threshold at which we will communicate misstatements to the audit committee to be £90,500. In addition we will communicate misstatements below that threshold that, in our view, warrant reporting on qualitative grounds.

Overview of the scope of our audit

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

We are independent of the Company in accordance with the Auditing Practices Board's Ethical Standards for Auditors, and we have fulfilled our other ethical responsibilities in accordance with those Ethical Standards.

Our audit approach was based on a thorough understanding of the Company's business and is risk-based. The day-to-day management of the Company's investment portfolio, the custody of its investments and the maintenance of the Company's accounting records is outsourced to third-party service providers. Accordingly, our audit work was focussed on obtaining an understanding of, and evaluating, relevant internal controls at both the Company and third-party service providers. This included obtaining and reading the internal controls

INDEPENDENT AUDITOR'S REPORT
continued

reports on the description, design and operating effectiveness of internal controls at relevant third-party service providers. We then identified the controls that would impact upon the financial statements to ensure that no exceptions or deficiencies were noted in these areas. We undertook substantive testing on significant transactions, balances and disclosures, the extent of which was based on various factors such as our overall assessment of the control environment, the design effectiveness of controls over individual systems and the management of specific risks.

Other reporting required by regulations
Our opinion on other matters prescribed by the Companies Act 2006 is unmodified

In our opinion:

- the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006; and
- the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following:

Under the ISAs (UK and Ireland), we are required to report to you if, in our opinion, information in the annual report is:

- materially inconsistent with the information in the audited financial statements; or
- apparently materially incorrect based on, or materially inconsistent with, our knowledge of the Company acquired in the course of performing our audit; or
- otherwise misleading.

In particular, we are required to report to you if:

- we have identified any inconsistencies between our knowledge acquired during the audit and the Directors' statement that they consider the annual report is fair, balanced and understandable; or
- the annual report does not appropriately disclose those matters that were communicated to the audit committee which we consider should have been disclosed.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Under the Listing Rules, we are required to review:

- the Directors' statement, set out on page 26, in relation to going concern; and
- the part of the Corporate Governance Statement relating to the Company's compliance with the ten provisions of the UK Corporate Governance Code specified for our review.

Responsibilities for the financial statements and the audit

What an audit of financial statements involves:

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

What the directors are responsible for:

As explained more fully in the Directors' Responsibilities Statement set out on page 30, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

What we are responsible for:

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Christopher Smith
Senior Statutory Auditor

for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
London

16 June 2015

INCOME STATEMENT

FOR THE YEAR ENDED 31 MARCH

	NOTES	2015 REVENUE £'000	2015 CAPITAL £'000	2015 TOTAL £'000	2014 REVENUE £'000	2014 CAPITAL £'000	2014 TOTAL £'000
Profits on investments at fair value through profit or loss	9	—	11,352	11,352	—	15,388	15,388
Income	2	7,411	291	7,702	6,783	764	7,547
Investment management fee	3	(607)	(607)	(1,214)	(584)	(584)	(1,168)
Other expenses	4	(314)	—	(314)	(302)	—	(302)
Net return before finance costs and taxation		6,490	11,036	17,526	5,897	15,568	21,465
Finance costs	5	(92)	(92)	(184)	(111)	(111)	(222)
Return on ordinary activities before and after tax		6,398	10,944	17,342	5,786	15,457	21,243
Return per ordinary share							
Basic	7	10.9p	18.7p	29.6p	9.9p	26.4p	36.3p

The total column of this statement represents the Company's profit and loss account. The supplementary revenue and capital columns are presented for information purposes in accordance with the Statement of Recommended Practice issued by the Association of Investment Companies. All items in the above statement derive from continuing operations and the Company has no other gains or losses and therefore no statement of total recognised gains or losses is presented. No operations were acquired or discontinued in the year.

RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

FOR THE YEAR ENDED 31 MARCH

	NOTES	SHARE CAPITAL £'000	SHARE PREMIUM £'000	CAPITAL REDEMPTION RESERVE £'000	CAPITAL RESERVE £'000	REVENUE RESERVE £'000	TOTAL £'000
At 31 March 2013		14,638	40,021	2,310	92,341	4,661	153,971
Net return on ordinary activities		—	—	—	15,457	5,786	21,243
Net dividends paid	8	—	—	—	—	(5,684)	(5,684)
At 31 March 2014		14,638	40,021	2,310	107,798	4,763	169,530
Net return on ordinary activities		—	—	—	10,944	6,398	17,342
Net dividends paid	8	—	—	—	—	(5,839)	(5,839)
At 31 March 2015		14,638	40,021	2,310	118,742	5,322	181,033

The accompanying notes are an integral part of these statements.

BALANCE SHEET
AS AT 31 MARCH

	NOTES	2015 £'000	2014 £'000
Fixed assets			
Investments at fair value	9	194,683	185,989
Current assets			
Debtors	10	1,480	892
Creditors: amounts falling due within one year	11	(15,130)	(17,351)
Net current liabilities		(13,650)	(16,459)
Net assets		181,033	169,530
Capital and reserves			
Share capital	12	14,638	14,638
Share premium	13	40,021	40,021
Capital redemption reserve	13	2,310	2,310
Capital reserve	13	118,742	107,798
Revenue reserve	13	5,322	4,763
Shareholders' funds		181,033	169,530
Net asset value per ordinary share			
Basic	14	309.2p	289.5p

These financial statements were approved and authorised for issue by the Board of Directors on 16 June 2015.

Signed on behalf of the Board of Directors

Hugh Twiss MBE
Chairman

The accompanying notes are an integral part of this statement.

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH

	NOTES	2015 £'000	2014 £'000
Cash flow from operating activities	15(a)	5,985	6,188
Servicing of finance	15(b)	(184)	(222)
Net financial investment	15(b)	1,967	(3,875)
Net equity dividends paid	8	(5,839)	(5,684)
Increase/(decrease) in cash		1,929	(3,593)

RECONCILIATION OF CASH FLOWS TO NET DEBT

FOR THE YEAR ENDED 31 MARCH

	NOTES	2015 £'000	2014 £'000
Increase/(decrease) in cash		1,929	(3,593)
Change in net debt in the year		1,929	(3,593)
Net debt at the beginning of the year		(16,867)	(13,274)
Net debt at the end of the year	15(c)	(14,938)	(16,867)

The accompanying notes are an integral part of this statement.

NOTES TO THE FINANCIAL STATEMENTS

1. Principal Accounting Policies

Accounting policies describe the Company's approach to recognising and measuring transactions during the year and the position of the Company at the year end.

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied during the year and the preceding year, unless otherwise stated.

(a) Basis of Preparation

Accounting Standards applied

The financial statements have been prepared in accordance with applicable United Kingdom Accounting Standards and with the Statement of Recommended Practice (SORP) 'Financial Statements of Investment Trust Companies and Venture Capital Trusts', issued by the Association of Investment Companies in January 2009.

(b) Foreign Currency

(i) *Functional and presentation currency*

The financial statements are presented in sterling, which is the Company's functional and presentation currency and the currency in which the Company's share capital and expenses, as well as its assets and liabilities, are denominated.

(ii) *Transactions and balances*

Transactions in foreign currencies, whether of a revenue or capital nature, are translated to sterling at the rates of exchange ruling on the dates of such transactions. Foreign currency assets and liabilities are translated to sterling at the rates of exchange ruling at the balance sheet date. Any gains or losses, whether realised or unrealised, are taken to the capital reserve or to the revenue account, depending on whether the gain or loss is of a capital or revenue nature. All gains and losses are recognised in the income statement.

(c) Financial Instruments

(i) *Recognition of financial assets and financial liabilities*

The Company recognises financial assets and financial liabilities when the Company becomes a party to the contractual provisions of the instrument. The Company will offset financial assets and financial liabilities if the Company has a legally enforceable right to set off the recognised amounts and interests and intends to settle on a net basis.

(ii) *Derecognition of financial assets*

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire or it transfers the right to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in the transferred financial asset that is created or retained by the Company is recognised as an asset.

(iii) *Derecognition of financial liabilities*

The Company derecognises financial liabilities when its obligations are discharged, cancelled or expired.

(iv) *Trade date accounting*

Purchases and sales of financial assets are recognised on trade date, being the date on which the Company commits to purchase or sell the assets.

NOTES TO THE FINANCIAL STATEMENTS

continued

(v) *Classification and measurement of financial assets and financial liabilities*

Financial assets

The Company's investments are designated as held at fair value through profit or loss. Financial assets held at fair value through profit or loss are initially recognised at fair value, which is taken to be their cost, with transaction costs expensed in the income statement, and are subsequently valued at fair value.

Fair value for investments that are actively traded in organised financial markets, is determined by reference to stock exchange quoted bid prices at the balance sheet date. For investments that are not actively traded or where active stock exchange quoted bid prices are not available, fair value is determined by reference to a variety of valuation techniques including broker quotes and price modelling.

Financial liabilities

Financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs and are subsequently measured at amortised cost using the effective interest method.

(d) Income

Interest income arising from fixed income securities and cash is recognised in the income statement using the effective interest method. Dividend income arises from equity investments held and is recognised on the date investments are marked 'ex-dividend'. Deposit interest and underwriting commission receivable are taken into account on an accruals basis.

(e) Expenses and Finance Costs

Expenses are recognised on an accruals basis and finance costs are recognised using the effective interest method in the income statement.

The investment management fee and finance costs are allocated 50% to capital and 50% to revenue. This is in accordance with the Board's expected long-term split of returns, in the form of capital gains and income respectively, from the portfolio.

All other expenses, except for custodian transaction charges, are allocated to revenue in the income statement.

(f) Taxation

The liability to corporation tax is based on net revenue for the year excluding UK dividends. The tax charge is allocated between the revenue and capital account on the marginal basis whereby revenue expenses are matched first against taxable income in the revenue account.

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax or a right to pay less tax in the future have occurred. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements. Deferred taxation assets are recognised where, in the opinion of the directors, it is more likely than not that these amounts will be realised in future periods.

A deferred tax asset has not been recognised in respect of surplus management expenses, losses on loan relationships and eligible unrelieved foreign tax, as the Company is unlikely to have sufficient future taxable revenue to offset against these.

(g) Dividends

Dividends are not recognised in the accounts unless there is an obligation to pay at the balance sheet date. Proposed dividends are recognised in the year in which they are paid to shareholders.

2. Income

This note shows the income generated from the portfolio (investment assets) of the Company and income received from any other source.

	2015 £'000	2014 £'000
Income from listed investments		
UK dividends	6,543	6,148
UK special dividends	374	193
UK unfranked investment income	422	427
	7,339	6,768
Other income		
Underwriting commission	72	15
Total income	7,411	6,783

Special dividends of £291,000 (2014: £764,000) have been recognised in capital.

3. Investment Management Fee

This note shows the fees paid to the Manager, which were calculated monthly on the basis of the value of the assets being managed.

	2015			2014		
	REVENUE £'000	CAPITAL £'000	TOTAL £'000	REVENUE £'000	CAPITAL £'000	TOTAL £'000
Investment management fee	607	607	1,214	584	584	1,168

Details of the management agreement are disclosed in the Directors' Report. At 31 March 2015, £104,000 (2014: £102,000) was owed in respect of management fees.

4. Other Expenses

The other expenses of the Company are presented below; those paid to the Directors and the auditor are separately identified.

	2015			2014		
	REVENUE £'000	CAPITAL £'000	TOTAL £'000	REVENUE £'000	CAPITAL £'000	TOTAL £'000
Directors' fees	118	—	118	116	—	116
Auditor's remuneration						
– for audit of the annual financial statements	26	—	26	24	—	24
– other services relating to taxation compliance	6	—	6	6	—	6
Other expenses	164	—	164	156	—	156
	314	—	314	302	—	302

The Director's Remuneration Report provides information on Directors' fees. Included within other expenses is £11,000 (2014: £11,000) of employers national insurance payable in respect of Directors' fees. As at 31 March 2015, the amounts outstanding for Directors' fees and employers national insurance was £13,000 (2014: £14,000).

Fees payable to the Company's auditor are shown excluding VAT, which is included in other expenses.

NOTES TO THE FINANCIAL STATEMENTS

continued

5. Finance Costs

Finance costs arise on any borrowing facilities the Company has used in the year

	2015			2014		
	REVENUE	CAPITAL	TOTAL	REVENUE	CAPITAL	TOTAL
	£'000	£'000	£'000	£'000	£'000	£'000
Interest on overdraft	92	92	184	111	111	222

6. Tax on Ordinary Activities

As an investment trust the Company pays no tax on capital gains. The Company pays no tax as most of its income is non-taxable UK dividend income and any taxable income was offset by expenses. This note also shows the basis of the Company having no deferred tax assets or liability.

The tax charge for the year is nil (2014: nil) as allowable expenses exceed taxable income.

	2015	2014
	£'000	£'000
Total return on ordinary activities before taxation	17,342	21,243
UK Corporation Tax rate of 21% (2014: 23%)	3,642	4,886
Effects of:		
– non-taxable gains on investments	(2,384)	(3,539)
– non-taxable UK dividends	(1,514)	(1,634)
– expenses in excess of taxable income	256	287
Actual current tax amount	—	—

Factors that may affect future tax charges

The Company has cumulative surplus management expenses and losses on loan relationships of £21,502,000 (2014: £20,285,000) that are available to offset future taxable revenue. A deferred tax asset of £4,300,000 (2014: £4,057,000) measured at the standard corporation tax rate of 20% (2014: 20%) has not been recognised in respect of the expenses since the Directors believe that there will be no taxable profits in the future against which the deferred tax assets can be offset.

7. Return per Ordinary Share

Return per share is the amount of gain generated for the financial year divided by the weighted average number of ordinary shares in issue.

The basic revenue, capital and total returns per ordinary share are based on each return on ordinary shares after tax and on 58,551,530 (2014: 58,551,530) ordinary shares, being the weighted average number of shares in issue during the year.

8. Dividends on Ordinary Shares

Dividends represent the return of income less expenses to shareholders. The Company pays four dividends a year.

Dividends paid and recognised in the year:

	2015		2014	
	PENCE	£'000	PENCE	£'000
Final paid in respect of previous year	3.65	2,137	3.55	2,079
First interim paid	2.10	1,229	2.05	1,200
Second interim paid	2.10	1,229	2.05	1,200
Third interim paid	2.15	1,260	2.10	1,230
	10.00	5,855	9.75	5,709
Return of unclaimed dividends from previous years	—	(16)	—	(25)
	10.00	5,839	9.75	5,684

Dividends payable in respect of the year:

	2015		2014	
	PENCE	£'000	PENCE	£'000
First interim paid	2.10	1,229	2.05	1,200
Second interim paid	2.10	1,229	2.05	1,200
Third interim paid	2.15	1,259	2.10	1,230
Proposed final	3.75	2,196	3.65	2,137
	10.10	5,913	9.85	5,767

The proposed 2015 final dividend is subject to approval by shareholders at the AGM.

9. Investments

The portfolio is made up of investments which are listed, i.e. traded on a regulated stock exchange. Gains and losses in the year are either:

- **realised, usually arising when investments are sold; or**
- **unrealised, being the difference from cost of those investments still held at the year end.**

	2015 £'000	2014 £'000
Investments listed on a recognised Stock Exchange	194,683	185,989

Opening valuation	185,989	166,430
Movements in year:		
Purchases at cost	18,065	16,937
Sales – proceeds	(20,723)	(12,766)
– net realised gains	4,949	2,901
Movement in investment holding gains	6,403	12,487
Closing valuation	194,683	185,989
Closing book cost	(119,999)	(117,708)
Closing investment holding gains	74,684	68,281

Net realised gains in year	4,949	2,901
Movement in investment holding gains	6,403	12,487
Total gains in year	11,352	15,388

The transaction costs included in gains on investments amount to £85,000 (2014: £83,000) on purchases and £24,000 (2014: £26,000) for sales.

Significant Interests

The Company owns 3.3% of the issued non-voting ordinary 50p share capital of Young & Co. Brewery.

10. Debtors

Debtors are amounts due to the Company, such as income which has been earned (accrued) but not yet received and any monies due from brokers for investments sold.

	2015 £'000	2014 £'000
Amounts due from brokers	395	—
Prepayments and accrued income	1,085	892
	1,480	892

NOTES TO THE FINANCIAL STATEMENTS

continued

11. Creditors: amounts falling due within one year

Creditors are amounts which must be paid by the Company, and includes any amounts due to brokers for the purchase of investments or amounts owed to suppliers, such as the Manager and auditor.

	2015 £'000	2014 £'000
Amounts due to brokers	—	296
Bank overdraft	14,938	16,867
Accruals	192	188
	15,130	17,351

The Company has a one-year uncommitted overdraft facility with The Bank of New York Mellon of up to the lesser of £25 million and 25% of the adjusted net asset value of the Company. The facility is due for renewal on 18 September 2015. The rate of interest applicable to drawings is 0.85% per annum over the Bank of England's Base Rate.

12. Share Capital

Share capital represents the total number of shares in issue, on which dividends are paid.

	2015		2014	
	NUMBER	£'000	NUMBER	£'000
Allotted, called-up and fully paid:				
Ordinary shares of 25p each	58,551,530	14,638	58,551,530	14,638

No shares were bought back and cancelled in the year and no shares were held in treasury at the year end.

13. Reserves

This note explains the different reserves attributable to shareholders. The aggregate of the reserves and share capital (see previous note) make up total shareholders' funds.

The share premium arose on the issue of new shares. The capital redemption reserve maintains the equity share capital of the Company and arose from the nominal value of shares bought back and cancelled. The share premium and capital redemption reserve are non-distributable.

The revenue and capital reserves are distributable by way of dividend. Reducing the balance sheet revenue reserve by the proposed final dividend of £2,196,000 (see note 8) results in a revenue reserve available for future distributions of £3,126,000.

The capital reserve includes investment holding gains, being the difference between cost and market value which are shown in note 9.

14. Net Asset Value per Ordinary Share

The Company's net assets (total assets less total liabilities) are often termed shareholders' funds and are converted into net asset value per ordinary share by dividing by the number of shares in issue.

The net asset value per ordinary share and the net asset values attributable at the year end were as follows:

	2015		2014	
	NET ASSET VALUE PER SHARE PENCE	NET ASSETS ATTRIBUTABLE £'000	NET ASSET VALUE PER SHARE PENCE	NET ASSETS ATTRIBUTABLE £'000
Ordinary shares				
– Basic	309.2	181,033	289.5	169,530

Net asset value per ordinary share is based on net assets at the year end and on 58,551,530 (2014: 58,551,530) ordinary shares, being the number of ordinary shares in issue at the year end.

15. Notes to the Cash Flow Statement

The cash flow statement shows the cash flows of the Company from its operating, investing and financing activities. The main cash flows arise from the purchase and sale of investments.

(a) Reconciliation of operating profit to operating cash flows

	2015 £'000	2014 £'000
Total return before finance costs and taxation	17,526	21,465
Adjustment for gains on investments	(11,352)	(15,388)
(Increase)/decrease in debtors	(193)	99
Increase in creditors	4	12
Net cash inflow from operating activities	5,985	6,188

(b) Analysis of cash flow for headings netted in the cash flow statement

	2015 £'000	2014 £'000
Servicing of finance		
Interest paid on bank loans	(184)	(222)
Net financial investment		
Purchase of investments	(18,361)	(16,641)
Sale of investments	20,328	12,766
	1,967	(3,875)

(c) Analysis of changes in net debt

	1 APRIL 2014 £'000	CASH INFLOW £'000	31 MARCH 2015 £'000
Net debt – bank overdraft	(16,867)	1,929	(14,938)

NOTES TO THE FINANCIAL STATEMENTS
continued

16. Financial Instruments

Financial instruments comprise the Company's investment portfolio as well as its cash, borrowings, debtors and creditors. This note sets out the risks arising from the Company's financial instruments in terms of the Company's exposure and sensitivity, and any mitigation that the Manager or Board can take.

The Company's principal risks and uncertainties are outlined in the Strategic Report on pages 13 to 15. This note expands on risk areas in relation to the Company's financial instruments. The Company's portfolio is managed in accordance with its investment policy, which is set out on page 11. The internal control and risk management process is described on page 22. The overall disposition of the Company's assets is reviewed by the Board on a regular basis.

The accounting policies in note 1 include criteria for the recognition and the basis of measurement applied for financial instruments. Note 1 also includes the basis on which income and expenses arising from financial assets and liabilities are recognised and measured.

Risks that an investment company faces in its portfolio management activities include:

Market risk – arising from fluctuations in the fair value or future cash flows of a financial instrument because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk:

Currency risk – arising from fluctuations in the fair value or future cash flows of a financial instrument because of changes in foreign exchange rates;

Interest rate risk – arising from fluctuations in the fair value or future cash flows of a financial instrument because of changes in market interest rates; and

Other price risk – arising from fluctuations in the fair value or future cash flows of a financial instrument for reasons other than changes in foreign exchange rates or market interest rates.

Liquidity risk – arising from any difficulty in meeting obligations associated with financial liabilities.

Credit risk – arising from financial loss for a company where the other party to a financial instrument fails to discharge an obligation.

Risk Management Policies and Procedures

The Directors have delegated to the Manager the responsibility for day-to-day investment activities and the management of borrowings of the Company as more fully described in the Directors' Report.

As an investment trust the Company invests in equities and other investments for the long-term according to its Investment Policy so as to fulfil its investment objective. In pursuing its investment objective, the Company is exposed to a variety of risks that could result in either a reduction in the Company's net assets or a reduction of the profits available for dividends.

The risks applicable to the Company and the policies the Company used to manage these risks for the two years under review follow.

Market risk

The Manager assesses the Company's exposure when making each investment decision, and monitors the overall level of market risk on the whole of the investment portfolio on an ongoing basis. The Board meets at least quarterly to assess risk and review investment performance, in accordance with the Board Responsibilities on page 23. No derivative or hedging instruments have been utilised to manage market risk during the year. Gearing is used to enhance returns, but this also increases the Company's exposure to market risk and volatility.

Currency risk is not significant for the two years under review as the Company invests in UK equities traded on the London Stock Exchange. During the year, the Company also received non-sterling dividends, which represented 12.4% (2014: 6.9%) of total investment income.

Interest rate risk

Interest rate movements may affect the level of interest payable on variable rate borrowings and the income receivable on cash deposits. When the Company has cash balances, they are held in variable rate bank accounts yielding rates of interest dependent on the base rate of the Custodian. The Company has an overdraft facility limited to a maximum of £25 million. Note 11 gives full details. The Company uses the facility when required at levels approved and monitored by the Board.

At the year end drawings on the Company's overdraft were £14,938,000 (2014: £16,867,000). At the maximum of £25 million, the effect of a movement of +/- 1% in the interest rate would result in a decrease/increase to the Company's income statement of £250,000 (2014: £250,000).

The Company can invest in fixed income securities and at the year end the level of exposure was £3.2 million (2014: £3.1 million). The Directors estimate that a 1% change in interest rates applied to this balance would have no impact on reported revenue profit before tax but would increase or decrease reported capital profit before tax by £117,000 (2014: £128,000). The Company had no cash flow exposure to floating interest rate assets.

Other price risk

Other price risk (i.e. changes in market prices other than those arising directly from interest rate risk or currency risk) may affect the value of the equity investments, but it is the business of the Manager to manage the portfolio to achieve the best return possible.

The Directors manage the market price risks inherent in the investment portfolio by meeting regularly to monitor on a formal basis the Manager's compliance with the Company's stated Investment Policy and to review investment performance.

The Company's portfolio is the result of the Manager's investment process and as a result is not wholly correlated with the Company's benchmark or the market in which the Company invests. Therefore, the value of the portfolio will not move in line with the market but in accordance with the performance of the particular company shares held within the portfolio.

If the value of the portfolio rose or fell by 10% at the balance sheet date, the profit after tax for the year would increase or decrease by £19.5 million (2014: £18.6 million) respectively.

Liquidity risk is minimised as the majority of the Company's investments constitute a diversified portfolio of readily realisable securities which can be sold to meet funding commitments as necessary. In addition, an overdraft provides short-term funding flexibility. The Board monitors the portfolio's liquidity.

The financial liabilities are detailed in note 11. The contractual maturities of these are all three months or less, based on the earliest date on which payment can be required.

Credit risk encompasses the failure by counterparties to deliver securities which the Company has paid for, to pay for securities which the Company has delivered, or to repay debt instruments on the due date. This risk is minimised by using only approved counterparties and investing in investment grade bonds. Investments may be adversely affected if the Company's custodian suffers insolvency or other financial difficulties. The Board reviews the custodian's annual controls report and the Manager's management of the relationship with the custodian. Cash balances are limited to a maximum of £5 million with any one deposit taker, with only approved deposit takers being used.

17. Fair Value

Fair Values of Financial Assets and Financial Liabilities

The fair values of the financial assets and financial liabilities are either carried in the balance sheet at their fair value (investments), or the balance sheet amount is a reasonable approximation of fair value (due from brokers, dividends receivable, accrued income, due to brokers, accruals, cash at bank and overdraft).

NOTES TO THE FINANCIAL STATEMENTS
continued

Fair Value – Hierarchy Disclosures

FRS 29 "Financial Instruments: Disclosures" sets out three fair value levels. These are:

Level 1 – fair value based on quoted prices in active markets for identical assets.

Level 2 – fair values based on valuation techniques using observable inputs other than quoted prices within Level 1.

Level 3 – fair values based on valuation techniques using inputs that are not based on observable market data.

Categorisation within the hierarchy is determined on the basis of the lowest level input that is significant to the fair value measurement of each relevant asset/liability and the valuation techniques used by the Company are explained in the accounting policies note.

The investments held by the Company are shown on pages 16 and 17. All except two holdings are equity investments which are deemed to be Level 1. Due to less visibility on prices for the fixed income investments these two investments are reported as Level 2 and these represented 1.6% (2014: 1.6%) of the portfolio at the balance sheet date. There were no transfers between any levels during the year and no investments were held in Level 3.

18. Capital Management

The Company's total capital employed at 31 March 2015 was £195,971,000 (2014: £186,397,000) comprising borrowings of £14,938,000 (2014: £16,867,000) and equity share capital and other reserves of £181,033,000 (2014: £169,530,000).

The Company's total capital employed is managed to achieve the Company's investment objective as set out on page 11, including that borrowings may be used to provide gearing of the equity portfolio up to a maximum of £25 million or 25% of net asset value. Borrowings comprise of a bank overdraft. Details are given in note 11 and net gearing was 8.3% (2014: 9.9%) at the balance sheet date. The Company's policies and processes for managing capital were unchanged throughout the year and the preceding year.

The main risks to the Company's investments are shown in the Strategic Report under the 'Principal Risks and Uncertainties' section on pages 13 to 15. These also explain that the Company is able to gear and that gearing will amplify the effect on equity of changes in the value of the portfolio.

The Board can also manage the capital structure directly since it has taken the powers, which it is seeking to renew, to issue and buy back shares and it also determines dividend payments.

The Company is subject to externally imposed capital requirements with respect to the obligation and ability to pay dividends under the Corporation Tax Act 2010 and under the Companies Act 2006, respectively, and with respect to the availability of the overdraft facility, by the terms imposed by the custodian. The Board regularly monitors, and the Company has complied with, the externally imposed capital requirements. This is unchanged from the prior year.

19. Contingencies, Guarantees and Financial Commitments

Any liabilities the Company is committed to honour but which are dependent on a future circumstance or event occurring would be disclosed in this note if any existed.

There are no contingencies, guarantees or financial commitments of the Company at the year end.

20. Related Party Transactions and Transactions with the Manager

A related party is a company or individual who has direct or indirect control or who has significant influence over the Company. Under accounting standards, the Manager is not a related party.

Under UK GAAP, the Company has identified the Directors as related parties. The Directors' remuneration and interests have been disclosed on pages 31 to 33 with additional disclosure in note 4. No other related parties have been identified.

Until 22 July 2014, the Manager was Invesco Asset Management Limited at which date Invesco Fund Managers Limited was appointed. Details of this change and the Manager's services are disclosed in the Directors' Report on page 26, and the the Manager's fees are shown in note 3.

21. Post Balance Sheet Event

Any significant events that occurred after the balance sheet date but before the signing of the balance sheet will be shown here.

There were no significant post balance sheet events requiring disclosure.

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt as to what action to take, you should consult your stockbroker, solicitor, accountant or other appropriate independent professional adviser authorised under the Financial Services and Markets Act 2000. If you have sold or otherwise transferred all your shares in Invesco Income Growth Trust plc, please forward this document and the accompanying Form of Proxy to the person through whom the sale or transfer was effected, for transmission to the purchaser or transferee.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS GIVEN that the Annual General Meeting (AGM) of Invesco Income Growth Trust plc will be held at 6th Floor, 125 London Wall, London EC2Y 5AS, on 22 July 2015 at 11.30 am for the following purposes:

Ordinary Business

1. To receive the Annual Financial Report for the year ended 31 March 2015.
2. To approve the Annual Statement and Report on Remuneration.
3. To declare a final dividend as recommended.
4. To re-elect Hugh Twiss a Director of the Company.
5. To re-elect Chris Hills a Director of the Company.
6. To re-elect Roger Walsom a Director of the Company.
7. To appoint Ernst & Young LLP as the Company's auditor and to authorise the Audit Committee to determine the auditor's remuneration.

Biographies of Directors seeking re-election are shown on page 18 of the annual financial report.

Special Business

To consider and, if thought fit, to pass the following resolutions of which resolution 8 will be proposed as an ordinary resolution and resolutions 9, 10 and 11 will be proposed as special resolutions:

8. THAT:-

   the Directors be generally and unconditionally authorised in accordance with section 551 of the Companies Act 2006 as amended from time to time prior to the date of the passing of this resolution ('the Act') to exercise all powers of the Company to allot relevant securities (as defined in that section) up to an aggregate nominal amount (within the meaning of sections 551(3) and (6) of the Act) of £4,879,294, such authority to expire at the conclusion of the next AGM of the Company or the date fifteen months after the passing of this resolution, whichever is the earlier, but so that this authority shall allow the Company to make offers or agreements before the expiry of this authority which would or might require relevant securities to be allotted after such expiry as if the authority conferred by this resolution had not expired.

9. THAT:-

   the Directors be and they are hereby empowered, in accordance with sections 570 and 573 of the Companies Act 2006 as amended from time to time prior to the date of the passing of this resolution ('the Act') to allot equity securities for cash, either pursuant to the authority given by resolution 8 set out above or (if such allotment constitutes the sale of relevant shares which, immediately before the sale, were held by the Company as treasury shares) otherwise, as if section 561 of the Act did not apply to any such allotment, provided that this power shall be limited:

   (a) to the allotment of equity securities in connection with a rights issue in favour of all holders of a class of equity securities where the equity securities attributable respectively to the interests of all holders of securities of such class are either proportionate (as nearly as may be) to the respective numbers of relevant equity securities held by them or are otherwise allotted in accordance with the rights attaching to such equity securities (subject in either case to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or legal or practical problems under the laws of, or the requirements of, any regulatory body or any stock exchange in any territory or otherwise); and

   (b) to the allotment (otherwise than pursuant to a rights issue) of equity securities up to an aggregate nominal amount of £1,463,788

   and this power shall expire at the conclusion of the next AGM of the Company or the date fifteen months after the passing of this resolution, whichever is the earlier, but so that this power shall allow the Company to make offers or agreements before the expiry of this power which would or might require equity securities to be allotted after such expiry as if the power conferred by this resolution had not expired; and so that words and expressions defined in or for the purposes of Part 17 of the Act shall bear the same meanings in this resolution.

10. THAT:-

the Company be generally and subject as hereinafter appears unconditionally authorised 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 its issued ordinary shares of 25p each in the capital of the Company ('Shares')

PROVIDED ALWAYS THAT

(i) the maximum number of Shares hereby authorised to be purchased shall be 14.99% of the Company's issued ordinary shares on 22 July 2015, being the date of the AGM (equivalent to 8,776,874 shares at 15 June 2015);

(ii) the minimum price which may be paid for a Share shall be 25p;

(iii) the maximum price which may be paid for a Share shall be an amount equal to 105% of the average of the middle market quotations for a Share taken from and calculated by reference to the London Stock Exchange Daily Official List for five business days immediately preceding the day on which the Share is purchased;

(iv) any purchase of Shares will be made in the market for cash at prices below the prevailing net asset value per Share (as determined by the Directors);

(v) the authority hereby conferred shall expire at the conclusion of the next AGM of the Company or, if earlier, on the expiry of 15 months from the passing of this resolution unless the authority is renewed at any other general meeting prior to such time;

(vi) the Company may make a contract to purchase Shares under the authority hereby conferred prior to the expiry of such authority which will be executed wholly or partly after the expiration of such authority and may make a purchase of Shares pursuant to any such contract; and

(vii) any shares so purchased shall be cancelled or, if the Directors so determine and subject to the provisions of Sections 724 to 731 of the Act and any applicable regulations of the United Kingdom Listing Authority, be held (or otherwise dealt with in accordance with Section 727 or 729 of the Act) as Treasury Shares.

11. THAT:-

the period of notice required for general meetings of the Company (other than Annual General Meetings) shall be not less than 14 clear days' notice.

The resolutions are explained further in the Directors' Report on page 29.

Dated this 16th June 2015
By order of the Board
Invesco Asset Management Limited
Company Secretary

NOTICE OF ANNUAL GENERAL MEETING
continued

Notes:

1. A form of appointment of proxy accompanies this annual financial report.

   A shareholder entitled to attend and vote at the AGM is entitled to appoint one or more proxies to attend, speak and vote in his or her stead. Where more than one proxy is appointed, each proxy must be appointed to exercise the rights attached to a different share or shares. A proxy need not be a shareholder of the Company. In order to be valid an appointment of proxy must be returned by one of the following methods:

   - via Capita Asset Services' website www.capitashareportal.com; or
   - in hard copy form by post, by courier or by hand to the Company's Registrars, Capita Asset Services, PXS1, 34 Beckenham Road, Beckenham, Kent BR3 4ZF; or
   - in the case of CREST members, by utilising the CREST electronic proxy appointment service in accordance with the procedures set out below.

   and in each case to be received by the Company not less than 48 hours before the time of the AGM.

   The appointment of a proxy (whether by completion of a form of appointment of proxy, or other instrument appointing a proxy or any CREST proxy instruction) does not prevent a shareholder from attending and voting at the AGM.

2. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so by utilising the procedures described in the CREST Manual. 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 made by means of CREST to be valid, the appropriate CREST message (a 'CREST Proxy Instruction') must be properly authenticated in accordance with CRESTCo's specifications and must contain the information required for such instructions as described in the CREST Manual. The message, regardless of whether it relates to the appointment of a proxy or to 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 issuer's agent (ID RA10) by the latest time(s) for receipt of proxy appointments specified in this document. For this purpose, the time of receipt will be taken to be the time (as determined by the time stamp applied to the message by the CREST Applications Host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. 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. CREST members and, where applicable, their CREST sponsors or voting service provider(s) should note that CRESTCo 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 his or her 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 service providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings.

3. A person entered on the Register of Shareholders at close of business on 20 July 2015 is entitled to attend and vote at the AGM pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001. Any changes to the Register of Shareholders after such time and date shall be disregarded in determining the rights of any person to attend and/or vote at the AGM. If the AGM is adjourned, entitlement to attend and vote at the adjourned meeting, and the number of votes which may be cast thereat, will be determined by reference to the Company's Register of Shareholders 48 hours before the time fixed for the adjourned meeting.

4. The Register of Directors' Interests, the schedule of matters reserved for the Board, the terms of reference for the Board Committees, and the letters of appointment for Directors will be available for inspection for at least 15 minutes prior to and during the Company's AGM.

5. The Company's Articles of Association are available for inspection at the Registered Office of the Company and at the Company's correspondence address (see page 57) during normal business hours. They will also be available at the AGM for at least 15 minutes prior to and during the meeting.

6. Any person to whom this Notice is sent who is a person nominated under section 146 of the Companies Act 2006 to enjoy information rights (a "Nominated Person") may have a right, under an agreement between him/her and the shareholder by whom he/she was nominated, to be appointed (or to have someone else appointed) as a proxy for the meeting. If a Nominated Person has no such proxy appointment right or does not wish to exercise it, he/she may have a right, under such an agreement, to give instructions to the shareholder as to the exercise of voting rights.

   The statement of the above rights of the shareholders in relation to the appointment of proxies does not apply to Nominated Persons. Those rights can only be exercised by shareholders of the Company.

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

8. Any shareholder attending the AGM has the right to ask questions. The Company must cause to be answered any such question relating to the business being dealt with at the AGM but no such answer need be given if (a) to do so would interfere unduly with the preparation for the AGM 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 AGM that the question be answered.

9. You may not use any electronic address (any address or number used for the purposes of sending or receiving documents or information by electronic means) provided in this Notice (or in any related documents including the proxy form) to communicate with the Company for any purposes other than those expressly stated.

10. As at 15 June 2015 (being the last practicable day prior to the publication of this Notice) the Company's issued share capital consists of 58,551,530 ordinary shares of 25p each carrying one vote each. Therefore, the total voting rights in the Company as at that date are 58,551,530.

11. A copy of this notice (contained within the 2015 annual financial report) and other information required by section 311A of the Companies Act 2006, can be found at www.invescoperpetual.co.uk/incomegrowth.

12. Shareholders should note that it is possible that, pursuant to requests made by shareholders of the Company under section 527 of the Companies Act 2006 (the 'Act'), the Company may be required to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's annual financial report (including the Auditor's Report and the conduct of the audit) that are to be laid before the AGM for the financial year beginning on 1 April 2014; or (ii) any circumstance connected with the Auditor of the Company appointed for the financial year beginning on 1 April 2014 ceasing to hold office since the previous meeting at which annual financial reports were laid in accordance with section 437 of the Act (in each case) that the shareholders propose to raise at the relevant AGM. The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with sections 527 or 528 of the Act. Where the Company is required to place a statement on a website under section 527 of the Act, it must forward the statement to the Company's Auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the AGM includes any statement that the Company has been required under section 527 of the Act to publish on a website.

SHAREHOLDER INFORMATION

The Company's History

GT Income Growth Trust plc was launched in March 1996 as the successor investment trust to USDC Investment Trust plc. On 3 July 2000 shareholders approved the change of name to Invesco Income Growth Trust plc.

How to Invest in Invesco Income Growth Trust plc (The Company)

The Company's shares are quoted on the London Stock Exchange. There are a variety of ways by which investors can buy the shares. In addition to the Manager's in-house schemes listed below, shares may be purchased through discretionary wealth managers, banks, independent financial advisers and via a large number of execution-only trading platforms. The Manager's website contains a list of some of the larger dealing platforms as well as a link to unbiased.co.uk, for those seeking financial advice, and to the AIC's website for detailed information on investment trusts.

Savings Plan

The Company is a member of the Invesco Perpetual Investment Trust Savings Scheme and the Invesco Perpetual Investment Trust ISA. Shares in the Company can be purchased and sold via these two schemes.

Invesco Perpetual Investment Trust Savings Scheme

The Invesco Perpetual Investment Trust Savings Scheme allows an investor to make monthly purchases from as little as £20 per month or through lump sum investments of £500 or above in the shares of the Company in a straightforward and low cost way.

Invesco Perpetual Investment Trust ISA

The Invesco Perpetual Investment Trust ISA allows investments up to the current ISA limit. For the tax year 2015/16 this is £15,240. Investors can also choose to make lump sum investments from £500, or regular investments from as little as £20 per month.

For full details of these schemes please contact Invesco Perpetual's Investor Services team free on 0800 085 8677.

Share Price

The price of your ordinary shares can be found in the Financial Times, Daily Telegraph and The Times.

In addition, share price information can be found using the IVI ticker.

NAV Publication

The net asset value (NAV) of the Company is calculated by the Manager on a daily basis and is notified to the Stock Exchange on the next business day. It is published daily in the newspapers detailed under Share Price. It can also be found on the Company's section of the Manager's website, www.invescoperpetual.co.uk/incomegrowth

Manager's Website

Information relating to the Company can also be found on the Manager's website, www.invescoperpetual.co.uk/investmenttrusts

The content of websites referred to in this document or accessible from links within those websites are not incorporated into, nor do they form part of this annual financial report.

Financial Calendar

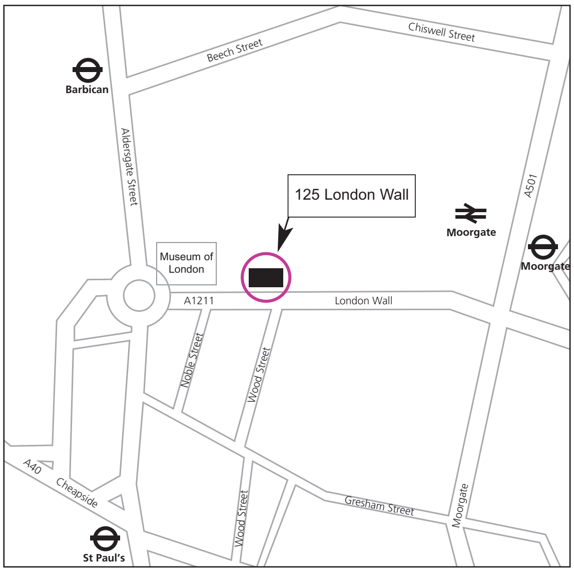
In addition, the Company publishes information according to the following calendar:

Announcements	
Half-yearly results	November
Annual results	June
Ordinary Share Dividends	
1st Interim payable	October
2nd Interim payable	December
3rd Interim payable	March
Final payable	July
AGM	July
Year End	31 March

Location of AGM

To be held at 11.30 am on 22 July 2015 at the offices of Invesco Perpetual on 6th Floor, 125 London Wall, London, EC2Y 5AS. The nearest tube stations are St Paul's and Moorgate.

The investment manager, Ciaran Mallon, will be making a presentation about the Company after the AGM. Tea and coffee will be provided.



ADVISERS AND PRINCIPAL SERVICE PROVIDERS

Registered Office

Perpetual Park,
Perpetual Park Drive
Henley-on-Thames
Oxfordshire
RG9 1HH

Company Number

Registered in England and Wales Number 3141073

Manager

Invesco Fund Managers Limited

Company Secretary

Invesco Asset Management Limited
Company Secretarial contact: Paul Griggs

Correspondence Address

6th Floor
125 London Wall
London EC2Y 5AS
☎ 020 3753 1000

Invesco Perpetual Investor Services

Invesco Perpetual has an Investor Services Team available to you from 8.30 am to 6.00 pm, Monday to Friday (excluding Bank Holidays). Current valuations, statements and literature can be obtained, however, no investment advice can be given.
☎ 0800 085 8677
www.invescoperpetual.co.uk/investmenttrusts

Savings Scheme and ISA Administration

For queries relating to both the Invesco Perpetual Investment Trust Savings Scheme and ISA, please contact:

Invesco Perpetual
P.O. Box 11150
Chelmsford CM99 2DL
☎ 0800 085 8677

Auditor

For the purpose of this annual financial report:

Grant Thornton UK LLP
30 Finsbury Square
London EC2P 2YU

Proposed for year ending 31 March 2016:

Ernst & Young LLP
1 More London Place
London SE1 2AF

Depositary

BNY Mellon Trust & Depositary (UK) Limited
BNY Mellon Centre
One Canada Square
London E14 5AL

Banker and Custodian

The Bank of New York Mellon (London Branch)
160 Queen Victoria Street
London EC4V 4LA

Corporate Broker

Westhouse Securities
Heron Tower
110 Bishopsgate
London EC2N 4AY

Registrars

Capita Asset Services
The Registry
34 Beckenham Road
Beckenham
Kent BR3 4TU

If you hold shares directly and not through a Savings Plan or ISA and have queries relating to your shareholding, you should contact the registrars.
☎ 0871 664 0300.
Calls cost 10p per minute plus network charges.
From outside the UK: +44 20 8639 3399.
Lines are open from 9.00 am to 5.30 pm, Monday to Friday (excluding bank holidays).

Shareholders can also access their holding details via Capita's websites: www.capitashareportal.com or www.capitaregistrars.com

The registrars provide an on-line and telephone share dealing service to existing shareholders who are not seeking advice on buying or selling. This service is available at www.capitadeal.com or
☎ 0871 664 0454
Calls cost 10p per minute plus network charges.
From outside the UK: +44 20 3367 2699.
Lines are open from 8 am to 4.30 pm, Monday to Friday (excluding bank holidays).

The Association of Investment Companies

The Company is a member of the Association of Investment Companies.

Contact details are as follows:
☎ 020 7282 5555
Email: enquiries@theaic.co.uk
Website: www.theaic.co.uk

GLOSSARY OF TERMS

Benchmark

A market index, which averages the performance of companies in any sector, giving a good indication of any rises or falls in the market. The benchmark used in these accounts is the FTSE All-Share Index.

Discount

The amount by which the mid-market price per share of an investment trust is lower than the net asset value per share. The discount is normally expressed as a percentage of the net asset value per share.

Gearing

The gearing percentage reflects the amount of borrowings that a company has invested. This figure indicates the extra amount by which shareholders' funds would move if a company's investments were to rise or fall. A positive percentage indicates the extent to which shareholders' funds are geared; a nil gearing percentage, or 'nil', shows the company is ungeared. A negative percentage indicates that a company is not fully invested.

There are several methods of calculating gearing and the following have been used in this report:

Gross Gearing
This reflects the amount of gross borrowings by a company and takes no account of any cash balances. It is based on gross borrowings as a percentage of shareholders' funds.

Net Gearing
This reflects the amount of net borrowings invested, ie borrowings less cash and cash equivalents. It is based on net borrowings as a percentage of shareholders' funds.

Leverage

Leverage, for the purposes of the Alternative Investment Fund Managers Directive (AIFMD), is not synonymous with gearing as defined above. In addition to borrowings, it encompasses anything that increases the Company's exposure, including foreign currency and exposure gained through derivatives. Leverage expresses the Company's exposure as a ratio of the Company's net asset value. Accordingly, if a Company's exposure was equal to its net assets it would have leverage of 100%. Two methods of calculating such exposure are set out in the AIFMD, gross and commitment. Under the gross method, exposure represents the aggregate of all the Company's exposures other than cash balances held in base currency and without any offsetting. The commitment method takes into account hedging and other netting arrangements designed to limit risk, offsetting them against the underlying exposure.

Market Capitalisation

For a company is calculated by multiplying the stockmarket price of an ordinary share by the number of ordinary shares in issue.

Net Asset Value (NAV)

Basic
Also described as shareholders' funds, the NAV is the value of total assets less all liabilities. The NAV per share is calculated by dividing the NAV by the number of ordinary shares in issue.

Diluted
Prior to the conversion of the Convertible Unsecured Loan Stock (CULS) a diluted NAV was calculated by dividing the NAV, after adding back the CULS liability, by the number of shares that would be in issue if all the CULS were converted to ordinary shares. When there would be no dilutive effect the basic NAV is reported.

Ongoing Charges Ratio

This is calculated in accordance with guidance issued by the AIC as follows: the annualised ongoing charges, including those charged to capital but excluding interest, incurred by the Company, expressed as a percentage of the average undiluted net asset value (at market value) reported in the period.

Shareholders' Funds

Also called equity shareholders' funds. The amount attributable to the ordinary shareholders. Equivalent to net assets.

Total Return

The combined effect of any dividends paid, together with the rise or fall in the share price or NAV. Performance comparisons can then be made between trusts with different dividend policies. Any dividends (after tax) received by a shareholder are assumed to have been reinvested in either additional shares (ie share price total return) or in the Company's assets (ie NAV total return).

ALTERNATIVE INVESTMENT FUND MANAGERS DIRECTIVE DISCLOSURE

Alternative Investment Fund Manager (AIFM) and the Alternative Investment Fund Managers Directive (the AIFMD, the Directive)

Invesco Fund Managers Limited (IFML) was authorised as an AIFM, and appointed by the Company as such, with effect from 22 July 2014. IFML is an associated company of Invesco Asset Management Limited (IAML), the previous Manager, and IAML continues to manage the Company's investments under delegated authority from IFML. The Company is an Alternative Investment Fund (AIF) under the Directive.

Amongst other things, the AIFMD requires certain information to be provided to prospective investors. This information can be found in the Company's section of the Manager's website (www.invescoperpetual.co.uk/incomegrowth) in a downloadable document entitled 'AIFMD Investor Information'. There has been only one material change to this information since its publication in July 2014, being the changed management fee arrangements outlined in the Chairman's Statement and on page 7. Any information requiring immediate disclosure pursuant to the Directive will be disclosed through a primary information provider.

In addition, the Directive requires information in relation to the remuneration of the Company's AIFM, IFML, and the Company's leverage (both 'gross' and 'commitment' – see Glossary on page 58) to be made available to investors.

Accordingly:

- the AIFM remuneration policy is available from the Company's company secretary, on request (see contact details on page 57) and the numerical remuneration disclosures in respect of the AIFM's first relevant reporting period (year ended 31 December 2015) will be made available in due course; and
- the leverage calculated for the Company at the year end was 108.1% for gross and 108.1% for commitment. The limits the AIFM has set for the Company are 250% and 200%, respectively.

The Manager of Invesco Income Growth Trust plc is Invesco Fund Managers Limited.

Invesco Fund Managers Limited is a wholly owned subsidiary of Invesco Limited and is authorised and regulated by the Financial Conduct Authority.

Invesco Perpetual is a business name of Invesco Fund Managers Limited.

Invesco is one of the largest independent global investment management firms, with assets under management in excess of $812 billion.*

We aim to provide the highest returns available from markets, through active management, but in a controlled manner, conscious of the risks involved and within our clients' objectives.

**Assets under management as at 31 May 2015*

SPECIALIST FUNDS MANAGED BY INVESCO PERPETUAL

Investing for Income, Income Growth and Capital Growth (from equities, fixed interest securities or property)

City Merchants High Yield Trust Limited
A Jersey incorporated closed-ended Company that aims to generate a high level of income from a variety of fixed income instruments combined with a degree of security. The Company may use bank borrowings.

Invesco Income Growth Trust plc
Aims to produce income and capital growth superior to that of the UK stock market and dividends paid quarterly that, over time, grow at above the rate of inflation. The Company may use bank borrowings.

Invesco Perpetual Enhanced Income Limited
A Jersey-incorporated closed-ended Company that aims to provide a high level of income, paid gross to UK investors, whilst seeking to maximise total return through investing, primarily in a diversified portfolio of high-yielding corporate and government bonds. The Company seeks to balance the attraction of high-yield securities with the need for protection of capital and to manage volatility. The Company uses repo financing to enhance returns.

Invesco Perpetual Select Trust plc – Managed Liquidity Portfolio
Aims to generate income from a variety of fixed income instruments combined with a high degree of security. Income will reduce during periods of very low interest rates.

Invesco Perpetual Select Trust plc – UK Equity Portfolio
Aims to generate long-term capital and income growth with real growth in dividends from investment, primarily in the UK equity market. The portfolio may use bank borrowings.

Keystone Investment Trust plc
Aims to provide shareholders with long-term growth of capital mainly from UK investments. The Company has debenture stock in issue.

Perpetual Income and Growth Investment Trust plc
Aims to generate capital growth and real growth in dividends over the medium to longer term from a portfolio of securities listed mainly in the UK equity and fixed interest markets. The Company has debenture stock in issue and may use bank borrowings.

The Edinburgh Investment Trust plc
Invests primarily in UK securities with the long-term objective of achieving:

1. an increase of the Net Asset Value per share by more than the growth in the FTSE All Share Index; and
2. growth in dividends per share by more than the rate of UK inflation.

The Company has debenture stock in issue and may use bank borrowings.

Investing in Smaller Companies

Invesco Perpetual UK Smaller Companies Investment Trust plc
Aims to achieve long-term total returns for the Company's shareholders primarily by investment in a broad cross-section of small to medium size UK-quoted companies. The Company may use bank borrowings.

Investing Internationally

Invesco Asia Trust plc
Aims to provide long-term capital growth by investing in a diversified portfolio of Asian and Australasian securities. The Company aims to achieve growth in its net asset value in excess of the MSCI AC Asia ex Japan Index, measured in sterling. The Company may use bank borrowings.

Invesco Perpetual Select Trust plc – Global Equity Income Portfolio
Aims to provide an attractive and growing level of income return and capital appreciation over the long term, predominantly through investment in a diversified portfolio of equities worldwide. The portfolio may use bank borrowings.

Investing for Total Returns

Invesco Perpetual Select Trust plc – Balanced Risk Portfolio
Aims to provide shareholders with an attractive total return in differing economic and inflationary environments and with low correlation to equity and bond market indices by gaining exposure to three asset classes: debt securities, equities and commodities.

The portfolio is constructed so as to balance risk, is long-only, using transparently-priced exchange-traded futures contracts and other derivative instruments to gain such exposure and to provide leverage.

Investing in Multiple Asset Classes

Invesco Perpetual Select Trust plc
- UK Equity Portfolio
- Global Equity Income Portfolio
- Managed Liquidity Portfolio
- Balanced Risk Portfolio

A choice of four investment policies and objectives, each intended to generate attractive risk-adjusted returns from segregated portfolios, with the ability to switch between them, four times a year, free from capital gains tax liability. Dividends paid quarterly, apart from Balanced Risk which will not normally pay dividends.

Please contact our Investor Services Team on 0800 085 8677 if you would like more information about the investment trusts or other specialist funds listed above. Further details are also available on the following website: www.invescoperpetual.co.uk/investmenttrusts.

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