

# CIRCULAR

## THE BRUNNER INVESTMENT TRUST PLC

*(Incorporated in England and Wales with registered number 00226323)*

**Directors:**

*(all non-executive)*

Carolan Dobson

Ian Barlow

Vivian Bazalgette

Peter Maynard

James Sharp

**Registered Office**

199 Bishopsgate

London EC2M 3TY

20 December 2018

**Information about the resignation of Deloitte LLP ("Deloitte") and appointment of PricewaterhouseCoopers LLP ("PwC") as the auditor of The Brunner Investment Trust PLC (the "Company") for the financial year ended 30 November 2018**

Dear Shareholders

On 13 December 2018, at the request of the Board, Deloitte resigned as auditor of the Company for the financial year ended 30 November 2018 and PwC was appointed to fill this vacancy. This Circular, which is being sent for your information only, explains the reasons for these changes.

Deloitte was first appointed by the Company in August 2006 for the financial year ended 30 November 2006. In preparation for changes to the Companies Act 2006 (the "**Companies Act**") on auditor rotation enacted from June 2016, Deloitte notified the Board that they could continue to serve as auditor until 2025, representing the maximum engagement period permitted of twenty years. On this basis, the Board had recommended Deloitte's reappointment for the financial years ended 2017 and 2018.

However, it was brought to the attention of the Board for the first time on 20 November 2018 that Deloitte's ability to serve the full twenty years was conditional on a qualifying selection procedure being conducted after ten years of service. Since no such procedure had been carried out, Deloitte under the Companies Act should not have accepted reappointment for the financial years ended 2017 and 2018.

The statement of reasons for the resignation submitted by Deloitte is enclosed with this letter for your information and in compliance with the requirements of the Companies Act.

The Company has notified the relevant authorities of these facts in compliance with its obligations under the Companies Act. The Board believes that in all other respects the audit for the year ended 30 November 2017 was carried out in compliance with the law and relevant regulation, and is satisfied with the quality and effectiveness of the audit.

The Board has moved swiftly to conduct a formal tender process with three leading firms of auditors. Using its powers under the Companies Act to fill the casual vacancy created by the resignation of Deloitte, it has appointed PwC as auditor for the financial year ended 30 November 2018. The Board considers that the replacement of the auditor will not affect its ability to complete the audit and produce the annual reports within the statutorily prescribed timeframe.

If you have sold or otherwise transferred all of your shares in the Company, please send this Circular at once to the purchaser or transferee or to the stockbroker, banker or other agent through whom the sale or transfer was effected, for onward transmission to the purchaser or transferee.

Yours faithfully

**Carolan Dobson**

Chairman

**Deloitte LLP**

**Statement of reasons relating to the resignation of Deloitte LLP as auditors to The Brunner Investment Trust PLC – registration number 00226323**

- We have been engaged as statutory auditors of The Brunner Investment Trust plc ("Brunner") since August 2006. In the period since our appointment, there has been no qualifying selection procedure ("QSP"). As a result, the statutorily prescribed maximum period for which we could act as an auditor of Brunner concluded on 30 November 2016 after which, we were legally restricted from accepting further re-appointments. Accordingly, Deloitte is today resigning as Brunner's statutory auditors with immediate effect.

**Deloitte LLP – Audit registration C009201919**

**13 December 2018**