

VT DOWNING INVESTOR FUNDS ICVC

(Sub-funds VT Downing Global Investors Fund, VT Downing Unique Opportunities Fund, VT Downing European Unconstrained Income Fund and VT Downing Listed Infrastructure Income Fund)

**Annual Report and Financial Statements
For the year ended 30 June 2023**

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COMPANY OVERVIEW

Type of Company

VT Downing Investor Funds ICVC (the Company) is an investment company with variable capital incorporated in England and Wales under the OEIC Regulations with registered number IC024590 and authorised by the Financial Conduct Authority (PRN: 921279) pursuant to an authorisation order dated 17 February 2020. The Company has an unlimited duration.

The Company is a UCITS scheme and is an umbrella company (as defined in the OEIC Regulations). Each Sub-fund would be a UCITS scheme if it had a separate authorisation order.

Shareholders are not liable for the debts of the Company.

STATEMENT OF THE AUTHORISED FUND MANAGER'S (AFM's) RESPONSIBILITIES

The rules of the Financial Conduct Authority's Collective Investment Schemes Sourcebook require the Authorised Fund Manager to prepare financial statements for each accounting year which give a true and fair view of the financial position of the Company at the end of the financial year and its net revenue and net capital gains/(losses) for the year. In preparing these financial statements the Authorised Fund Manager is required to:

- > comply with the Prospectus, the Statement of Recommended Practice for Authorised Funds issued by the Investment Association in May 2014, the Instrument of Incorporation, generally accepted accounting principles and applicable accounting standards, subject to any material departures which are required to be disclosed and explained in the financial statements.
- > select suitable accounting policies and then apply them consistently.
- > make judgements and estimates that are reasonable and prudent.
- > prepare the financial statements on a going concern basis unless it is inappropriate to presume that the Company will continue in operation for the foreseeable future.

The Authorised Fund Manager is required to keep proper accounting records and to manage the Company in accordance with the COLL regulations, the Instrument of Incorporation, and the Prospectus. The Authorised Fund Manager is responsible for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DIRECTOR'S STATEMENT

In accordance with the requirements of the Financial Conduct Authority's Collective Investment Scheme's Sourcebook, we hereby certify the annual report.

David Fraser FCCA

David E. Smith CA

Valu-Trac Investment Management Limited
Authorised Fund Manager

Date

STATEMENT OF THE DEPOSITARY'S RESPONSIBILITIES AND REPORT OF THE DEPOSITARY TO THE SHAREHOLDERS OF VT DOWNING INVESTOR FUNDS ICVC

For the year ended 30 June 2023

The Depositary must ensure that the Company is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Open-Ended Investment Companies Regulations 2001 (SI 2001/1228) (the OEIC Regulations), as amended, the Financial Services and Markets Act 2000, as amended, (together "the Regulations"), the Company's Instrument of Incorporation and Prospectus (together "the Scheme documents") as detailed below.

The Depositary must in the context of its role act honestly, fairly, professionally, independently and in the interests of the Company and its investors.

The Depositary is responsible for the safekeeping of all custodial assets and maintaining a record of all other assets of the Company in accordance with the Regulations.

The Depositary must ensure that:

- > the Company's cash flows are properly monitored and that cash of the Company is booked into the cash accounts in accordance with the Regulations;
- > the sale, issue, redemption and cancellation of shares are carried out in accordance with the Regulations;
- > the value of shares in the Company is calculated in accordance with the Regulations;
- > any consideration relating to transactions in the Company's assets is remitted to the Company within the usual time limits;
- > the Company's income is applied in accordance with the Regulations; and
- > the instructions of the Authorised Fund Manager ("the AFM") are carried out (unless they conflict with the Regulations).

The Depositary also has a duty to take reasonable care to ensure that the Company is managed in accordance with the Regulations and the Scheme documents in relation to the investment and borrowing powers applicable to the Company.

Having carried out such procedures as we consider necessary to discharge our responsibilities as Depositary of the Company, it is our opinion, based on the information available to us and the explanations provided, that in all material respects the Company, acting through the AFM:

- i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Company's shares and the application of the Company's income in accordance with the Regulations and the Scheme documents of the Company, and
- ii) has observed the Investment and borrowing powers and restrictions applicable to the Company.

NatWest Trustee and Depositary Services Limited
01 July 2023

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF VT DOWNING INVESTOR FUNDS ICVC (SUB-FUNDS VT DOWNING GLOBAL INVESTORS FUND, VT DOWNING UNIQUE OPPORTUNITIES FUND, VT DOWNING EUROPEAN UNCONSTRAINED INCOME FUND AND VT DOWNING LISTED INFRASTRUCTURE INCOME FUND)

Opinion

We have audited the financial statements of VT Downing Investor Funds ICVC ("the Company") for the year ended 30 June 2023 which comprise the Statements of Total Return, Statements of Changes in Net Assets Attributable to Shareholders, Balance Sheets, the related Notes to the Financial Statements, including significant accounting policies and the Distribution Tables. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Generally Accepted Accounting Practice including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

- > give a true and fair view of the financial position of the Company at 30 June 2023 and of the net revenue and the net capital gains/(losses) on the scheme property of the Company for the year then ended; and
- > have been properly prepared in accordance with the IA Statement of Recommended Practice for Authorised Funds, the rules of the Collective Investment Schemes Sourcebook of the Financial Conduct Authority and the Instrument of Incorporation.

Basis for Opinion

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

Conclusions Relating to Going Concern

In auditing the financial statements, we have concluded that the Authorised Fund Manager's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

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

Other Information

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

We have nothing to report in this regard.

Opinion on Other Matters Prescribed by the COLL Regulations

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

- > Proper accounting records for the Company have been kept and the accounts are in agreement with those records;
- > We have received all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit; and
- > The information given in the report of the Authorised Fund Manager for the year is consistent with the financial statements.

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF VT DOWNING INVESTOR FUNDS ICVC (SUB-FUNDS VT DOWNING GLOBAL INVESTORS FUND, VT DOWNING UNIQUE OPPORTUNITIES FUND, VT DOWNING EUROPEAN UNCONSTRAINED INCOME FUND AND VT DOWNING LISTED INFRASTRUCTURE INCOME FUND)
(Continued)**

Responsibilities of the Authorised Fund Manager

As explained more fully in the Authorised Fund Manager's Responsibilities Statement set out on page 2, the Authorised Fund Manager is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view and for such internal control as the Authorised Fund Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Authorised Fund Manager is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Authorised Fund Manager either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

Extent to which the audit is considered capable of detecting irregularities, including fraud

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

We assessed whether the engagement team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations by considering their experience, past performance and support available.

All engagement team members were briefed on relevant identified laws and regulations and potential fraud risks at the planning stage of the audit. Engagement team members were reminded to remain alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The most relevant frameworks we identified include:

- > UK Generally Accepted Accounting Practice including Financial Reporting Standard 102 and the IA Statement of Recommended Practice for Authorised Funds
- > the Financial Conduct Authority's Collective Investment Schemes Sourcebook
- > the Company's Prospectus

We gained an understanding of how the Company is complying with these laws and regulations by making enquiries of the Authorised Fund Manager. We corroborated these enquiries through our review of any relevant correspondence with regulatory bodies and the Company's breaches register.

We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur, by meeting with management to understand where it was considered there was susceptibility to fraud. This evaluation also considered how the Authorised Fund Manager was remunerated and whether this provided an incentive for fraudulent activity. We considered the overall control environment and how the Authorised Fund Manager oversees the implementation and operation of controls. In areas of the financial statements where the risks were considered to be higher, we performed procedures to address each identified risk.

- > management override of controls;
- > the completeness and classification of special dividends between revenue and capital; and
- > the valuation of material level 3 investments;

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF VT DOWNING INVESTOR FUNDS ICVC (SUB-FUNDS VT DOWNING GLOBAL INVESTORS FUND, VT DOWNING UNIQUE OPPORTUNITIES FUND, VT DOWNING EUROPEAN UNCONSTRAINED INCOME FUND AND VT DOWNING LISTED INFRASTRUCTURE INCOME FUND)
(Continued)**

Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

Extent to which the audit is considered capable of detecting irregularities, including fraud (Continued)

In addition to the above, the following procedures were performed to provide reasonable assurance that the financial statements were free of material fraud or error:

- > Performing audit work procedures over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business, review of a pre sign-off Net Asset Valuation (NAV) statement for any unexpected activity and reviewing judgements made by the Authorised Fund Manager in its calculation of accounting estimates for potential management bias;
- > Using a third-party independent data source to assess the completeness of the special dividend population and determining whether special dividends recognised were revenue or capital in nature with reference to the underlying circumstances of the investee companies' dividend payments;
- > Testing how management made the estimate of material level 3 investments, evaluating the methodology adopted and assessing the suitability of data and significant assumptions by reference to supporting evidence;
- > Assessing the Company's compliance with the key requirements of the Collective Investment Schemes Sourcebook and its Prospectus;
- > Completion of appropriate checklists and use of our experience to assess the Company's compliance with the IA Statement of Recommended Practice for Authorised Funds; and
- > Agreement of the financial statement disclosures to supporting documentation.

Our audit procedures were designed to respond to the risk of material misstatements in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve intentional concealment, forgery, collusion, omission or misrepresentation. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

Use of Our Report

This report is made solely to the Company's shareholders, as a body, in accordance with Rule 4.5.12 of the Collective Investment Schemes sourcebook ("the COLL Rules") issued by the Financial Conduct Authority under the Open-Ended Investment Companies Regulations 2001. Our audit work has been undertaken so that we might state to the Company's shareholders 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 shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Johnston Carmichael LLP
Chartered Accountants
Statutory Auditor
Elgin

Date

ACCOUNTING POLICIES

For the year ended 30 June 2023

The principal accounting policies, which have been applied in both the current and prior year, are set out below:

1 Accounting policies

- (a) The financial statements have been prepared in accordance with FRS 102, the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Association (IA) in May 2014 and the amendments to the SORP issued by the IA in June 2017. The functional currency is Sterling.
- (b) There are no material events that have been identified that may cast significant doubt about the Company's ability to continue as a going concern for at least the next twelve months from the date these financial statements are authorised for issue. The AFM believes that the Company has adequate resources to continue in operational existence for the foreseeable future and they continue to adopt the going concern basis in preparing the financial statements.
- (c) All expenses, other than those relating to the purchase and sale of investments, are charged to revenue on an accruals basis. All expenses are then reallocated to capital, net of any tax effect for distribution purposes.
- (d) Distributions on equities and trusts are recognised when the security is quoted ex-dividend. Interest on deposits is accounted for on an accruals basis. Rebates from the investment manager are accrued on an accruals basis as revenue. Rebates from the investment manager are then reallocated to capital for distribution purposes.
- (e) The ordinary element of stocks received in lieu of cash dividends is recognised as revenue of the Sub-fund, and where applicable is included in the distribution. In the case of an enhanced stock dividend the value of the enhancement is treated as capital.
- (f) Special dividends are treated as either revenue or a repayment of capital depending on the facts of each particular case. Where the receipt of a special dividend results in a significant reduction in the capital value or where the distribution arises from an underlying capital event such as a merger or disposal these would typically be deemed as capital so as to ensure that the matching principle is applied to gains and losses. Otherwise, the special dividend would typically be recognised as revenue. Where special dividends are treated as revenue, they are included in the amount available for distribution. The tax accounting treatment follows the principal amount.
- (g) Investments are stated at their fair value at the balance sheet date. In determining fair value, the valuation point is 12noon on 30 June 2023 with reference to quoted bid prices from reliable external sources. Unlisted or suspended investments are valued by the ACD taking into account where appropriate, latest dealing prices, valuations from reliable sources, financial performance and other relevant factors.
- (h) All transactions in foreign currencies are converted into Sterling at the rate of exchange ruling at the dates of such transactions. Foreign currency assets and liabilities at the end of the accounting period are translated at the exchange rates at the closing valuation point on 30 June 2023.
- (i) Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay less or receive more tax.

Deferred tax assets are recognised only to the extent that the AFM considers that it is more likely than not there will be taxable profits from which underlying timing differences can be deducted.
- (j) In certain circumstances the AFM may charge a dilution levy on the sale or repurchase of shares. The levy, which is paid into the Sub-fund, is intended to cover certain charges not included in the bid market value of the Sub-fund, used in calculating the share price, which could have a diluting effect on the performance of the Sub-fund.

ACCOUNTING POLICIES (Continued)

- (k) The Sub-funds currently issue Accumulation & Income shares. VT Downing Global Investors Fund and VT Downing Unique Opportunities Fund go ex dividend semi-annually while VT Downing European Unconstrained Income Fund and VT Downing Listed Infrastructure Income Fund go ex dividend quarterly. All Sub-funds pay any income available to the shareholder two months in arrears, as a dividend distribution. Any revenue deficit at the year end is funded from capital.

If a distribution remains unclaimed for a period of six years after it has become due, it will be forfeited and will revert to the relevant Sub-fund (or if it no longer exists the AFM). Application to claim distributions that have not been paid should be made to the AFM before this six year period has elapsed.

For the treatment of expenses revert to policy 'c' and special dividends revert to policy 'f'.

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It represents the accrued revenue included in the purchase price of the shares. It is returned with the distribution as a capital repayment. It is not liable to income tax but must be deducted from the cost of the shares for capital gains tax purposes.

SUB-FUND OVERVIEW

Name of Sub-fund	VT Downing Global Investors Fund
Size of Sub-fund	£35,135,942
Launch date	24 March 2020
Investment objective and policy	<p>The investment objective of the Sub-fund is to achieve capital growth and income over the long term (5 + years).</p> <p>The Sub-fund will seek to achieve its objective by investing at least 70% in equities across global markets (with up to 20% invested in higher risk emerging markets).</p> <p>The Sub-fund may also invest in government securities, fixed income, collective investment schemes (which may include those managed and/or operated by the AFM and which will provide exposure to various asset classes including equities and fixed income), money market instruments, deposits, cash and near cash.</p> <p>The Sub-fund will be actively managed.</p> <p>Save as noted above, the Sub-fund will not have any particular geographic, industry or economic sector focus and as such weightings in these may vary as required.</p>
Derivatives	<p>The Sub-fund may hold derivatives for Efficient Portfolio Management (EPM) purposes (including hedging). It is not intended that the use of derivatives for EPM purposes will increase the risk profile of the Sub-fund.</p>
Benchmark	<p>The Sub-fund is not managed to or constrained by a benchmark, and nor does the AFM use a benchmark in order to assess performance.</p> <p>However, many funds sold in the UK are grouped into sectors by the Investment Association (the "IA") (the trade body that represents UK investment managers), to help investors to compare funds with broadly similar characteristics.</p> <p>In order to assess the Sub-fund's performance, investors may find it useful to compare the Sub-fund against the performance of the IA Global Sector, which serves as a method of comparing the Sub-fund's performance with other funds which have broadly similar characteristics.</p>
Annual accounting date	30 June
Interim accounting date	31 December
Annual income allocation date	By 31 August
Interim income allocation dates	By last day of February
Share classes:	<p>Class A (Accumulation) Class A (Income)</p> <p>Class F (Accumulation)¹ Class F (Income)¹</p>

¹ Class F shares are only available to those who invest at launch of the Sub-fund (or otherwise at the AFM's discretion)

SUB-FUND OVERVIEW (Continued)

Minimum investment*

Lump sum subscription:	Class A: £1,000 Class F: £1,000,000
Top-up:	Class A: £100 Class F: £1,000
Holding:	Class A: £1,000 Class F: £1,000,000
Regular saving:	£100 per month
Redemption/switching:	N/A (provided minimum holding is maintained)
Initial, redemption and switching charges*:	Nil

*The AFM may waive the minimum levels (and initial charge and redemption charge) at its discretion.

Annual management charges

The annual management charges are	£30,000 [^] per annum plus Class A – 0.75% per annum Class F – 0.60% per annum
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The above percentages being percentages of the net asset value of the Sub-fund attributable to the relevant class (plus VAT if applicable).

[^]The fixed element of the fee shall rise annually in line with the rate of inflation (calculated in accordance with the Consumer Prices Index) on 1 January each year (from 1 January 2021)). In the event of negative inflation, this fee will remain unchanged.

INVESTMENT MANAGER'S REVIEW

The 12-month period ending June 2023 was positive for the Fund and for markets generally, although the Fund lagged its benchmark. The Fund's 12-month return over the period of 2.88% (Class F (Accumulation)) compares to a benchmark return (IA Global) of 10.79%.

Although the specific 12-month period was positive, it needs to be seen in the context of considerable volatility in the face of a change in the interest rate cycle. Seen through the lens of two charts, equity markets and this Fund have struggled as global interest rates (for which we use the 30-year US treasury rate as a proxy) drifted inexorably upwards. This process will likely continue until markets can, with more confidence, anticipate the direction and peak of the current interest rate cycle. Ironically, it is the enduring strength of the major global economies, and the USA in particular, that is driving up rates. Increases in supply are not matching rising levels of demand, forcing central banks to temper absolute levels of demand.

Over the period, broadly strong results and guidance across many of the businesses that we (and the wider market) engage with, coupled with flat markets, have coincided to cause a significant derating in stock market valuations (the multiple of profits represented by the share price). In terms of activity and areas engaged with, we have reduced exposure to consumer staples and fast-moving consumer goods sectors as they have declined. We have sought to raise exposure to energy electrification, infrastructure build, food, and healthcare, the latter as discretionary procedures have picked up following the Covid era of deferment. We are now actively seeking higher levels of dividend yield, where it is available, to compete with interest rates, (and it is very available as markets have derated), and find ourselves paying levels of multiple and gaining levels of yield last seen about ten years ago.

The Fund is well-placed once thematic trends re-establish themselves, and we are invested in dynamic industries and services predominantly across four geographies: USA, Europe, Japan, and India. Whilst markets remain so cowed by the interest rate cycle, recurring traction is difficult to find. Most of our exposures have good periods and bad periods, but not enduringly so for now. Nevertheless, we seek to continually drive up the quality and scale of our exposures and feel well-placed for any favourable turn in sentiment.

Downing LLP
Investment Manager to the Fund
25 September 2023

PERFORMANCE RECORD

Class F (Accumulation)	Year ended 30 June	Year ended 30 June	Period from 24
	2023	2022	March 2020 to 30 June 2021 [^]
Changes in net assets per share	GBP	GBP	GBP
Opening net asset value per share	142.7194	160.5036	100.0000
Return before operating charges	5.3142	(16.6016)	61.8550
Operating charges (note 1)	(1.2016)	(1.1826)	(1.3514)
Return after operating charges *	4.1126	(17.7842)	60.5036
Closing net asset value per share	146.8320	142.7194	160.5036
Retained distributions on accumulated shares	3.6145	3.1276	1.7833
*after direct transactions costs of:	0.8976	0.7581	0.6513
Performance			
Return after charges	2.88%	(11.08%)	60.50%
Other information			
Closing net asset value	£34,053,902	£31,379,059	£35,635,421
Closing number of shares	23,192,429	21,986,538	22,202,260
Operating charges (note 2)	0.83%	0.78%	0.83%
Direct transaction costs	0.62%	0.50%	0.50%
Prices			
Highest share price	157.4504	182.2584	167.5754
Lowest share price	139.8672	141.6382	98.9500

[^]Share class launched 24 March 2020

Class F (Income)	Year ended 30 June	Year ended 30 June	Period from 22 May
	2023	2022	2020 to 30 June 2021 [^]
Changes in net assets per share	GBP	GBP	GBP
Opening net asset value per share	122.7998	141.0638	100.0000
Return before operating charges	4.5757	(14.4944)	43.5180
Operating charges (note 1)	(1.0212)	(1.0291)	(1.0838)
Return after operating charges *	3.5545	(15.5235)	42.4342
Distribution on income shares	(3.0916)	(2.7405)	(1.3704)
Closing net asset value per share	123.2627	122.7998	141.0638
*after direct transactions costs of:	0.7628	0.6597	0.6027
Performance			
Return after charges	2.89%	(11.00%)	42.43%
Other information			
Closing net asset value	£1,063,275	£1,100,257	£5,303,057
Closing number of shares	862,609	895,976	3,759,333
Operating charges (note 2)	0.83%	0.78%	0.83%
Direct transaction costs	0.62%	0.50%	0.50%
Prices			
Highest share price	135.4838	160.1871	148.1040
Lowest share price	118.8253	122.7998	99.2999

[^]Share class launched 22 May 2020

PERFORMANCE RECORD (Continued)

Class A (Accumulation)	Year ended 30 June 2023	Year ended 30 June 2022	Period from 05 March 2021 to 30 June 2021[^]
	GBP	GBP	GBP
Changes in net assets per share			
Opening net asset value per share	96.4261	108.6036	100.0000
Return before operating charges	3.5842	(11.2241)	9.8813
Operating charges (note 1)	(0.9578)	(0.9534)	(1.2777)
Return after operating charges *	2.6264	(12.1775)	8.6036
Closing net asset value per share	99.0525	96.4261	108.6036
Retained distributions on accumulated shares	2.4396	2.1140	0.5432
*after direct transactions costs of:	0.6060	0.5126	0.5242
Performance			
Return after charges	2.72%	(11.21%)	8.60%
Other information			
Closing net asset value	£63,366	£59,534	£97,150
Closing number of shares	63,972	61,740	89,454
Operating charges (note 2)	0.98%	0.93%	0.98%
Direct transaction costs	0.62%	0.50%	0.50%
Prices			
Highest share price	106.3506	123.2542	109.0579
Lowest share price	94.3935	95.6980	98.7453

[^]Share class launched 05 March 2021

1. The operating charges per share figure is calculated by applying the operating charges percentage to the average net asset valuation per share throughout the period.
2. The ongoing charges figure is based on the expenses incurred during the period annualised, as a proportion of the average net asset value of the Sub-fund.

Risk Profile

Based on past data, the Sub-fund is ranked a '6' on the synthetic risk and reward indicator scale (of 1 to 7) as described fully in the Key Investor Information Document (30 June 2022: ranked 6). The Sub-fund is ranked 6 because historical performance data indicates that significant rises and falls in market prices would have occurred historically.

PORTFOLIO STATEMENT

As at 30 June 2023

Holding	Value £	% of net assets
Communications (30.06.2022: 1.71%)		
2,310 Alphabet Inc	217,524	0.62%
24,600 IHS Holding Ltd	186,331	0.53%
500 Meta Platforms Inc	111,320	0.32%
6,000 Nintendo Co Ltd	214,539	0.61%
	<hr/>	
	729,714	2.08%
Consumer Discretionary (30.06.2022: 2.87%)		
1,200 Amazon.com Inc	121,387	0.35%
28,000 Arcos Dorados Holdings Inc	220,718	0.63%
10,600 Compass Group PLC	231,398	0.66%
1,200 Crocs Inc	102,667	0.29%
1,200 Flutter Entertainment PLC	186,120	0.53%
2,118 Games Workshop Group PLC	230,650	0.66%
120 Hermes International SCA	204,132	0.58%
369 LVMH Moet Hennessy Louis Vuitton SE	272,088	0.77%
115 Mercadolibre Inc	106,434	0.30%
3,250,000 Mitra Adiperkasa Tbk PT	288,798	0.82%
24,000 Panasonic Corp	229,725	0.65%
6,100 Restaurant Brands International Inc	368,802	1.05%
1,685 Societe Anonyme des Bains de Mer et du Cercle des Etrangers a Monaco SA	154,711	0.44%
6,000 Sony Corp	424,421	1.21%
8,000 Titan Company Ltd	234,752	0.67%
2,984 TJX Companies Inc	197,568	0.56%
1,000 Yum! Brands Inc	108,517	0.31%
	<hr/>	
	3,682,888	10.48%
Consumer Staples (30.06.2022: 18.89%)		
13,000 AAK AB (publ)	191,520	0.55%
3,500 Ajinomoto Co Inc	109,268	0.31%
10,900 Amsterdam Commodities NV	206,240	0.59%
3,500 Archer Daniels Midland Co	206,522	0.59%
9,000 Associated British Foods PLC	178,200	0.51%
2,100 Beiersdorf AG	217,953	0.62%
3,500 Britannia Industries Ltd	168,583	0.48%
15 Chocoladefabriken Lindt & Spruengli AG	148,099	0.42%
4,200 Colgate-Palmolive Co	254,235	0.72%
12,000 Davide Campari Milano SpA	130,260	0.37%
5,000 Essity AB (publ)	104,209	0.30%
1,990 Fevertree Drinks PLC	23,422	0.07%
2,854 General Mills Inc	172,150	0.49%
226,300 Guan Chong Bhd	88,552	0.25%
1,500 Heineken Holding NV	102,200	0.29%
35,108 Hindustan Foods Ltd	173,111	0.49%
2,640 Interparfums SA	145,211	0.41%
72,000 ITC Ltd	312,813	0.89%
55,000 KRBL Ltd	180,514	0.51%
3,996 Lamb Weston Holdings Inc	359,828	1.02%
532 LOreal SA	194,427	0.55%
2,660 McCormick & Company Inc	182,467	0.52%
4,150 Mondelez International Inc	237,198	0.68%
1,500 Nestle SA	141,859	0.40%
143,400 Olam Group Ltd	116,183	0.33%
1,775 PepsiCo Inc	257,974	0.73%
1,645 Procter & Gamble Co	194,300	0.55%
2,511 Reckitt Benckiser Group PLC	148,249	0.42%
3,850 Savencia SA	192,935	0.55%

PORTFOLIO STATEMENT (Continued)

As at 30 June 2023

Holding	Value £	% of net assets
Consumer Staples (30.06.2022: 18.89%) (continued)		
5,000 Shiseido Co Ltd	177,416	0.50%
10,000 Suedzucker AG	140,299	0.40%
3,990 Unilever PLC	163,410	0.47%
63,000 Varun Beverages Ltd	489,161	1.39%
2,000 Viscofan SA	108,635	0.31%
	6,217,403	17.68%
Commodity & Energy (30.06.2022: 10.30%)		
29,000 Aegis Logistics Ltd	90,235	0.26%
2,686,000 AKR Corporindo Tbk PT	199,018	0.57%
15,000 Avance Gas Holding Ltd	98,775	0.28%
8,750 Cameco Corp (CAD)	212,599	0.61%
7,250 Koninklijke Vopak NV	203,558	0.58%
	804,185	2.30%
Financials (30.06.2022: 1.93%)		
20,000 HSBC Holdings PLC	124,440	0.35%
1,060 Swissquote Group Holding SA	171,544	0.49%
	295,984	0.84%
Health Care (30.06.2022: 7.50%)		
2,320 AstraZeneca PLC	262,810	0.75%
14,000 Bonesupport Holding AB	127,026	0.36%
3,200 Demant A/S	106,047	0.30%
525 Eli Lilly and Co	192,806	0.55%
2,250 Gerresheimer AG	198,865	0.57%
66,000 Haleon PLC	211,299	0.60%
800 HCA Healthcare Inc	190,034	0.54%
2,000 Hoya Corp	186,627	0.53%
420 IDEXX Laboratories Inc	164,127	0.47%
400 Inspire Medical Systems Inc	101,004	0.29%
450 Intuitive Surgical Inc	120,450	0.34%
200 Lonza Group AG	92,712	0.26%
400 Mckesson Corp	133,025	0.38%
1,000 Medacta Group SA	103,559	0.29%
3,100 Novo Nordisk A/S	388,427	1.11%
1,040 Shockwave Medical Inc	234,752	0.67%
1,900 Straumann Holding AG	240,951	0.69%
850 Stryker Corp	202,718	0.58%
818 Vertex Pharmaceuticals Inc	225,244	0.64%
5,000 Xvivo Perfusion AB	110,420	0.31%
	3,592,903	10.23%
Industrials (30.06.2022: 15.12%)		
5,500 Adani Enterprises Ltd	126,471	0.36%
17,000 Adani Ports and Special Economic Zone Ltd	121,040	0.34%
7,000 Addtech AB	119,500	0.34%
4,300 Alfa Laval AB	121,044	0.34%
10,000 Atlas Copco AB	112,563	0.32%
3,440 Bunzl PLC	103,028	0.29%
1,750 Canadian Pacifique Kansas City Limited	109,308	0.31%
3,000 Cera Sanitaryware Ltd	221,086	0.63%
2,650 Copart Inc	189,073	0.54%
1,000 Daikin Industries Ltd	159,923	0.46%
400 Deere & Co	127,064	0.36%
1,150 Eaton Corporation PLC	180,804	0.51%

PORTFOLIO STATEMENT (Continued)

As at 30 June 2023

Holding	Value £	% of net assets
Industrials (30.06.2022: 15.12%) (Continued)		
13,250 Energia Innovacion y Desarrollo Fotovoltaico SA^	318,355	0.91%
16,300 Fluence Energy Inc	341,006	0.97%
6,250 Fraport AG Frankfurt Airport Services Worldwide	263,329	0.75%
47,000 Godrej Industries Ltd	233,310	0.66%
12,000 Havells India Ltd	148,130	0.42%
500 Hubbell Inc	129,354	0.37%
13,000 Industrie De Nora SpA	215,855	0.61%
3,300 Ingersoll Rand Inc	168,029	0.48%
2,200 Interpump Group SpA	94,957	0.27%
13,000 Itochu Corp	403,008	1.15%
5,000 Japan Airport Terminal Co Ltd	177,334	0.50%
1,519 Jungfraubahn Holding AG	198,100	0.56%
17,400 KEI Industries Ltd	387,495	1.10%
53,000 Marubeni Corp	706,061	2.01%
3,000 Nidec Corp	128,359	0.37%
3,750 Nkt A/S	177,768	0.51%
24,000 Odfjell SE	158,746	0.45%
3,100 Otis Worldwide Corporation	217,209	0.62%
8,300 Prysmian SpA	269,078	0.77%
3,700 Quanta Services Inc	570,103	1.62%
2,150 Schneider Electric SE	305,813	0.87%
1,126 Seche Environnement SA	106,864	0.30%
1,330 Siemens AG	173,816	0.49%
14,000 Sumitomo Corp	232,349	0.66%
9,000 Toyota Tsusho Corp	350,590	1.00%
520 VAT Group AG	168,033	0.48%
3,190 Vinci SA	291,417	0.83%
	8,625,372	24.53%
Information Technology (30.06.2022: 5.49%)		
500 Accenture PLC	121,910	0.35%
637 Adobe Systems Inc	243,648	0.69%
3,400 Amadeus IT Group SA	203,353	0.58%
750 ANSYS Inc	193,166	0.55%
1,000 Apple Inc	149,899	0.43%
1,770 Applied Materials Inc	201,843	0.57%
750 Arista Networks Inc	94,469	0.27%
380 ASML Holding NV	215,048	0.61%
1,500 Axcelis Technologies Inc	212,183	0.60%
1,500 BE Semiconductor Industries NV	126,141	0.36%
345 Broadcom Inc	235,265	0.67%
814 Cadence Design Systems Inc	147,086	0.42%
3,000 Dassault Systemes SE	103,474	0.29%
1,309 First Solar Inc	190,453	0.54%
6,000 Flex Ltd	129,793	0.37%
3,000 Fortinet Inc	178,039	0.51%
4,000 Halma PLC	90,680	0.26%
5,000 Hitachi Ltd	242,631	0.69%
2,700 HMS Networks AB	103,072	0.29%
250 HubSpot Inc	102,073	0.29%
1,500 Jabil Inc	127,350	0.36%
300 Keyence Corp	111,222	0.32%
62,000 Kitron ASA	196,389	0.56%
450 KLA Corp	169,774	0.48%
358 Lam Research Corp	181,227	0.52%
693 Mastercard Inc	212,440	0.60%

PORTFOLIO STATEMENT (Continued)

As at 30 June 2023

Holding	Value £	% of net assets
Information Technology (30.06.2022: 5.49%) (Continued)		
1,719 Microsoft Corp	455,308	1.30%
323 MongoDB Inc	102,785	0.29%
1,500 Nemetschek SE	88,556	0.25%
9,000 Northern Data AG	173,379	0.49%
970 NVIDIA Corp	313,199	0.89%
2,400 ON Semiconductor Corp	174,708	0.50%
2,665 Oracle Corp	248,172	0.71%
13,000 Palantir Technologies Inc	156,130	0.44%
10,000 Renesas Electronics Corp	147,596	0.42%
620 Salesforce.Com Inc	103,099	0.29%
2,000 Shopify Inc	100,824	0.29%
1,850 SMA Solar Technology AG	173,988	0.50%
1,100 Socionext Inc	125,435	0.36%
3,300 Trade Desk Inc	201,843	0.57%
5,250 Unity Software Inc.	181,229	0.52%
	7,028,879	20.00%
Materials (30.06.2022: 17.05%)		
491,000 Alphamin Resources Corp	280,908	0.80%
6,700 AMG Advanced Metallurgical Group NV	271,998	0.77%
575,000 Cornish Metals Inc	57,500	0.16%
13,500 Fortescue Metals Group Ltd	156,148	0.44%
34,600 Iluka Resources Ltd	200,915	0.57%
11,400 Ivanhoe Electric Inc	125,557	0.36%
47,100 Ivanhoe Mines Ltd	339,078	0.97%
27,000 Lynas Corporation Ltd	96,471	0.27%
707 Sika AG	156,733	0.45%
14,555 SOL SpA	327,853	0.93%
5,000 TFF Group	173,765	0.49%
75,000 Usha Martin Ltd	194,352	0.55%
1,310 Vulcan Materials Co	232,827	0.66%
	2,614,105	7.42%
Real Estate (30.06.2022: 6.23%)		
6,840 Americold Realty Trust	173,004	0.50%
1,000 American Tower Corp	152,383	0.44%
55,000 Capitaland Investment Ltd	105,793	0.31%
265 Equinix Inc	162,692	0.47%
15,000 Oberoi Realty Ltd	142,238	0.41%
2,159 Prologis Inc	207,385	0.60%
5,000 Weyerhaeuser Co	131,722	0.38%
	1,075,217	3.11%
Utilities (30.06.2022: 1.34%)		
23,000 Iberdrola SA	236,145	0.67%
	236,145	0.67%
Portfolio of investments (30.06.2022: 88.43%)		
	34,902,795	99.34%
Net other assets (30.06.2022: 11.73%)		
	233,147	0.66%
	35,135,942	100.00%

Note: The 30 June 2022 comparators percentages are based on Mid pricing and does not add up to 100%. The Mid to Bid adjustment for the year ended 30 June 2022 was (0.16%).

^suspended security

SUMMARY OF MATERIAL PORTFOLIO CHANGES

Purchases (Note 14)	£
Olam Group Ltd	1,257,757
Wilmar International Ltd	1,219,077
Microsoft Corp	907,126
Haleon PLC	903,350
TotalEnergies SE	898,449
Fevertree Drinks PLC	888,911
Schneider Electric SE	852,961
Coloplast A/S	832,012
ON Semiconductor Corp	831,733
AAK AB (publ)	820,332
Archer Daniels Midland Co	783,417
ASML Holding NV	767,485
Croda International PLC	762,015
Applied Materials Inc	749,226
Nexans SA	740,567
Fluence Energy Inc	736,002
Keywords Studios PLC	722,087
Colgate-Palmolive Co	714,300
Accenture PLC	698,557
Wacker Chemie AG	693,525
Other various purchases	94,829,195
Total purchases for the year	111,608,084

Sales (Note 14)	£
Wilmar International Ltd	1,663,199
Olam Group Ltd	1,286,060
Archer Daniels Midland Co	1,175,449
TotalEnergies SE	1,168,151
Glencore PLC	1,044,361
Wacker Chemie AG	999,723
Thales SA	955,185
Fevertree Drinks PLC	949,881
Croda International PLC	921,379
Capitaland Investment Ltd	818,660
Eramet SA	800,474
Coloplast A/S	795,908
Fluence Energy Inc	768,538
ASML Holding NV	757,923
Accenture PLC	738,222
Colgate-Palmolive Co	728,426
Devon Energy Corp	717,840
Keywords Studios PLC	707,582
Beazley PLC	706,780
Nestle SA	704,284
Other various sales	87,657,837
Total sales for the year	106,065,862

The above transactions represent the top 20 purchases and sales during the year.

STATEMENT OF TOTAL RETURN

For the year ended 30 June

		2023		2022	
	Notes	£	£	£	£
Income					
Net capital gains/(losses)	2		250,769		(4,406,542)
Revenue	3	934,985		846,509	
Expenses	4	(298,228)		(343,867)	
Interest payable and similar charges	6	<u>(1,072)</u>		<u>(2,107)</u>	
Net revenue before taxation		635,685		500,535	
Taxation	5	<u>(66,214)</u>		<u>(104,152)</u>	
Net revenue after taxation			<u>569,471</u>		<u>396,383</u>
Total return before distributions			820,240		(4,010,159)
Finance costs: distributions	6		<u>(877,474)</u>		<u>(740,250)</u>
Changes in net assets attributable to shareholders from investment activities			<u>(57,234)</u>		<u>(4,750,409)</u>

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the year ended 30 June

	2023	2022
	£	£
Opening net assets attributable to shareholders	32,587,190	40,981,943
Amounts receivable on creation of shares	5,994,514	6,281,439
Amounts payable on cancellation of shares	(4,267,416)	(10,618,182)
Dilution levies	7,504	-
Dividends reinvested	871,384	692,399
Changes in net assets attributable to shareholders from investment activities (see above)	<u>(57,234)</u>	<u>(4,750,409)</u>
Closing net assets attributable to shareholders	<u>35,135,942</u>	<u>32,587,190</u>

BALANCE SHEET

As at	Notes	30.06.2023		30.06.2022	
		£	£	£	£
ASSETS					
Investment assets			34,902,795		28,763,878
Current assets					
Debtors	7	722,633		1,432,444	
Cash and bank balances	8	<u>1,229,849</u>		<u>3,495,267</u>	
Total current assets			<u>1,952,482</u>		<u>4,927,711</u>
Total assets			36,855,277		33,691,589
LIABILITIES					
Current liabilities					
Distribution payable on income shares		(12,950)		(19,293)	
Creditors	9	<u>(1,706,385)</u>		<u>(1,085,106)</u>	
Total current liabilities			<u>(1,719,335)</u>		<u>(1,104,399)</u>
Net assets attributable to shareholders			<u>35,135,942</u>		<u>32,587,190</u>

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting policies

The principal accounting policies, which have been applied in both the current and prior years, are set out on pages 7 and 8.

2 Net capital gains/(losses)	2023	2022
	£	£
The net capital gains/(losses) comprise:		
Non-derivative securities gains/(losses)	608,355	(4,124,432)
Transaction charges (custodian)	(46,951)	(23,466)
Foreign exchange (losses)	(310,635)	(258,644)
Total net capital gains/(losses)	<u>250,769</u>	<u>(4,406,542)</u>

3 Revenue	2023	2022
	£	£
Non-taxable dividends	916,874	845,954
Interest from non-derivative securities	2,640	-
Bank interest	15,471	555
Total revenue	<u>934,985</u>	<u>846,509</u>

4 Expenses	2023	2022
	£	£

**Payable to the Authorised Fund Manager,
associates of the Authorised Fund Manager,
and agents of either of them:**

Annual management charge	248,611	273,457
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**Payable to the depositary, associates of the
depositary, and agents of either of them:**

Depositary fee	18,000	18,000
Safe custody fee	5,296	5,499
	<u>23,296</u>	<u>23,499</u>

Other expenses:

Audit fee	9,622	8,100
FCA fee	47	50
Other expenses	16,652	38,761
	<u>26,321</u>	<u>46,911</u>

Total expenses	<u>298,228</u>	<u>343,867</u>
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NOTES TO THE FINANCIAL STATEMENTS (Continued)

5 Taxation

	2023	2022
	£	£

(a) Analysis of charge in the year

Irrecoverable overseas withholding tax	66,214	104,152
Total tax charge for the year (note 5b)	66,214	104,152

(b) Factors affecting current tax charge for the year

The tax assessed for the year is lower than the standard rate of corporation tax in the UK for an open-ended investment company 20.00% (2022: 20.00%).

The differences are explained below:

Net revenue before taxation	635,685	500,535
Corporation tax at 20.00% (2022: 20.00%)	127,137	100,107

Effects of:

Revenue not subject to UK corporation tax	(183,375)	(169,191)
Current year expenses not utilised	56,238	69,084
Irrecoverable overseas withholding tax	66,214	104,152
Total tax charge for the year (note 5a)	66,214	104,152

(c) Provision for deferred taxation

At 30 June 2023 there is a potential deferred tax asset of £183,058 (30 June 2022: £126,820) in relation to surplus management expenses. It is unlikely the Sub-fund will generate sufficient taxable profits in the future to utilise this amount and therefore no deferred tax asset has been recognised.

6 Finance costs

	2023	2022
	£	£

Interim dividend distribution	474,001	168,061
Final dividend distribution	423,556	561,073
	897,557	729,134

Add: Revenue deducted on cancellation of shares	31,112	29,591
Deduct: Revenue received on issue of shares	(51,195)	(18,475)

Net distribution for the year	877,474	740,250
Interest payable and similar charges	1,072	2,107
Total finance costs	878,546	742,357

Reconciliation of distributions

Net revenue after taxation	569,471	396,383
Expenses paid from capital	298,228	343,867
Tax relief allocated to capital	(3,408)	-
Balance carried forward	13,183	-
Net distribution for the year	877,474	740,250

NOTES TO THE FINANCIAL STATEMENTS (Continued)

7 Debtors	30.06.2023	30.06.2022
	£	£
Amounts receivable on creation of shares	2,316	1,630
Amounts receivable on unsettled trades	630,607	1,356,744
Accrued revenue:		
Non-taxable dividends receivable	24,427	44,872
Recoverable withholding tax	64,711	29,198
Prepayments	572	-
Total debtors	<u>722,633</u>	<u>1,432,444</u>

8 Cash and bank balances	30.06.2023	30.06.2022
	£	£
Cash and bank balances	<u>1,229,849</u>	<u>3,495,267</u>

9 Creditors	30.06.2023	30.06.2022
	£	£
Amounts payable for cancellation of shares	1,078,679	26,975
Amounts payable on unsettled trades	558,204	1,002,191
Payable to the AFM, associates of the AFM and agents of either of them:		
Annual management charge	20,734	19,340
Payable to the depositary, associates of the depositary, and agents of either of them:		
Depositary fee	1,479	1,479
Safe custody and other custodian charges	<u>34,979</u>	<u>23,897</u>
	36,458	25,376
Other accrued expenses	12,310	11,224
Total creditors	<u>1,706,385</u>	<u>1,085,106</u>

10 Risk management

In pursuing its investment objective as stated on page 9, the Sub-fund holds a number of financial instruments. The Sub-fund's financial instruments comprise securities and other investments, cash balances, debtors and creditors that arise directly from its operations, for example, in respect of sales and purchases awaiting settlement, amounts receivable for issues and payable for redemptions and debtors for accrued revenue.

The main risks arising from the Sub-fund's financial instruments, those of its underlying holdings and the AFM's policies for managing these risks are summarised below. These policies have been applied throughout the year.

Market price risk

Market price risk is the risk that the value of the Sub-fund's investment holdings will fluctuate as a result of changes in market prices caused by factors other than interest rate or foreign currency movement. Market price risk arises mainly from uncertainty about future prices of financial instruments the Sub-fund holds. It represents the potential loss the Sub-fund might suffer through holding market positions in the face of price movements.

The Sub-fund's investment portfolio is exposed to market price fluctuations, which are monitored by the AFM in pursuance of the investment objective and policy as set out in the Prospectus.

10 Risk management (Continued)

Market price risk (Continued)

Adherence to investment guidelines and to investment and borrowing powers set out in the Instrument of Incorporation, the Prospectus and in the rules of the Financial Conduct Authority's Collective Investment Schemes Sourcebook mitigates the risk of excessive exposure to any particular type of security or issuer.

If market prices at the balance sheet date had been 10% higher or lower while all other variables remained constant, the return attributable to ordinary shareholders and equity for the year ended 30 June 2023 would have increased/decreased by £3,490,280 (30 June 2022: £2,876,388).

Foreign currency risk

Foreign currency risk is the risk that the value of the Sub-fund's investment holdings will fluctuate as a result of changes in foreign currency exchange rates.

The Sub-fund's investment portfolio is invested in equities that are registered overseas and/or denominated in overseas currencies and the balance sheet can be affected by movements in foreign exchange rates. The AFM may seek to manage exposure to currency movements by using forward exchange contracts or by hedging the Sterling value of investments that are priced in other currencies. Revenue received in other currencies is converted to Sterling on or near the date of receipt.

A portion of the net assets of the Sub-fund is denominated in currencies other than Sterling with the effect that the balance sheet and total return can be affected by currency movements. If foreign exchange rates at the balance sheet date had been 10% higher or lower while all other variables remained constant, the return attributable to ordinary shareholders and equity for the year ended 30 June 2023 would have increased/decreased by £3,307,252 (30 June 2022: £2,492,574).

Net currency assets and liabilities consist of:

	Net monetary assets and liabilities		Non-monetary assets		Total net assets	
	£		£		£	
	30.06.2023	30.06.2022	30.06.2023	30.06.2022	30.06.2023	30.06.2022
Sterling	52,217	3,695,402	2,011,205	3,966,048	2,063,422	7,661,450
US Dollar	(243,341)	524,995	12,837,423	10,086,465	12,594,082	10,611,460
Euro	44,648	(93,467)	6,604,700	4,655,437	6,649,348	4,561,970
Australian Dollar	(9,566)	-	453,533	409,725	443,967	409,725
Canadian Dollar	168	255	1,310,695	1,163,568	1,310,863	1,163,823
Swiss Franc	8,963	(43,880)	1,421,590	482,164	1,430,553	438,284
Danish Krone	91,119	(52,401)	672,243	634,245	763,362	581,844
Hong Kong Dollar	-	193,596	-	-	-	193,596
Indian Rupee	48,268	5	3,223,293	1,557,255	3,271,561	1,557,260
Indonesian Rupiah	-	-	487,816	394,898	487,816	394,898
Japanese Yen	974	12,296	4,126,503	1,627,596	4,127,477	1,639,892
Malaysian Ringgit	18,559	5	88,552	-	107,111	5
Norwegian Krone	12,747	(458,230)	453,910	1,119,040	466,657	660,810
Philippine Peso	-	-	-	198,879	-	198,879
Swedish Krona	-	-	989,355	178,500	989,355	178,500
Singapore Dollar	208,391	44,736	221,977	1,456,344	430,368	1,501,080
South African Rand	-	-	-	833,714	-	833,714
Total	233,147	3,823,312	34,902,795	28,763,878	35,135,942	32,587,190

10 Risk management (Continued)

Interest rate risk

Interest rate risk is the risk to portfolio value due to changes in interest rates. The magnitude of the exposure from an adverse change in interest rates depends on the sensitivity of the instrument to changes in interest rates as well as the absolute change in interest rates. In general, values of long-term instruments are more sensitive to interest rate changes than the values of short-term instruments.

The Sub-fund takes on interest rate risk when the investment manager believes the expected returns compensate for the risk, limited by the investment objective, policy and any prospectus rules. The investment manager monitors the level of interest rate risk in the fund on a regular basis. In addition any cash deposits in the sub-fund are linked to SONIA, ensuring interest income increases as interest rates increase.

The table below details the interest rate risk profile at the balance sheet date:

	30.06.2023	30.06.2022
	£	£
Financial assets floating rate	1,229,849	3,495,267
Financial assets interest bearing instruments	-	-
Financial assets non-interest bearing instruments	35,625,428	30,196,322
Financial liabilities non-interest bearing instruments	(1,719,335)	(1,104,399)
Financial liabilities floating rate	-	-
	35,135,942	32,587,190

At 30 June 2023, if interest rates increased or decreased by 0.25%, with all other variables remaining constant, then the net assets attributable to shareholders of the Sub-fund would increase or decrease by approximately £3,074 (30 June 2022: £8,738).

Maturity of financial liabilities

The financial liabilities of the Sub-fund as at 30 June 2023 are payable either within one year or on demand.

Liquidity risk

The Sub-fund's assets comprise mainly of readily realisable securities. The main liability of the Sub-fund is the redemption of any shares that the investors wish to sell. Assets of the Sub-fund may need to be sold if insufficient cash is available to finance such redemptions.

Credit risk

Certain transactions in securities that the Sub-fund enters into expose it to the risk that the counterparty will not deliver the investment for a purchase, or cash for a sale after the Sub-fund has fulfilled its responsibilities. The Sub-fund only buys and sells investments through brokers which have been approved by the AFM as acceptable counterparties and fund management companies. In addition, limits are set to the exposure to any individual broker that may exist at any time and changes in brokers' financial ratings are reviewed.

Credit risk also arises on cash held within financial institutions. Credit risk on cash balances is mitigated by ensuring that cash is held with financial institutions that are at least investment grade credit related.

Fair value disclosure

The fair value hierarchy is intended to prioritise the inputs that are used to measure the fair value of assets and liabilities. The highest priority is given to quoted prices and the lowest priority to un-observable inputs. The criteria applied to the fair values levels in these financial statements are as follows:

- Level 1: Unadjusted quoted price in an active market for an identical instrument;
- Level 2: Valuation techniques using observable inputs other than quoted prices within level 1;
- Level 3: Valuation techniques using unobservable inputs.

Valuation Technique	30.06.2023		30.06.2022	
	Assets (£000's)	Liabilities (£000's)	Assets (£000's)	Liabilities (£000's)
Level 1: Unadjusted quoted price in an active market for an identical instrument	34,585	-	28,764	-
Level 3: Valuation techniques using unobservable inputs.	318	-	-	-
Total	34,903	-	28,764	-

NOTES TO THE FINANCIAL STATEMENTS (Continued)

11 Shares held

Class F (Accumulation)

Opening shares at 01.07.2022	21,986,538
Shares issued during the year	3,953,203
Shares cancelled during the year	(2,747,312)
Shares converted during the year	-
Closing shares as at 30.06.2023	23,192,429

Class F (Income)

Opening shares at 01.07.2022	895,976
Shares issued during the year	149,829
Shares cancelled during the year	(183,196)
Shares converted during the year	-
Closing shares as at 30.06.2023	862,609

Class A (Accumulation)

Opening shares at 01.07.2022	61,740
Shares issued during the year	10,258
Shares cancelled during the year	(8,026)
Shares converted during the year	-
Closing shares as at 30.06.2023	63,972

12 Contingent assets and liabilities

At 30 June 2023, the Sub-fund had no contingent liabilities or commitments (30 June 2022: £nil).

13 Post balance sheet events

As indicated in the accounting policies in Note 1, the investments have been valued at the closing valuation point on 30 June 2023. Since that date, the Sub-fund's quoted price has moved as follows:

Share class	Price at 30 June 2023	Price at 26 October 2023
	GBp	GBp
Class F (Accumulation)	146.8320p	137.2262p
Class F (Income)	123.2627p	115.2127p
Class A (Accumulation)	99.0525p	92.5549p

NOTES TO THE FINANCIAL STATEMENTS (Continued)

14 Direct transaction costs

	2023		2022	
	£	%	£	%
Analysis of total purchase costs				
Purchases in the year before transaction costs	111,457,178		104,676,053	
Commissions	60,303	0.05%	55,939	0.05%
Taxes & levies	90,603	0.08%	69,784	0.07%
Total purchase costs	150,906	0.13%	125,723	0.12%
Total purchases including transaction costs	<u>111,608,084</u>		<u>104,801,776</u>	

	2023		2022	
	£	%	£	%
Analysis of total sale costs				
Sales in the year before transaction costs	106,137,089		112,580,064	
Commissions	(56,928)	(0.05%)	(60,577)	(0.05%)
Taxes & levies	(14,299)	(0.01%)	(14,598)	(0.01%)
Total sale costs	(71,227)	(0.06%)	(75,175)	(0.06%)
Total sales net of transaction costs	<u>106,065,862</u>		<u>112,504,889</u>	

The following represents the total of each type of transaction cost, expressed as a percentage of the Sub-fund's average net asset value in the year:

	2023		2022	
	£	% of average net asset	£	% of average net asset
Commissions	117,231	0.33%	116,516	0.29%
Taxes & levies	104,902	0.29%	84,382	0.21%
	<u>222,133</u>	<u>0.62%</u>	<u>200,898</u>	<u>0.50%</u>

15 Portfolio dealing spread

The average portfolio dealing spread at 30 June 2023 is 0.28% (30 June 2022: 0.32%).

16 Related party transactions

Valu-Trac Investment Management Limited, as AFM is a related party due to its ability to act in respect of the operations of the Sub-fund.

Amounts paid to the AFM and its associates are disclosed in note 4. The amounts due to the AFM and its associates at the balance sheet date are disclosed in note 9.

DISTRIBUTION TABLES

For the year ended 30 June 2023

Interim distribution in pence per share

Group 1: Shares purchased prior to 01 July 2022

Group 2 : Shares purchased on or after 01 July 2022 and on or before 31 December 2022

Class F (Accumulation)	Net Revenue 28.02.2023	Equalisation	Distribution 28.02.2023	Distribution 28.02.2022
Group 1	1.8728p	-	1.8728p	0.6681p
Group 2	0.5549p	1.3179p	1.8728p	0.6681p

Class F (Income)	Net Revenue 28.02.2023	Equalisation	Distribution 28.02.2023	Distribution 28.02.2022
Group 1	1.6119p	-	1.6119p	0.5872p
Group 2	0.7302p	0.8817p	1.6119p	0.5872p

Class A (Accumulation)	Net Revenue 28.02.2023	Equalisation	Distribution 28.02.2023	Distribution 28.02.2022
Group 1	1.2642p	-	1.2642p	0.4518p
Group 2	1.0199p	0.2443p	1.2642p	0.4518p

Final distribution in pence per share

Group 1: Shares purchased prior to 01 January 2023

Group 2 : Shares purchased on or after 01 January 2023 and on or before 30 June 2023

Class F (Accumulation)	Net Revenue 31.08.2023	Equalisation	Distribution 31.08.2023	Distribution 31.08.2022
Group 1	1.7417p	-	1.7417p	2.4595p
Group 2	1.1280p	0.6137p	1.7417p	2.4595p

Class F (Income)	Net Revenue 31.08.2023	Equalisation	Distribution 31.08.2023	Distribution 31.08.2022
Group 1	1.4797p	-	1.4797p	2.1533p
Group 2	0.9513p	0.5284p	1.4797p	2.1533p

Class A (Accumulation)	Net Revenue 31.08.2023	Equalisation	Distribution 31.08.2023	Distribution 31.08.2022
Group 1	1.1754p	-	1.1754p	1.6622p
Group 2	0.0285p	1.1469p	1.1754p	1.6622p

Information for corporate shareholders

A corporate shareholder receives the distribution shown on the voucher enclosed with this report as follows:

- i) 98.06% of the total dividend allocation together with the tax credit is received as franked investment income.
- ii) 1.94% of the dividend allocation is received as an annual payment received after deduction of income tax at the lower rate and is liable to corporation tax. It is not franked investment income.

SUB-FUND OVERVIEW

Name of Sub-fund	VT Downing Unique Opportunities Fund
Size of Sub-fund	£47,086,595
Launch date	17 March 2020
Investment objective and policy	<p>The investment objective of the Sub-fund is to achieve capital growth and income over the long term (5 + years).</p> <p>The Sub-fund seeks to achieve its investment objective by investing at least 80% in equities listed on UK markets (including the London Stock Exchange, AIM and the ICAP Securities and Derivatives Exchange (ISDX)). The Investment Manager will be seeking to invest in equities which it considers to have a unique outlook and opportunity for growth. The Investment Manager will be looking for the Sub-fund to invest in companies which have clearly identifiable characteristics to protect them against the entry of competitors (which are expected to enable such companies to produce an above average return on equity). The unique characteristics sought include:</p> <ul style="list-style-type: none">▪ having intangible assets e.g. brands, patents or regulatory licences;▪ having cost advantages stemming from process, location, scale or access to a unique asset;▪ being the leading network in a business segment; and/or▪ there being high switching costs which generate high customer retention rates. <p>Such businesses are highly likely to be the only UK listed company in their industry or one of very few and possessing a distinctive corporate strategy and so are considered 'unique opportunities'.</p> <p>The Sub-fund may also invest in other equities, fixed income, money market instruments, deposits, warrants, cash and near cash.</p> <p>The Sub-fund will aim to hold a portfolio of between 25-40 investments.</p> <p>The Sub-fund will be actively managed.</p> <p>Save as noted above (with a focus on UK listed investments), the Sub-fund will not have any particular, industry or economic sector focus and as such weightings in these may vary as required.</p>
Derivatives	<p>The Sub-fund may hold derivatives for Efficient Portfolio Management (EPM) purposes (including hedging). It is not intended that the use of derivatives for EPM purposes will increase the risk profile of the Sub-fund.</p>
Benchmark	<p>The Sub-fund is not managed to or constrained by a benchmark, and nor does the AFM use a benchmark in order to assess performance.</p> <p>However, many funds sold in the UK are grouped into sectors by the Investment Association (the "IA") (the trade body that represents UK investment managers), to help investors to compare funds with broadly similar characteristics.</p> <p>In order to assess the Sub-fund's performance, investors may find it useful to compare the Sub-fund against the performance of the IA UK All Companies Sector Index, which serves as a method of comparing the Sub-fund's performance with other funds which have broadly similar characteristics.</p>

SUB-FUND OVERVIEW (Continued)

Annual accounting date	30 June
Interim accounting date	31 December
Annual income allocation date	By 31 August
Interim income allocation dates	By last day of February
Share Classes	Class A (Accumulation) Class A (Income)
Minimum investment*	
Lump sum subscription:	Class A: £1,000
Top-up:	Class A: £100
Holding:	Class A: £1,000
Regular saving:	£100 per month
Redemption/switching:	N/A (provided minimum holding is maintained)
Initial, redemption and switching charges*:	Nil

*The AFM may waive the minimum levels (and initial charge and redemption charge) at its discretion.

Annual management charges

The annual management charges are £30,000[^] per annum plus
Class A – 0.75% per annum

The above percentages being percentages of the net asset value of the Sub-fund attributable to the relevant class (plus VAT if applicable).

[^]The fixed element of the fee shall rise annually in line with the rate of inflation (calculated in accordance with the Consumer Prices Index) on 1 January each year (from 1 January 2021)). In the event of negative inflation, this fee will remain unchanged.

INVESTMENT MANAGER'S REVIEW

Performance overview

In the year under review, the twelve months to 30 June 2023, the accumulation units in the VT Downing Unique Opportunities Fund (DUO) rose by 5.27% (A Accumulation) compared with a 6.20% rise in the peer group, the IA UK All Companies Total Return Index.

The Fund launched in March 2020, the income units on 17 March, and the accumulation units on 25 March, a short period of great volatility. Over the period from launch to 30 June 2023, the income units rose in price by 36.00% and generated a total return of 45.33%. This compares to an average total return of 54.66% achieved by the peer group, the IA UK All Companies Total Return Index, over the same period. The accumulation units, which launched slightly later, rose in price by 41.81% from launch to 30 June 2023, and this compares to an average total return of 44.97% achieved by the peer group.

In the year to 30 June 2023, the Fund achieved third-quartile performance against the peer group in which it has been placed, the IA UK All Companies Sector, ranking 165th out of 242 constituents. This peer group is one of the largest Investment Association fund categories, and many of its constituent funds hold significant exposure to the largest UK companies. In contrast, our fund has a focus on small and medium-sized companies where there is more opportunity to invest in market leaders in niche activities and specialisms, and arguably less regulation and risk of windfall taxes than, for example, with large banks or energy companies. The weighted average market capitalisation of the companies held in DUO was £1.5bn as at 30 June 2023 compared with £48bn for the peer group. This is highly relevant to understanding our relative performance, as in the twelve months to 30 June 2023, the largest companies in the UK returned +9.15%, whereas medium-sized companies returned +2.95%, and medium-sized companies listed on the AIM market actually declined on average by -12.59%. The relative outperformance of large companies has been a feature in many markets, not just in the UK, and has been detrimental to our relative performance in the peer group in the past two years. Since launch on 25 March 2020, the return of the accumulation units at +41.81% compares with +48.44% for the largest companies (FTSE 100 Index), +35.20% for medium-sized companies (the Mid 250 Index), and +9.26% for medium sized companies on the AIM market (the AIM 100 Index). Thus size has been a large determinant of relative performance lately.

We are of the view that this remains a short period over which to measure the performance of any fund and deduce meaningful conclusions, but the Fund is currently on target to achieve its investment objective of achieving capital growth and income over the long-term (5+ years). The progression of dividends has been strong, with the income units delivering annual dividends of 2.21p, 3.34p, and 3.76p in the three years to 30 June 2021, 2022, and 2023 respectively.

Key Contributors and Detractors

There were 15 risers and 19 fallers during the period, and the Fund ended the year with 31 holdings (ignoring Verici DX, an in-specie distribution from EKF, subsequently sold) with cash balances of 7.3%, down from 9.0% a year before.

The largest individual contribution in the past twelve months came from 4Imprint, which is the leading US platform used by mid-market companies to source promotional materials for marketing purposes. 4Imprint did not lay off staff during the pandemic and has been rewarded as business activity has recovered and it has been able to meet strong demand and take market share. It has also delivered significant margin expansion as it promotes its own brands with customers and steadily reduces reliance on Google paid search.

The second largest contribution came from fantasy table-top warrior miniatures business Games Workshop. Their recent success has reflected greater monetisation of the group's intellectual property, for example through licensing the Warhammer stories to games developers and potentially to Amazon TV. The brand has global appeal and potential, and the company clearly agrees, saying recently: "We are very confident in the Warhammer hobby, and our business model and its resilience."

The third best contributor was Dunelm, the leading homewares retailer in the UK. Dunelm now has achieved over 10% of the UK homewares market but is targeting a 15% market share and is also developing a furniture offering on top.

The largest single detractor was Videndum, a market-leading supplier of video, audio, lighting, and camera equipment to the film, TV, and vlogging industries. The business has suffered from a downturn in demand from subscription TV producers, a strike by Hollywood script writers, and the impact of rising interest rates on its debt.

The second largest detractor was Mortgage Advice Bureau, and the third was MJ Gleeson, which were both impacted by rising interest rates and their impact on transaction levels in the housing market. Mortgage Advice Bureau does, however, earn fees not only when mortgage advisers use its platform for new mortgage applications but also for refinancings and protection insurance. Gleeson has forward sold some 13% of its estimated annual output of new homes to an institutional buyer of family homes funded by Carlyle Group.

INVESTMENT MANAGER'S REVIEW (Continued)

Purchases and Sales

Turnover, defined as the greater of purchases or sales as a % of average net assets, was low in the year at 11.49%.

The Fund acquired a new holding in games developer Team17, which publishes a broad spread of computer games titles across various genres, mainly for PCs and consoles. Best known for the Worms franchise, Team17 is now also licensing the Lego and Mattel brands for edutainment of young children, and Caterpillar in simulation games. 40% of revenues are from its own intellectual property and the remainder as a publisher of other titles where it nurtures small developers. Back catalogue sales accounted for 72% of 2022 revenues, giving resilience.

The Fund also bought back some of the holding in EMIS Group having sold out earlier in the year following the bid from United Health Group Inc. The bid was referred to the Competition and Markets Authority (CMA), eventually for a Level 2 investigation, and the consequent share price fall gave us an opportunity to buy in a second time. At the time of writing, the CMA has provisionally approved the bid, the share price has risen again, and we have exited at a profit for the second time.

We sold our holding in US hospital software provider Craneware, where the expensive purchase of Sentry Data Systems has destroyed returns on equity, added debt to the balance sheet, and introduced exposure to small healthcare centres dependent on the highly complex 340B federal drug programme.

We also sold out of XP Power, a designer and manufacturer of power control systems, which had proved vulnerable to supply chain disruption during the pandemic and was also unable or unwilling to raise selling prices promptly in the face of significant inflation in component costs, indicating less pricing power than we had previously perceived.

Our third exit was from Victrex, manufacturer of speciality polymer PEEK, which also seemed unable to raise selling prices sufficiently to offset energy cost increases last year. In addition, its moves to develop downstream products to encourage demand for PEEK have been very slow to gain traction and targets appear unambitious.

Outlook

The manager does not attempt to forecast macroeconomic trends, preferring to focus on allocating investors' capital into excellent businesses with sustainably high barriers to competition, and allowing the compounding effect of high returns on equity to generate positive value creation over the long-term.

As at 30 June 2023, based on our own analysis of recent reports and accounts, only seven out of the 31 holdings in the portfolio carried any net debt. This gives optionality to management teams who can expand capacity, make acquisitions, pay special dividends, or buy back shares. We expect to see elements of all four. The weighted average return on equity was over 36%, which is high, considering it is not flattered by debt (indeed it is actually dampened by cash holdings which earn only modest levels of interest). Average adjusted operating margins exceeded 23% which indicates that these businesses are likely very cash generative and have pricing power. Finally, the average stake held by directors was 9.79%, indicating significant skin in the game and in our view a higher likelihood that capital will be allocated to shareholders' advantage.

Downing LLP
Investment Manager to the Fund
25 September 2023

PERFORMANCE RECORD

Class A (Accumulation)	Year ended 30 June	Year ended 30 June	Period from 25
	2023	2022	March 2020 to 30 June 2021 [^]
Changes in net assets per share	GBP	GBP	GBP
Opening net asset value per share	134.7112	170.6292	100.0000
Return before operating charges	8.3573	(34.5287)	72.3206
Operating charges (note 1)	(1.2582)	(1.3893)	(1.6914)
Return after operating charges *	7.0991	(35.9180)	70.6292
Closing net asset value per share	141.8103	134.7112	170.6292
Retained distributions on accumulated shares	3.8440	3.4948	2.3989
*after direct transactions costs of:	0.0830	0.3206	0.8733
Performance			
Return after charges	5.27%	(21.05%)	70.63%
Other information			
Closing net asset value	£42,399,242	£39,432,116	£31,868,293
Closing number of shares	29,898,570	29,271,591	18,676,932
Operating charges (note 2)	0.91%	0.91%	1.00%
Direct transaction costs	0.06%	0.21%	0.65%
Prices			
Highest share price	153.5051	186.5843	171.4972
Lowest share price	127.6713	132.0908	100.0000

[^]Share class launched 25 March 2020

Class A (Income)	Year ended 30 June	Year ended 30 June	Period from 17
	2023	2022	March 2020 to 30 June 2021 [^]
Changes in net assets per share	GBP	GBP	GBP
Opening net asset value per share	132.7266	172.0171	100.0000
Return before operating charges	8.2574	(34.3970)	76.2269
Operating charges (note 1)	(1.2227)	(1.3866)	(1.7568)
Return after operating charges *	7.0347	(35.7836)	74.4701
Distribution on income shares	(3.7640)	(3.5069)	(2.4530)
Closing net asset value per share	135.9973	132.7266	172.0171
*after direct transactions costs of:	0.0806	0.3200	0.8777
Performance			
Return after charges	5.30%	(20.80%)	74.47%
Other information			
Closing net asset value	£4,922,790	£5,062,574	£6,867,234
Closing number of shares	3,619,770	3,814,288	3,992,180
Operating charges (note 2)	0.91%	0.91%	1.00%
Direct transaction costs	0.06%	0.21%	0.65%
Prices			
Highest share price	150.5607	188.1010	173.8009
Lowest share price	125.7931	132.0359	99.6470

[^]Share class launched 17 March 2020

PERFORMANCE RECORD (Continued)

1. The operating charges per share figure is calculated by applying the operating charges percentage to the average net asset valuation per share throughout the period.
2. The operating charges percentage is based on the expenses incurred during the period annualised, as a proportion of the average net asset value of the Sub-fund.

Risk Profile

Based on past data, the Sub-fund is ranked a '6' on the synthetic risk and reward indicator scale (of 1 to 7) as described fully in the Key Investor Information Document (30 June 2022: ranked 5). The Sub-fund is ranked 6 because historical performance data indicates that significant rises and falls in market prices would have occurred historically.

PORTFOLIO STATEMENT

As at 30 June 2023

Holding		Value £	% of net assets
Communications (30.06.2022: 10.51%)			
275,000	Auto Trader Group PLC	1,677,500	3.56%
45,000	4imprint Group PLC	2,153,250	4.57%
265,000	Rightmove PLC	1,387,540	2.95%
162,000	Team17 Group PLC	575,100	1.22%
130,000	YouGov PLC	1,326,000	2.82%
		<u>7,119,390</u>	<u>15.12%</u>
Consumer Discretionary (30.06.2022: 7.21%)			
160,000	Dunelm Group PLC	1,795,200	3.81%
20,000	Games Workshop Group PLC	2,178,000	4.63%
330,000	MJ Gleeson PLC	1,207,800	2.57%
155,000	Videndum PLC	1,058,650	2.25%
		<u>6,239,650</u>	<u>13.26%</u>
Consumer Staples (30.06.2022: 3.67%)			
325,000	A.G.Barr PLC	1,517,750	3.22%
		<u>1,517,750</u>	<u>3.22%</u>
Financials (30.06.2022: 10.92%)			
500,000	AJ Bell PLC	1,599,000	3.40%
250,000	Impax Asset Management Group PLC	1,422,500	3.02%
160,000	Mortgage Advice Bureau (Holdings) PLC	928,000	1.97%
315,000	Tatton Asset Management Ltd.	1,392,300	2.96%
		<u>5,341,800</u>	<u>11.35%</u>
Healthcare (30.06.2022: 17.74%)			
610,000	Advanced Medical Solutions Group PLC	1,378,600	2.93%
4,675,000	EKF Diagnostics Holdings PLC	1,481,975	3.15%
20,500	EMIS Group PLC	280,850	0.60%
107,522	Ergomed PLC	1,032,211	2.19%
470,000	Tristel PLC	1,645,000	3.49%
80,000	Verici Dx PLC	8,800	0.02%
		<u>5,827,436</u>	<u>12.38%</u>
Industrials (30.06.2022: 11.42%)			
570,000	Chemring Group PLC	1,613,100	3.43%
65,000	Diploma PLC	1,938,300	4.12%
475,000	Rotork PLC	1,443,050	3.06%
		<u>4,994,450</u>	<u>10.61%</u>
Information Technology (30.06.2022: 22.23%)			
1,050,000	Alfa Financial Software Holdings PLC	2,026,500	4.30%
460,000	Aptitude Software Group PLC	1,573,200	3.34%
1,250,000	dotDigital Group PLC	1,051,250	2.23%
1,350,000	Strix Group PLC	1,382,400	2.94%
120,000	Kainos Group PLC	1,466,400	3.11%
115,000	Softcat PLC	1,626,100	3.45%
410,000	Spirent Communications plc	672,400	1.43%
150,000	Tracsis PLC	1,335,000	2.84%
		<u>11,133,250</u>	<u>23.64%</u>
Materials (30.06.2022: 5.35%)			
1,425,000	Elementis PLC	1,456,350	3.08%
		<u>1,456,350</u>	<u>3.08%</u>

PORTFOLIO STATEMENT (Continued)

Holding	Value £	% of net assets
Real Estate (30.06.2022: 2.73%)		
	-	-
Portfolio of investments (30.06.2022: 91.78%)	43,630,076	92.66%
Net other assets (30.06.2022: 8.85%)	3,456,519	7.34%
	47,086,595	100.00%

Note: The 30 June 2022 comparators percentages are based on Mid pricing and does not add up to 100%. The Mid to Bid adjustment for the year ended 30 June 2022 was (0.63%).

SUMMARY OF MATERIAL PORTFOLIO CHANGES

Purchases (Note 14)	£
Team17 Group PLC	700,598
Videndum PLC	672,885
Strix Group PLC	631,610
Tristel PLC	562,621
YouGov PLC	535,342
Games Workshop	509,327
MJ Gleeson PLC	388,730
Softcat PLC	375,210
Impax Asset Management Group PLC	373,208
dotDigital Group PLC	328,590
EMIS Group PLC	279,542
Dunelm Group PLC	267,557
Rotork PLC	243,949
Auto Trader Group PLC	214,336
Mortgage Advice Bureau (Holdings) PLC	186,831
Spirent Communications PLC	179,860
Elementis PLC	168,885
Allfa Financial Software	164,396
EKF Diagnostics	158,411
Advanced Medical Solutions	138,498
Other various purchases	467,653
Total purchases for the year	7,548,039
Sales (Note 14)	£
EMIS Group PLC	2,231,593
Victrex	913,901
XP Power Ltd	694,323
4IMPRINT GROUP	441,814
Craneware PLC	400,989
Spirent Communications PLC	346,764
Dunelm Group PLC	179,611
Rotork PLC	164,001
Kainos Group	78,221
Chemring Group	64,173
Elementis PLC	59,616
Team17 Group PLC	46,910
Allfa Financial Software	36,102
Ergomed	26,823
Trellus Health PLC	7,261
Total sales for the year	5,692,102

The above transactions represent the top 20 purchases and all sales during the year.

STATEMENT OF TOTAL RETURN

For the year ended 30 June

		2023		2022	
	Notes	£	£	£	£
Income					
Net capital gains/(losses)	2		1,466,044		(12,941,503)
Revenue	3	1,288,242		1,087,805	
Expenses	4	(438,777)		(446,703)	
Interest payable and similar charges	6	-		(8,015)	
Net revenue before taxation		849,465		633,087	
Taxation	5	-		-	
Net revenue after taxation			849,465		633,087
Total return before distributions			2,315,509		(12,308,416)
Finance costs: distributions	6		(1,287,117)		(1,080,915)
Changes in net assets attributable to shareholders from investment activities			1,028,392		(13,389,331)

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the year ended 30 June

	2023	2022
	£	£
Opening net assets attributable to shareholders	44,215,840	38,514,521
Amounts receivable on creation of shares	8,480,602	39,054,230
Amounts payable on cancellation of shares	(7,787,471)	(20,982,234)
Dividends reinvested	1,149,232	1,008,544
Dilution levies	-	10,110
Changes in net assets attributable to shareholders from investment activities (see above)	1,028,392	(13,389,331)
Closing net assets attributable to shareholders	47,086,595	44,215,840

BALANCE SHEET

As at	Notes	30.06.2023		30.06.2022	
		£	£	£	£
ASSETS					
Investment assets			43,630,076		40,306,422
Current assets					
Debtors	7	361,032		290,615	
Cash and bank balances	8	<u>3,345,375</u>		<u>3,983,527</u>	
Total current assets			<u>3,706,407</u>		<u>4,274,142</u>
Total assets			47,336,483		44,580,564
LIABILITIES					
Current liabilities					
Distributions payable on income shares		(84,986)		(73,564)	
Creditors	9	<u>(164,902)</u>		<u>(291,160)</u>	
Total current liabilities			<u>(249,888)</u>		<u>(364,724)</u>
Net assets attributable to shareholders			<u>47,086,595</u>		<u>44,215,840</u>

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting policies

The principal accounting policies, which have been applied in both the current and prior years, are set out on pages 7 and 8.

2 Net capital gains/(losses)

	2023	2022
	£	£
The net capital gains/(losses) comprise:		
Non-derivative securities gains/(losses)	1,467,723	(12,938,265)
Transaction charges (custodian)	(1,679)	(3,238)
Total net capital gains/(losses)	<u>1,466,044</u>	<u>(12,941,503)</u>

3 Revenue

	2023	2022
	£	£
Non-taxable dividends	1,228,630	1,086,839
Bank interest	59,612	966
Total revenue	<u>1,288,242</u>	<u>1,087,805</u>

4 Expenses

	2023	2022
	£	£
Payable to the Authorised Fund Manager, associates of the Authorised Fund Manager, and agents of either of them:		
Annual management charge	394,001	402,047
Payable to the depositary, associates of the depositary, and agents of either of them:		
Depositary fee	18,000	18,840
Safe custody fee	1,876	1,980
	<u>19,876</u>	<u>20,820</u>
Other expenses:		
Audit fee	9,622	8,117
FCA fee	47	50
Other expenses	15,231	15,669
	<u>24,900</u>	<u>23,836</u>
Total expenses	<u>438,777</u>	<u>446,703</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5 Taxation	2023	2022
	£	£
(a) Analysis of charge in the year		
UK Corporation tax	-	-
Total tax charge for the year (note 5b)	-	-
(b) Factors affecting current tax charge for the year		
The tax assessed for the year is lower than the standard rate of corporation tax in the UK for an open-ended investment company 20.00% (2022: 20.00%). The differences are explained below:		
Net revenue before taxation	849,465	633,087
Corporation tax at 20.00% (2022: 20.00%)	169,893	126,617
Effects of:		
Revenue not subject to UK corporation tax	(245,725)	(217,367)
Current year expenses not utilised	75,832	90,750
Total tax charge for the year (note 5a)	-	-

(c) Provision for deferred taxation

At 30 June 2023 there is a potential deferred tax asset of £208,424 (30 June 2022: £132,592) in relation to surplus management expenses. It is unlikely the Sub-fund will generate sufficient taxable profits in the future to utilise this amount and therefore no deferred tax asset has been recognised.

6 Finance costs	2023	2022
	£	£
Interim dividend distribution	482,215	512,803
Final dividend distribution	804,538	638,346
	1,286,753	1,151,149
Add: Revenue deducted on cancellation of shares	48,969	91,355
Deduct: Revenue received on issue of shares	(48,605)	(161,589)
Net distribution for the year	1,287,117	1,080,915
Interest payable and similar charges	-	8,015
Total finance costs	1,287,117	1,088,930
Reconciliation of distributions		
Net revenue after taxation	849,465	633,087
Expenses paid from capital	438,777	446,703
Tax relief allocated to capital	(11,922)	-
Balance brought forward	(1,125)	-
Balance carried forward	11,922	1,125
Net distribution for the year	1,287,117	1,080,915

NOTES TO THE FINANCIAL STATEMENTS (Continued)

7 Debtors	30.06.2023	30.06.2022
	£	£
Amounts receivable on creation of shares	270,821	200,213
Amounts receivable on unsettled trades	10,710	36,275
Accrued revenue:		
Non-taxable dividends receivable	78,929	54,067
Prepayments	572	60
Total debtors	361,032	290,615

8 Cash and bank balances	30.06.2023	30.06.2022
	£	£
Cash and bank balances	3,345,375	3,983,527

9 Creditors	30.06.2023	30.06.2022
	£	£
Amounts payable on cancellation of shares	77,339	85,967
Amounts payable on unsettled trades	41,100	160,104
Payable to the AFM, associates of the AFM and agents of either of them:		
Annual management charge	32,652	30,615
Payable to the depositary, associates of the depositary, and agents of either of them:		
Depositary fees	1,479	1,479
Safe custody and other custodian charges	2,329	3,550
	3,808	5,029
Other accrued expenses	10,003	9,445
Total creditors	164,902	291,160

10 Risk management

In pursuing its investment objective as stated on page 29, the Sub-fund holds a number of financial instruments. The Sub-fund's financial instruments comprise securities and other investments, cash balances, debtors and creditors that arise directly from its operations, for example, in respect of sales and purchases awaiting settlement, amounts receivable for issues and payable for redemptions and debtors for accrued revenue.

The main risks arising from the Sub-fund's financial instruments, those of its underlying holdings and the AFM's policies for managing these risks are summarised below. These policies have been applied throughout the year.

Market price risk

Market price risk is the risk that the value of the Sub-fund's investment holdings will fluctuate as a result of changes in market prices caused by factors other than interest rate or foreign currency movement. Market price risk arises mainly from uncertainty about future prices of financial instruments the Sub-fund holds. It represents the potential loss the Sub-Fund might suffer through holding market positions in the face of price movements.

The Sub-fund's investment portfolio is exposed to market price fluctuations, which are monitored by the AFM in pursuance of the investment objective and policy as set out in the Prospectus.

Adherence to investment guidelines and to investment and borrowing powers set out in the Instrument of Incorporation, the Prospectus and in the rules of the Financial Conduct Authority's Collective Investment Schemes Sourcebook mitigates the risk of excessive exposure to any particular type of security or issuer.

If market prices at the balance sheet date had been 10% higher or lower while all other variables remained constant, the return attributable to ordinary shareholders and equity for the year ended 30 June 2023 would have increased/decreased by £4,363,008 (30 June 2022: £4,030,642).

10 Risk management (Continued)

Foreign currency risk

Foreign currency risk is the risk that the value of the Sub-fund's investment holdings will fluctuate as a result of changes in foreign currency exchange rates.

Net currency assets and liabilities consist of:

	Net monetary assets and liabilities		Non-monetary assets		Total net assets	
	£		£		£	
	30.06.2023	30.06.2022	30.06.2023	30.06.2022	30.06.2023	30.06.2022
Sterling	3,456,519	3,909,418	43,630,076	40,306,422	47,086,595	44,215,840
Total	3,456,519	3,909,418	43,630,076	40,306,422	47,086,595	44,215,840

Interest rate risk

Interest rate risk is the risk to portfolio value due to changes in interest rates. The magnitude of the exposure from an adverse change in interest rates depends on the sensitivity of the instrument to changes in interest rates as well as the absolute change in interest rates. In general, values of long-term instruments are more sensitive to interest rate changes than the values of short-term instruments.

The Sub-fund takes on interest rate risk when the investment manager believes the expected returns compensate for the risk, limited by the investment objective, policy and any prospectus rules. The investment manager monitors the level of interest rate risk in the fund on a regular basis. In addition any cash deposits in the sub-fund are linked to SONIA, ensuring interest income increases as interest rates increase.

The table below details the interest rate risk profile at the balance sheet date:

	30.06.2023	30.06.2022
	£	£
Financial assets floating rate	3,345,375	3,983,527
Financial assets interest bearing instruments	-	-
Financial assets non-interest bearing instruments	43,991,108	40,597,037
Financial liabilities non-interest bearing instruments	(249,888)	(364,724)
Financial liabilities floating rate	-	-
	47,086,595	44,215,840

At 30 June 2023, if interest rates increased or decreased by 0.25%, with all other variables remaining constant, then the net assets attributable to shareholders of the Sub-fund would increase or decrease by approximately £8,363 (30 June 2022: £9,959).

Maturity of financial liabilities

The financial liabilities of the Sub-fund as at 30 June 2023 are payable either within one year or on demand.

Liquidity risk

The Sub-fund's assets comprise mainly of readily realisable securities. The main liability of the Sub-fund is the redemption of any shares that the investors wish to sell. Assets of the Sub-fund may need to be sold if insufficient cash is available to finance such redemptions.

Credit risk

Certain transactions in securities that the Sub-fund enters into expose it to the risk that the counterparty will not deliver the investment for a purchase, or cash for a sale after the Sub-fund has fulfilled its responsibilities. The Sub-fund only buys and sells investments through brokers which have been approved by the AFM as acceptable counterparties and fund management companies. In addition, limits are set to the exposure to any individual broker that may exist at any time and changes in brokers' financial ratings are reviewed.

Credit risk also arises on cash held within financial institutions. Credit risk on cash balances is mitigated by ensuring that cash is held with financial institutions that are at least investment grade credit related.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

10 Risk management (Continued)

Fair value disclosure

The fair value hierarchy is intended to prioritise the inputs that are used to measure the fair value of assets and liabilities. The highest priority is given to quoted prices and the lowest priority to un-observable inputs. The criteria applied to the fair values levels in these financial statements are as follows:

Level 1: Unadjusted quoted price in an active market for an identical instrument;
 Level 2: Valuation techniques using observable inputs other than quoted prices within level 1;
 Level 3: Valuation techniques using unobservable inputs.

Valuation Technique	30.06.2023		30.06.2022	
	Assets (£000's)	Liabilities (£000's)	Assets (£000's)	Liabilities (£000's)
Level 1: Unadjusted quoted price in an active market for an identical instrument	43,630	-	40,306	-
Total	43,630	-	40,306	-

11 Shares held

Class A (Accumulation)

Opening shares at 01.07.2022	29,271,591
Shares issued during the year	5,895,346
Shares cancelled during the year	(5,268,367)
Shares converted during the year	-
Closing shares as at 30.06.2023	29,898,570

Class A (Income)

Opening shares at 01.07.2022	3,814,288
Shares issued during the year	35,628
Shares cancelled during the year	(230,146)
Shares converted during the year	-
Closing shares as at 30.06.2023	3,619,770

12 Contingent assets and liabilities

At 30 June 2023, the Sub-fund had no contingent liabilities or commitments (30 June 2022: £nil).

13 Post balance sheet events

As indicated in the accounting policies in Note 1, the investments have been valued at the closing valuation point on 30 June 2023. Since that date, the Sub-fund's quoted price has moved as follows:

Share class	Price at 30 June 2023 GBp	Price at 26 October 2023 GBp
Class A (Accumulation)	141.8103p	128.6723p
Class A (Income)	135.9973p	123.3984p

NOTES TO THE FINANCIAL STATEMENTS (Continued)

14 Direct transaction costs

	2023		2022	
	£	%	£	%
Analysis of total purchase costs				
Purchases in the year before transaction costs	7,525,127		26,018,623	
Commissions	5,305	0.07%	16,092	0.06%
Taxes & Levies	17,607	0.23%	84,085	0.32%
Total purchase costs	22,912	0.30%	100,177	0.38%
Total purchases including transaction costs	7,548,039		26,118,800	
Analysis of total sale costs				
	£	%	£	%
Sales in the year before transaction costs	5,696,143		8,197,111	
Commissions	(4,040)	(0.07%)	(3,322)	(0.04%)
Taxes & Levies	(1)	(0.00%)	(2)	(0.00%)
Total sale costs	(4,041)	(0.07%)	(3,324)	(0.04%)
Total sales net of transaction costs	5,692,102		8,193,787	

The following represents the total of each type of transaction cost, expressed as a percentage of the Sub-fund's average net asset value in the year:

	2023		2022	
	£	% of average net asset value	£	% of average net asset value
Commissions	9,345	0.02%	19,414	0.04%
Taxes & Levies	17,608	0.04%	84,087	0.17%
	26,953	0.06%	103,501	0.21%

15 Portfolio dealing spread

The average portfolio dealing spread at 30 June 2023 is 1.07% (30 June 2022: 1.26%).

16 Related party transactions

Valu-Trac Investment Management Limited, as AFM is a related party due to its ability to act in respect of the operations of the Sub-fund.

Amounts paid to the AFM and its associates are disclosed in note 4. The amounts due to the AFM and its associates at the balance sheet date are disclosed in note 9.

DISTRIBUTION TABLES

For the year ended 30 June 2023

Interim distribution in pence per share

Group 1: Shares purchased prior to 1 July 2022

Group 2 : Shares purchased on or after 01 July 2022 and on or before 31 December 2022

Class A (Accumulation)	Net Revenue 28.02.2023	Equalisation	Distribution 28.02.2023	Distribution 28.02.2022
Group 1	1.4374p	-	1.4374p	1.5653p
Group 2	0.8297p	0.6077p	1.4374p	1.5653p

Class A (Income)	Net Revenue 28.02.2023	Equalisation	Distribution 28.02.2023	Distribution 28.02.2022
Group 1	1.4162p	-	1.4162p	1.5782p
Group 2	1.2299p	0.1863p	1.4162p	1.5782p

Final distribution in pence per share

Group 1: Shares purchased prior to 01 January 2023

Group 2 : Shares purchased on or after 01 January 2023 and on or before 30 June 2023

Class A (Accumulation)	Net Revenue 31.08.2023	Equalisation	Distribution 31.08.2023	Distribution 31.08.2022
Group 1	2.4066p	-	2.4066p	1.9295p
Group 2	1.3576p	1.0490p	2.4066p	1.9295p

Class A (Income)	Net Revenue 31.08.2023	Equalisation	Distribution 31.08.2023	Distribution 31.08.2022
Group 1	2.3478p	-	2.3478p	1.9287p
Group 2	1.0350p	1.3128p	2.3478p	1.9287p

Information for corporate shareholders

A corporate shareholder receives the distribution shown on the voucher enclosed with this report as follows:

- i) 95.37% of the total dividend allocation together with the tax credit is received as franked investment income.
- ii) 4.63% of the dividend allocation is received as an annual payment received after deduction of income tax at the lower rate and is liable to corporation tax. It is not franked investment income.

SUB-FUND OVERVIEW

Name of Sub-fund	VT Downing European Unconstrained Income Fund
Size of Sub-fund	£43,154,911
Launch date	5 November 2020
Investment objective and policy	<p>The investment objective of the Sub-fund is to generate income with the potential for long term (5 years) capital growth.</p> <p>The Sub-fund will seek to achieve its objective by investing at least 75% in equities issued by companies based in developed European markets (being member states of the European Union, Norway, Switzerland or the United Kingdom). The Sub-fund may also invest in emerging and frontier European markets including Turkey, Russia and Iceland.</p> <p>The Sub-fund may also invest in government securities, fixed income, closed ended collective investment schemes/vehicles (which may include those managed and/or operated by the AFM and which will provide exposure to various asset classes including equities and bonds), real estate investment trusts, money market instruments, deposits, cash and near cash.</p> <p>The Sub-fund will be actively managed.</p> <p>Save as noted above, the Sub-fund will not have any particular industry or economic sector focus and as such weightings in these may vary as required.</p>
Derivatives	<p>The Sub-fund may hold derivatives for Efficient Portfolio Management (EPM) purposes (including hedging). It is not intended that the use of derivatives for EPM purposes will increase the risk profile of the Sub-fund.</p>
Benchmark	<p>The Sub-fund is not managed to or constrained by a benchmark, and nor does the AFM use a benchmark in order to assess performance.</p> <p>However, many funds sold in the UK are grouped into sectors by the Investment Association (the "IA") (the trade body that represents UK investment managers), to help investors to compare funds with broadly similar characteristics.</p> <p>In order to assess the Sub-fund's performance, investors may find it useful to compare the Sub-fund against the performance of the IA Europe (ex UK) Sector, which serves as a method of comparing the Sub-fund's performance with other funds which have broadly similar characteristics. The IA Europe (excluding UK) has been chosen as a comparator rather than the IA Europe (including UK), as it is not the intention of the Sub-fund to have a large exposure to UK equities that generate their revenue in the UK.</p>
Annual accounting date	30 June
Interim accounting date	31 December
Annual income allocation date	By 31 August
Interim income allocation dates	By 30 November; By last day of February; By 31 May
Share classes:	Class A (Accumulation) Class A (Income) Class F (Accumulation) ¹ Class F (Income) ¹

¹ Class F shares are only available to those who invest at launch of the Sub-fund (or otherwise at the AFM's discretion)

SUB-FUND OVERVIEW (Continued)

Minimum investment*

Lump sum subscription:	Class A: £1,000 Class F: £1,000,000
Top-up:	Class A: £100 Class F: £1,000
Holding:	Class A: £1,000 Class F: £1,000,000
Regular saving:	£100 per month
Redemption/Switching:	N/A (provided minimum holding is maintained)
Initial, redemption and switching charges*:	Nil

*The AFM may waive the minimum levels (and initial charge and redemption charge) at its discretion.

Annual management charges

The annual management charges are	£30,000 [^] per annum plus Class A – 0.75% per annum Class F – 0.55% per annum
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The above percentages being percentages of the net asset value of the Sub-fund attributable to the relevant class (plus VAT if applicable).

[^]The fixed element of the fee shall rise annually in line with the rate of inflation (calculated in accordance with the Consumer Prices Index) on 1 January each year (from 1 January 2021)). In the event of negative inflation, this fee will remain unchanged.

INVESTMENT MANAGER'S REVIEW

Performance overview

European markets were generally strong during the 12-month period ending 30 June 2023 as sentiment began to recover from the shock of Russia's invasion of Ukraine in February 2022. Moderating inflation and softening fears of a recession also buoyed markets.

During the period, the Fund's A Accumulation shares rose 10.7% compared with the IA Europe ex-UK sector which rose by 18.4%. The fund's large exposure to small and mid-cap companies was a significant headwind as the European large-cap index significantly outperformed the small and mid-cap parts of the market.

Key contributors and detractors

Key contributors during the period included Exmar, Allied Irish Bank, Inpost.

Exmar is a Belgian shipping company that provides floating solutions for the transportation and transformation of gas (LPG and LNG). With gas prices surging in Europe, the economics of chartering out (or selling) its idle floating LNG infrastructure asset became very attractive. Some months after the initial purchase of the stock, Exmar announced that it had signed an agreement to sell its FLNG asset at a very high valuation. The position was sold in April 2023 after a bid by the major shareholder, with the shares including dividends gaining more than 150% during the holding period.

Allied Irish Bank performed strongly as it is a beneficiary of rising interest rates and a robust macroeconomic environment in Ireland. This has allowed management to set a ROTE target in 2024 of greater than 13% and it has flagged higher capital returns which has been well received by investors.

There was also a strong performance from Inpost, with the shares continuing to increase in value following a number of strong results. These show that volumes and revenues continue to grow strongly, especially in the UK, which could be a very significant opportunity in the medium term.

The main detractors in the Fund related to the holdings in salmon stocks which were hit by the unexpected announcement in September 2022 of a 40% asset tax by the Norwegian government. Unsurprisingly, the share price of all salmon companies (Mowi, Salmar, and Masoval) fell heavily. Positions in Salmar and Masoval were sold as the proposed tax was deemed to have a severe impact on the economics of the businesses, removing a lot of the upside that was previously anticipated.

Portfolio activity and outlook

In addition to the sales mentioned above, a number of new positions were added to the fund during the period.

Allfunds is a leading wealthtech company that offers the largest fund distribution network globally, with c.€1.3trn in assets under administration. The shares have been very weak since its IPO and the managers took advantage of the discounted placing by Credit Suisse to start a position in a high-quality company and at an attractive valuation.

A position in Sanofi was started after c.€20bn of market cap was wiped out, largely on the back of concerns related to litigation risk from the heartburn drug, Zantac. The managers believe this to be an extreme reaction to what will likely be a much lower settlement. Sanofi has resilient and diversified cash flows, and the current valuation implies very little or no value for its pipeline.

The shares of Teleperformance fell sharply following a press article alleging poor labour practices in its Colombian operations. Management responded immediately by announcing the exit of the affected operations, launching internal and external reviews, as well as engaging government officials and UNI Global Union (a global union federation). In doing so, the company is taking active steps to improve its practices which we believe will lead to a more sustainable and resilient business over time. Management also announced a share buyback programme in response to the decline in the share price.

Kering is a leading luxury goods company whose shares have been weighed down by a slowdown related to China. This is a rare contrarian opportunity to buy into a high-quality company at a cheap valuation.

Munters is a Swedish industrial company that offers cooling and dehumidification systems and is seeing strong growth in its data centre and battery segments.

Eramet is a French mining company. Its operations have been repositioned so that the portfolio will be a player in the energy transition, with assets in lithium, nickel, and cobalt. It is developing a lithium project in Argentina which is expected to contribute to c.25% of earnings by 2025.

INVESTMENT MANAGER'S REVIEW (Continued)

Portfolio activity and outlook (Continued)

Soitec plays a key role in the microelectronics industry. It designs and manufactures innovative semiconductor materials. These substrates are then patterned and cut into chips to make circuits for electronic components. Soitec offers unique and competitive solutions for miniaturizing chips, improving their performance, and reducing their energy usage.

Downing LLP
Investment Manager to the Fund
25 September 2023

PERFORMANCE RECORD

Class A (Accumulation)	Year ended 30 June	Year ended 30 June	Period from 17
	2023	2022	November 2020 to 30 June 2021 [^]
	GBP	GBP	GBP
Changes in net assets per share			
Opening net asset value per share	98.1280	112.9041	100.0000
Return before operating charges	11.4056	(13.8898)	13.4829
Operating charges (note 1)	(0.8994)	(0.8863)	(0.5788)
Return after operating charges *	10.5062	(14.7761)	12.9041
Closing net asset value per share	108.6342	98.1280	112.9041
Retained distributions on accumulated shares	4.2893	3.8257	1.7700
*after direct transactions costs of:	0.1137	0.1266	0.2768
Performance			
Return after charges	10.71%	(13.09%)	12.90%
Other information			
Closing net asset value	£426,651	£397,356	£338,048
Closing number of shares	392,741	404,936	299,412
Operating charges (note 2)	0.87%	0.84%	0.87%
Direct transaction costs	0.11%	0.12%	0.26%
Prices			
Highest share price	116.3062	120.4776	113.7486
Lowest share price	93.6773	96.5366	99.7415

[^]Share class launched 17 November 2020

Class A (Income)	Year ended 30 June	Year ended 30 June	Period from 30
	2023	2022	November 2020 to 30 June 2021 [^]
	GBP	GBP	GBP
Changes in net assets per share			
Opening net asset value per share	90.2587	107.8130	100.0000
Return before operating charges	10.1497	(13.0883)	10.0255
Operating charges (note 1)	(0.8090)	(0.8319)	(0.5273)
Return after operating charges *	9.3407	(13.9202)	9.4982
Distribution on income shares	(3.8810)	(3.6341)	(1.6852)
Closing net asset value per share	95.7184	90.2587	107.8130
*after direct transactions costs of:	0.1023	0.1188	0.2702
Performance			
Return after charges	10.35%	(12.91%)	9.50%
Other information			
Closing net asset value	£52,607	£33,450	£16,976
Closing number of shares	54,960	37,060	15,745
Operating charges (note 2)	0.87%	0.84%	0.87%
Direct transaction costs	0.11%	0.12%	0.26%
Prices			
Highest share price	104.8426	115.0475	109.9695
Lowest share price	85.3220	90.2587	98.1547

[^]Share class launched 30 November 2020

PERFORMANCE RECORD (Continued)

Class F (Accumulation)	Period from 01 July 2022 to 27 February 2023^^		Period from 11 December 2020 to 30 June 2021^
	Year ended 30 June 2023^^	Year ended 30 June 2022	
Changes in net assets per share	GBP	GBP	GBP
Opening net asset value per share	95.0759	109.1734	100.0000
Return before operating charges	13.2682	(13.4439)	9.5530
Operating charges (note 1)	(0.4508)	(0.6536)	(0.3796)
Return after operating charges *	12.8174	(14.0975)	9.1734
Closing net asset value per share	107.8933	95.0759	109.1734
Retained distributions on accumulated shares	1.3087	3.7219	1.9780
*after direct transactions costs of:	0.1116	0.1225	0.2719
Performance			
Return after charges	13.48%	(12.91%)	9.17%
Other information			
Closing net asset value	-	£25,078,754	£28,797,328
Closing number of shares	-	26,377,615	26,377,615
Operating charges (note 2)	0.67%	0.64%	0.67%
Direct transaction costs	0.11%	0.12%	0.26%
Prices			
Highest share price	111.5108	116.5370	109.9894
Lowest share price	90.8170	93.4753	97.9021

^Share class launched 11 December 2020

^^ Share class fully redeemed on 27 February 2023

Class F (Income)	Year ended 30 June 2023		Year ended 30 June 2022	Period from 05 November 2020 to 30 June 2021^
	Year ended 30 June 2023	Year ended 30 June 2022		
Changes in net assets per share	GBP	GBP	GBP	
Opening net asset value per share	96.8466	115.4496	100.0000	
Return before operating charges	10.9130	(14.0269)	18.0441	
Operating charges (note 1)	(0.6692)	(0.6793)	(0.4812)	
Return after operating charges *	10.2438	(14.7062)	17.5629	
Distribution on income shares	(4.1794)	(3.8968)	(2.1133)	
Closing net asset value per share	102.9110	96.8466	115.4496	
*after direct transactions costs of:	0.1099	0.1274	0.2801	
Performance				
Return after charges	10.58%	(12.74%)	17.56%	
Other information				
Closing net asset value	£42,708,546	£45,497,755	£55,830,166	
Closing number of shares	41,500,453	46,979,175	48,358,899	
Operating charges (note 2)	0.67%	0.64%	0.67%	
Direct transaction costs	0.11%	0.12%	0.26%	
Prices				
Highest share price	112.6749	123.2365	117.7584	
Lowest share price	91.6034	96.8466	100.0000	

^Share class launched 5 November 2020

PERFORMANCE RECORD (Continued)

1. The operating charges per share figure is calculated by applying the operating charges percentage to the average net asset valuation per share throughout the period.
2. The operating charges percentage is based on the expenses incurred during the period annualised, as a proportion of the average net asset value of the Sub-fund.

Risk Profile

Based on past data, the Sub-fund is ranked a '5' on the synthetic risk and reward indicator scale (of 1 to 7) as described fully in the Key Investor Information Document (30 June 2022: ranked 5). The Sub-fund is ranked 5 because monthly historical performance data indicates that relatively high rises and falls in market prices would have occurred historically.

PORTFOLIO STATEMENT

As at 30 June 2023

Holding		Value £	% of net assets
	Communications (30.06.2022: 5.12%)		
539,952	Stillfront Group AB (publ)	710,946	1.65%
		<u>710,946</u>	<u>1.65%</u>
	Consumer Discretionary (30.06.2022: 1.60%)		
1,422,399	Cairn Homes PLC	1,413,409	3.28%
2,033	Kering SA	883,772	2.05%
6,961	Volkswagen AG	736,739	1.71%
		<u>3,033,920</u>	<u>7.04%</u>
	Consumer Staples (30.06.2022: 5.32%)		
92,524	Mowi ASA	1,154,625	2.68%
		<u>1,154,625</u>	<u>2.68%</u>
	Energy (30.06.2022: 11.21%)		
114,729	Friedrich Vorwerk Group SE	1,059,311	2.45%
249,289	Snam SpA	1,026,150	2.38%
		<u>2,085,461</u>	<u>4.83%</u>
	Financials (30.06.2022: 21.34%)		
371,751	AIB Group plc	1,224,320	2.84%
205,401	Allfunds Group PLC	990,551	2.30%
164,210	Banca Farmafactoring SpA	1,418,950	3.29%
8,561	Deutsche Boerse AG	1,239,303	2.87%
254,248	doValue SpA	925,042	2.14%
70,185	Flow Traders NV	1,220,174	2.83%
32,384	KBC Ancora CVA	1,162,124	2.69%
		<u>8,180,464</u>	<u>18.96%</u>
	Health Care (30.06.2022: 7.41%)		
25,421	Bayer AG	1,111,193	2.57%
104,900	Fagron NV	1,378,125	3.19%
12,327	Sanofi SA	1,038,422	2.41%
		<u>3,527,740</u>	<u>8.17%</u>
	Industrials (30.06.2022: 21.42%)		
102,901	Aumann AG	1,241,489	2.88%
403,947	Cadeler A/S	1,342,467	3.11%
10,450	Eiffage SA	857,797	1.99%
173,002	InPost SA	1,482,452	3.44%
151,409	Munters Group AB	1,344,085	3.11%
42,749	Prismian SpA	1,385,881	3.21%
45,458	Relx PLC	1,194,410	2.77%
10,699	Schneider Electric SE	1,521,811	3.53%
30,383	Siemens Energy AG	423,143	0.98%
9,006	Teleperformance SE	1,193,597	2.77%
		<u>11,987,132</u>	<u>27.79%</u>
	Information Technology (30.06.2022: 4.93%)		
73,178	AMS AG	409,098	0.95%
9,213	BE Semiconductor Industries NV	774,756	1.80%
20,496	Infineon Technologies AG	657,073	1.52%
12,191	SAP SE	1,301,360	3.02%
3,820	Soitec SA	504,967	1.17%
25,742	Worldline SA	745,732	1.73%
		<u>4,392,986</u>	<u>10.19%</u>

PORTFOLIO STATEMENT (Continued)**As at 30 June 2023**

Holding		Value £	% of net assets
	Materials (30.06.2022: 0.00%)		
447,127	Ence Energia y Celulosa SA	1,108,067	2.57%
11,813	Eramet SA	841,856	1.95%
1,568,623	Talga Group Ltd	1,214,487	2.81%
		3,164,410	7.33%
	Real Estate (30.06.2022: 12.52%)		
81,856	Aedas Homes SA	1,261,522	2.91%
94,287	Cibus Nordic Real Estate AB (publ)	710,630	1.64%
125,280	Infrastrutture Wireless Italiane SpA	1,299,708	3.00%
		3,271,860	7.55%
	Utilities (30.06.2022: 0.50%)		
		-	-
	Portfolio of investments (30.06.2022: 91.37%)	41,509,544	96.19%
	Net other assets (30.06.2022: 8.75%)	1,645,367	3.81%
		43,154,911	100.00%

Note: The 30 June 2022 comparators percentages are based on Mid pricing and does not add up to 100%. The Mid to Bid adjustment for the year ended 30 June 2022 was (0.12%).

SUMMARY OF MATERIAL PORTFOLIO CHANGES

Purchases (Note 14)	£
Sanofi	2,371,249
Allfunds Group	1,800,884
Mowi ASA	1,515,234
Kering SA	1,485,942
Teleperformsnce SE	2,072,658
Munters Group AB	1,366,182
Bayer AG	1,274,547
Talga Group Ltd	1,124,414
Fagron NV	908,790
Eramet SA	907,722
AIB Group plc	877,142
SalMar ASA	753,784
Exmar NV	704,596
InPost SA	533,578
Cibus Nordic Real Estate AB (publ)	515,028
Volkswagen AG	507,482
Soitec SA	493,607
doValue SpA	453,837
BE Semiconductor Industries NV	392,127
Banca Farmafactoring	376,635
Other various purchases	2,391,807
Total purchases for the year	22,827,245

Sales (Note 14)	£
Exmar NV	4,154,097
AIB Group plc	2,602,334
Deutsche Boerse AG	2,504,599
Banca Farmafactoring SpA	2,246,924
Fagron NV	2,090,538
Flow Traders NV	1,955,670
Cadeler A/S	1,925,774
Bayer AG	1,905,241
Sanofi SA	1,642,654
Prysmian SpA	1,621,891
Julius Baer Gruppe AG	1,561,913
Relx PLC	1,491,271
ENCE Energia	1,426,660
InPost SA	1,361,559
Siemens Energy AG	1,279,178
Infrastrutture Wireless Italiane SpA	1,264,139
Talga Group Ltd	1,029,033
SalMar ASA	1,018,264
Schneider Electric SE	942,126
Infineon Technologies AG	940,919
Other various sales	18,126,447
Total sales for the year	53,091,231

The above transactions represent the top 20 purchases and sales during the year.

STATEMENT OF TOTAL RETURN

For the year ended 30 June

	Notes	2023	2022
		£	£
Income			
Net capital gains/(losses)	2		(12,843,043)
Revenue	3	2,422,440	3,299,308
Expenses	4	(423,981)	(535,647)
Interest payable and similar charges	6	<u>(852)</u>	<u>(13,949)</u>
Net revenue before taxation		1,997,607	2,749,712
Taxation	5	<u>(218,902)</u>	<u>(386,080)</u>
Net revenue after taxation		<u>1,778,705</u>	<u>2,363,632</u>
Total return before distributions		8,873,221	(10,479,411)
Finance costs: distributions	6	<u>(2,240,525)</u>	<u>(2,861,440)</u>
Changes in net assets attributable to shareholders from investment activities		<u>6,632,696</u>	<u>(13,340,851)</u>

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the year ended 30 June

	2023	2022
	£	£
Opening net assets attributable to shareholders	70,914,793	84,901,450
Amounts receivable on creation of shares	2,959,062	5,556,030
Amounts payable on cancellation of shares	(37,781,177)	(7,198,636)
Dividends reinvested	376,930	996,800
Dilution levies	52,607	-
Changes in net assets attributable to shareholders from investment activities (see above)	<u>6,632,696</u>	<u>(13,340,851)</u>
Closing net assets attributable to shareholders	<u>43,154,911</u>	<u>70,914,793</u>

BALANCE SHEET

As at	Notes	30.06.2023		30.06.2022	
		£	£	£	£
ASSETS					
Investment assets			41,509,544		64,708,348
Current assets					
Debtors	7	896,150		401,927	
Cash and bank balances	8	<u>1,903,998</u>		<u>6,942,339</u>	
Total current assets			<u>2,800,148</u>		<u>7,344,266</u>
Total assets			44,309,692		72,052,614
LIABILITIES					
Current liabilities					
Distribution payable on income shares		(921,995)		(1,081,829)	
Creditors	9	<u>(232,786)</u>		<u>(55,992)</u>	
Total current liabilities			<u>(1,154,781)</u>		<u>(1,137,821)</u>
Net assets attributable to shareholders			<u>43,154,911</u>		<u>70,914,793</u>

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting policies

The principal accounting policies, which have been applied in both the current and prior years, are set out on pages 7 and 8.

2 Net capital gains/(losses)

	2023	2022
	£	£
The net capital gains/(losses) comprise:		
Non-derivative securities gains/(losses)	7,204,947	(12,660,669)
Transaction charges (custodian)	(5,357)	(4,123)
Foreign exchange (losses)	(105,074)	(178,251)
Total net capital gains/(losses)	<u>7,094,516</u>	<u>(12,843,043)</u>

3 Revenue

	2023	2022
	£	£
Non-taxable dividends	2,332,742	3,297,404
Bank interest	89,698	1,904
Total revenue	<u>2,422,440</u>	<u>3,299,308</u>

4 Expenses

	2023	2022
	£	£
Payable to the Authorised Fund Manager, associates of the Authorised Fund Manager, and agents of either of them:		
Annual management charge	380,854	487,795
Payable to the depositary, associates of the depositary, and agents of either of them:		
Depositary fee	23,389	30,039
Safe custody fee	6,584	7,942
	<u>29,973</u>	<u>37,981</u>
Other expenses:		
Audit fee	9,622	8,100
FCA fee	55	41
Other expenses	3,477	1,730
	<u>13,154</u>	<u>9,871</u>
Total expenses	<u>423,981</u>	<u>535,647</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5 Taxation

	2023	2022
	£	£

(a) Analysis of charge in the year

Irrecoverable overseas withholding tax	218,902	386,080
Total tax charge for the year (note 5b)	218,902	386,080

(b) Factors affecting current tax charge for the year

The tax assessed for the year is lower than the standard rate of corporation tax in the UK for an open-ended investment company 20.00% (2022: 20.00%).

The differences are explained below:

Net revenue before taxation	1,997,607	2,749,712
Corporation tax at 20.00% (2022: 20.00%)	399,521	549,942

Effects of:

Revenue not subject to UK corporation tax	(466,547)	(659,480)
Current year expenses not utilised	67,026	109,538
Irrecoverable overseas withholding tax	218,902	386,080
Total tax charge for the year (note 5a)	218,902	386,080

(c) Provision for deferred taxation

At 30 June 2023 there is a potential deferred tax asset of £244,201 in relation to surplus management expenses (30 June 2022: £177,175). It is unlikely the Sub-fund will generate sufficient taxable profits in the future to utilise this amount and therefore no deferred tax asset has been recognised.

6 Finance costs

	2023	2022
	£	£

Interim dividend distributions	1,273,015	1,176,039
Final dividend distribution	930,990	1,673,098
	2,204,005	2,849,137

Add: Revenue deducted on cancellation of shares	41,774	50,751
Deduct: Revenue received on issue of shares	(5,254)	(38,448)

Net distribution for the year	2,240,525	2,861,440
Interest payable and similar charges	852	13,949
Total finance costs	2,241,377	2,875,389

Reconciliation of distributions

Net revenue after taxation	1,778,705	2,363,632
Expenses paid from capital	423,981	535,647
Tax relief allocated to capital	(17,769)	-
Balance brought forward	37,839	-
Balance carried forward	17,769	(37,839)
Net distribution for the year	2,240,525	2,861,440

NOTES TO THE FINANCIAL STATEMENTS (Continued)

7 Debtors	30.06.2023	30.06.2022
	£	£
Amounts receivable on creation of shares	102,500	24,999
Amounts receivable on unsettled trades	122,596	-
Accrued revenue:		
Recoverable withholding tax	664,059	364,115
Non-taxable dividends receivable	6,473	12,813
Prepayments	522	-
Total debtors	896,150	401,927
8 Cash and bank balances	30.06.2023	30.06.2022
	£	£
Cash and bank balances	1,903,998	6,942,339
9 Creditors	30.06.2023	30.06.2022
	£	£
Amounts payable on cancellation of shares	32,093	-
Amounts payable on unsettled trades	158,599	-
Payable to the AFM, associates of the AFM and agents of either of them:		
Annual management charge	23,034	36,997
Payable to the depositary, associates of the depositary, and agents of either of them:		
Depositary fees	1,479	2,379
Safe custody and other custodian charges	8,557	8,312
	10,036	10,691
Other accrued expenses	9,024	8,304
Total creditors	232,786	55,992

10 Risk management

In pursuing its investment objective as stated on page 48, the Sub-fund holds a number of financial instruments. The Sub-fund's financial instruments comprise securities and other investments, cash balances, debtors and creditors that arise directly from its operations, for example, in respect of sales and purchases awaiting settlement, amounts receivable for issues and payable for redemptions and debtors for accrued revenue.

The main risks arising from the Sub-fund's financial instruments, those of its underlying holdings and the AFM's policies for managing these risks are summarised below. These policies have been applied throughout the year.

Market price risk

Market price risk is the risk that the value of the Sub-fund's investment holdings will fluctuate as a result of changes in market prices caused by factors other than interest rate or foreign currency movement. Market price risk arises mainly from uncertainty about future prices of financial instruments the Sub-fund holds. It represents the potential loss the Sub-fund might suffer through holding market positions in the face of price movements.

The Sub-fund's investment portfolio is exposed to market price fluctuations, which are monitored by the AFM in pursuance of the investment objective and policy as set out in the Prospectus.

Adherence to investment guidelines and to investment and borrowing powers set out in the Instrument of Incorporation, the Prospectus and in the rules of the Financial Conduct Authority's Collective Investment Schemes Sourcebook mitigates the risk of excessive exposure to any particular type of security or issuer.

If market prices at the balance sheet date had been 10% higher or lower while all other variables remained constant, the return attributable to ordinary shareholders and equity for the year ended 30 June 2023 would have increased/decreased by £4,150,954 (30 June 2022: £6,470,835).

10 Risk management (Continued)

Foreign currency risk

Foreign currency risk is the risk that the value of the Sub-fund's investment holdings will fluctuate as a result of changes in foreign currency exchange rates.

The Sub-fund's investment portfolio is invested in equities that are registered overseas and/or denominated in overseas currencies and the balance sheet can be affected by movements in foreign exchange rates. The AFM may seek to manage exposure to currency movements by using forward exchange contracts or by hedging the Sterling value of investments that are priced in other currencies. Revenue received in other currencies is converted to Sterling on or near the date of receipt.

A portion of the net assets of the Sub-fund is denominated in currencies other than sterling with the effect that the balance sheet and total return can be affected by currency movements. If foreign exchange rates at the balance sheet date had been 10% higher or lower while all other variables remained constant, the return attributable to ordinary shareholders and equity for the year ended 30 June 2023 would have increased/decreased by £4,220,893 (30 June 2022: £6,508,597).

Net currency assets and liabilities consist of:

	Net monetary assets and liabilities		Non-monetary assets		Total net assets and liabilities	
	£		£		£	
	30.06.2023	30.06.2022	30.06.2023	30.06.2022	30.06.2023	30.06.2022
Sterling	945,981	5,828,823	-	-	945,981	5,828,823
Australian Dollar	-	-	1,214,487	1,102,460	1,214,487	1,102,460
Euro	584,630	299,216	34,623,205	52,475,920	35,207,835	52,775,136
Norwegian Krone	99,366	64,907	2,497,092	6,131,129	2,596,458	6,196,036
Swiss Franc	15,390	12,785	409,099	1,970,905	424,489	1,983,690
Swedish Krona	-	714	2,765,661	3,027,934	2,765,661	3,028,648
Total	1,645,367	6,206,445	41,509,544	64,708,348	43,154,911	70,914,793

Interest rate risk

Interest rate risk is the risk to portfolio value due to changes in interest rates. The magnitude of the exposure from an adverse change in interest rates depends on the sensitivity of the instrument to changes in interest rates as well as the absolute change in interest rates. In general, values of long-term instruments are more sensitive to interest rate changes than the values of short-term instruments.

The Sub-fund takes on interest rate risk when the investment manager believes the expected returns compensate for the risk, limited by the investment objective, policy and any prospectus rules. The investment manager monitors the level of interest rate risk in the Sub-fund on a regular basis. In addition any cash deposits in the Sub-fund are linked to SONIA, ensuring interest income increases as interest rates increase.

The table below details the interest rate risk profile at the balance sheet date:

	30.06.2023	30.06.2022
	£	£
Financial assets floating rate	1,903,998	6,942,339
Financial assets interest bearing instruments	-	-
Financial assets non-interest bearing instruments	42,405,694	65,110,275
Financial liabilities non-interest bearing instruments	(1,154,781)	(1,137,821)
Financial liabilities floating rate	-	-
	43,154,911	70,914,793

At 30 June 2023, if interest rates increased or decreased by 0.25%, with all other variables remaining constant, then the net assets attributable to shareholders of the Sub-fund would increase or decrease by approximately £4,760 (30 June 2022: £17,356).

Maturity of financial liabilities

The financial liabilities of the Sub-fund as at 30 June 2023 are payable either within one year or on demand.

Liquidity risk

The Sub-fund's assets comprise mainly of readily realisable securities. The main liability of the Sub-fund is the redemption of any shares that the investors wish to sell. Assets of the Sub-fund may need to be sold if insufficient cash is available to finance such redemptions.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

10 Risk management (Continued)

Credit risk

Certain transactions in securities that the Sub-fund enters into expose it to the risk that the counterparty will not deliver the investment for a purchase, or cash for a sale after the Sub-fund has fulfilled its responsibilities. The Sub-fund only buys and sells investments through brokers which have been approved by the AFM as acceptable counterparties and fund management companies. In addition, limits are set to the exposure to any individual broker that may exist at any time and changes in brokers' financial ratings are reviewed.

Credit risk also arises on cash held within financial institutions. Credit risk on cash balances is mitigated by ensuring that cash is held with financial institutions that are at least investment grade credit related.

Fair value disclosure

The fair value hierarchy is intended to prioritise the inputs that are used to measure the fair value of assets and liabilities. The highest priority is given to quoted prices and the lowest priority to un-observable inputs. The criteria applied to the fair values levels in these financial statements are as follows:

Level 1: Unadjusted quoted price in an active market for an identical instrument;

Level 2: Valuation techniques using observable inputs other than quoted prices within level 1;

Level 3: Valuation techniques using unobservable inputs.

Valuation Technique	30.06.2023		30.06.2022	
	Assets (£000's)	Liabilities (£000's)	Assets (£000's)	Liabilities (£000's)
Level 1: Unadjusted quoted price in an active market for an identical instrument	41,510	-	64,708	-
Total	41,510	-	64,708	-

11 Shares held

Class A (Accumulation)

Opening shares at 01.07.2022	404,936
Shares issued during the year	21,311
Shares cancelled during the year	(33,506)
Shares converted during the year	-
Closing shares as at 30.06.2023	392,741

Class A (Income)

Opening shares at 01.07.2022	37,060
Shares issued during the year	33,935
Shares cancelled during the year	(16,035)
Shares converted during the year	-
Closing shares as at 30.06.2023	54,960

Class F (Accumulation)

Opening shares at 01.07.2022	26,377,615
Shares issued during the period	-
Shares cancelled during the period	(26,377,615)
Shares converted during the period	-
Closing shares as at 27.02.2023	-

Class F (Income)

Opening shares at 01.07.2022	46,979,175
Shares issued during the year	2,806,306
Shares cancelled during the year	(8,285,028)
Shares converted during the year	-
Closing shares as at 30.06.2023	41,500,453

12 Contingent assets and liabilities

At 30 June 2023, the Sub-fund had no contingent liabilities or commitments (30 June 2022: £nil).

NOTES TO THE FINANCIAL STATEMENTS (Continued)

13 Post balance sheet events

As indicated in the accounting policies in Note 1, the investments have been valued at the closing valuation point on 30 June 2023. Since that date, the Sub-fund's quoted price has moved as follows:

Share class

	Price at 30 June 2023 GBp	Price at 26 October 2023 GBp
Class A (Accumulation)	108.6342p	95.7494p
Class A (Income)	95.7184p	84.0761p
Class F (Income)	102.9110p	90.4526p

14 Direct transaction costs

	2023		2022	
	£	%	£	%
Analysis of total purchase costs				
Purchases in the year before transaction costs	22,784,351		54,415,614	
Commissions	11,630	0.05%	26,569	0.05%
Taxes & levies	31,264	0.14%	50,171	0.09%
Total purchase costs	42,894	0.19%	76,740	0.14%
Total purchases including transaction costs	<u>22,827,245</u>		<u>54,492,354</u>	
Analysis of total sale costs				
	£	%	£	%
Sales in the year before transaction costs	53,118,875		56,390,042	
Commissions	(27,629)	(0.05%)	(27,300)	(0.05%)
Taxes & levies	(15)	(0.00%)	(17)	(0.00%)
Total sale costs	(27,644)	(0.05%)	(27,317)	(0.05%)
Total sales net of transaction costs	<u>53,091,231</u>		<u>56,362,725</u>	

The following represents the total of each type of transaction cost, expressed as a percentage of the Sub-fund's average net asset value in the year:

	2023		2022	
	£	% of average net asset value	£	% of average net asset value
Commissions	39,259	0.06%	53,869	0.06%
Taxes & Levies	31,279	0.05%	50,188	0.06%
	<u>70,538</u>	<u>0.11%</u>	<u>104,057</u>	<u>0.12%</u>

15 Portfolio Dealing Spread

The average portfolio dealing spread at 30 June 2023 is 0.16% (30 June 2022: 0.26%).

16 Related Party transactions

Valu-Trac Investment Management Limited, as AFM is a related party due to its ability to act in respect of the operations of the Sub-fund.

Amounts paid to the AFM and its associates are disclosed in note 4. The amounts due to the AFM and its associates at the balance sheet date are disclosed in note 9.

DISTRIBUTION TABLES

For the year ended 30 June 2023

Q1 Interim distribution in pence per share

Group 1: Shares purchased prior to 01 July 2022

Group 2 : Shares purchased on or after 01 July 2022 on or before 30 September 2022

Class A (Accumulation)	Net Revenue 30.11.2022	Equalisation	Distribution 30.11.2022	Distribution 30.11.2021
Group 1	0.8776p	-	0.8776p	0.4358p
Group 2	0.6819p	0.1957p	0.8776p	0.4358p

Class A (Income)	Net Revenue 30.11.2022	Equalisation	Distribution 30.11.2022	Distribution 30.11.2021
Group 1	0.7976p	-	0.7976p	0.4333p
Group 2	0.2291p	0.5685p	0.7976p	0.4333p

Class F (Accumulation)	Net Revenue 30.11.2022	Equalisation	Distribution 30.11.2022	Distribution 30.11.2021
Group 1	0.8505p	-	0.8505p	0.4389p
Group 2	0.8505p	-	0.8505p	0.4389p

Class F (Income)	Net Revenue 30.11.2022	Equalisation	Distribution 30.11.2022	Distribution 30.11.2021
Group 1	0.8661p	-	0.8661p	0.4641p
Group 2	0.7333p	0.1328p	0.8661p	0.4641p

Q2 Interim distribution in pence per share

Group 1: Shares purchased prior to 01 October 2022

Group 2 : Shares purchased on or after 01 October 2022 and on or before 31 December 2022

Class A (Accumulation)	Net Revenue 28.02.2023	Equalisation	Distribution 28.02.2023	Distribution 28.02.2022
Group 1	0.4725p	-	0.4725p	0.2949p
Group 2	0.0648p	0.4077p	0.4725p	0.2949p

Class A (Income)	Net Revenue 28.02.2023	Equalisation	Distribution 28.02.2023	Distribution 28.02.2022
Group 1	0.4304p	-	0.4304p	0.2805p
Group 2	0.0515p	0.3789p	0.4304p	0.2805p

Class F (Accumulation)	Net Revenue 28.02.2023	Equalisation	Distribution 28.02.2023	Distribution 28.02.2022
Group 1	0.4582p	-	0.4582p	0.2854p
Group 2	0.4582p	-	0.4582p	0.2854p

Class F (Income)	Net Revenue 28.02.2023	Equalisation	Distribution 28.02.2023	Distribution 28.02.2022
Group 1	0.4621p	-	0.4621p	0.3006p
Group 2	0.0088p	0.4533p	0.4621p	0.3006p

DISTRIBUTION TABLES (Continued)**Q3 Interim distribution in pence per share**

Group 1: Shares purchased prior to 01 January 2023

Group 2 : Shares purchased on or after 01 January 2023 and on or before 31 March 2023

Class A (Accumulation)	Net Revenue 31.05.2023	Equalisation	Distribution 31.05.2023	Distribution 31.05.2022
Group 1	0.6490p	-	0.6490p	0.8170p
Group 2	0.5520p	0.0970p	0.6490p	0.8170p

Class A (Income)	Net Revenue 31.05.2023	Equalisation	Distribution 31.05.2023	Distribution 31.05.2022
Group 1	0.5885p	-	0.5885p	0.7751p
Group 2	0.5056p	0.0829p	0.5885p	0.7751p

Class F (Accumulation)	Net Revenue 31.05.2023	Equalisation	Distribution 31.05.2023	Distribution 31.05.2022
Group 1	-	-	-	0.7910p
Group 2	-	-	-	0.7910p

Class F (Income)	Net Revenue 31.05.2023	Equalisation	Distribution 31.05.2023	Distribution 31.05.2022
Group 1	0.6323p	-	0.6323p	0.8310p
Group 2	0.6323p	-	0.6323p	0.8310p

Final distribution in pence per share

Group 1: Shares purchased prior to 01 April 2023

Group 2 : Shares purchased on or after 01 April 2023 and on or before 30 June 2023

Class A (Accumulation)	Net Revenue 31.08.2023	Equalisation	Distribution 31.08.2023	Distribution 31.08.2022
Group 1	2.2902p	-	2.2902p	2.2780p
Group 2	0.0839p	2.2063p	2.2902p	2.2780p

Class A (Income)	Net Revenue 31.08.2023	Equalisation	Distribution 31.08.2023	Distribution 31.08.2022
Group 1	2.0645p	-	2.0645p	2.1452p
Group 2	1.9566p	0.1079p	2.0645p	2.1452p

Class F (Accumulation)	Net Revenue 31.08.2023	Equalisation	Distribution 31.08.2023	Distribution 31.08.2022
Group 1	-	-	-	2.2066p
Group 2	-	-	-	2.2066p

Class F (Income)	Net Revenue 31.08.2023	Equalisation	Distribution 31.08.2023	Distribution 31.08.2022
Group 1	2.2189p	-	2.2189p	2.3011p
Group 2	2.0251p	0.1938p	2.2189p	2.3011p

Information for corporate shareholders

A corporate shareholder receives the distribution shown on the voucher enclosed with this report as follows:

- i) 96.30% of the total dividend allocation together with the tax credit is received as franked investment income.
- ii) 3.70% of the dividend allocation is received as an annual payment received after deduction of income tax at the lower rate and is liable to corporation tax. It is not franked investment income.

SUB-FUND OVERVIEW

Name of Sub-fund	VT Downing Listed Infrastructure Income Fund
Size of Sub-fund	£18,285,044
Launch date	01 March 2022
Investment objective and policy	<p>The investment objective of the Sub-fund is to generate income and preserve capital with potential for capital growth, all over the long term (5 years).</p> <p>The Sub-fund will seek to achieve its objective by investing at least 80% in a concentrated portfolio of infrastructure and infrastructure related companies (including, but not limited to, those whose primary activity or exposure is in the UK transport, healthcare, utilities, communication, and renewable energy infrastructure sector which are listed in the United Kingdom (including REITS). The Sub-fund will have a specific focus on investments denominated in Sterling, which are themselves invested in Sterling assets and which have most or all of their activities within the UK.</p> <p>It is expected that the market capitalisation (i.e. value) of companies within the Sub-fund's portfolio will vary with the Investment Manager trying to ensure there is a spread between larger and smaller companies at all times. In addition to investing in equities, the Sub-fund may also invest in other transferable securities (i.e. including those which do not have an infrastructure focus), bonds, collective investment schemes, money market instruments, deposits, cash and near cash.</p>
Derivatives	<p>The Sub-fund may hold derivatives for Efficient Portfolio Management purposes (including hedging). It is not intended that the use of derivatives for EPM purposes will increase the risk profile of the Sub-fund.</p> <p>The Sub-fund does not integrate any kind of sustainability into the investment process.</p>
Performance Assessment	<p>The Sub-fund is not managed to or constrained by a benchmark, and nor does the AFM use a benchmark in order to assess performance, however, the performance of the Sub-fund can be compared to that of the MSCI UK Index. This benchmark has been selected as it is considered that this index most closely reflects the investments which the Sub-fund will make (and its risk/return objectives) at the current time. For the avoidance of doubt, the Investment Manager is not bound or influenced by the index when making its decisions and can make investments that are not included in the index.</p>
Annual accounting date	30 June
Interim accounting date	31 December
Annual income allocation date	By 31 August
Interim income allocation dates	By 30 November; By last day of February; By 31 May
Share Classes	Class A (Accumulation) Class A (Income) Class B (Accumulation) Class B (Income) Class SI (Accumulation) Class SI (Income)

SUB-FUND OVERVIEW (Continued)

Minimum investment*

Lump sum subscription:	Class A: £1,000 Class B: £20,000,000 Class SI: £30,000,000
Top-up:	Class A: £100 Class B: £1,000 Class SI: £10,000
Holding:	Class A: £1,000 Class B: £1,000,000 Class SI: £10,000,000
Regular saving:	£100 per month
Redemption/Switching:	N/A (provided minimum holding is maintained)
Initial, redemption and switching charges*:	Nil

*The AFM may waive the minimum levels (and initial charge and redemption charge) at its discretion.

Annual management charges

The annual management charges are:

Class A – 0.40% per annum
Class B – 0.30% per annum
Class SI – 0.20% per annum

The above percentages being percentages of the net asset value of the Sub-fund attributable to the relevant class (plus VAT if applicable).

Ongoing Charges

The Investment Manager aims to ensure that, during the initial stages of the Sub-fund's growth, ongoing charges are maintained at a low level relative to the industry average. The Investment Manager has, with the agreement of the AFM, undertaken that if the total OCF of the Sub-fund in respect of the Sub-fund (as calculated at the end of the relevant accounting period but excluding underlying fund holding charges) exceeds 0.40% in the case of Class A shares, 0.30% in the case of Class B shares and 0.20% in the case of Class SI shares, the Investment Manager shall reimburse the Sub-fund for an amount which, when deducted from the operating costs incurred by the Sub-fund during the relevant accounting period, would result in the Sub-fund having a total OCF (excluding underlying fund holding charges) equal to the stated AMC for each share class i.e. 0.40% in the case of Class A shares, 0.30% in the case of Class B shares and 0.20% in the case of Class SI shares in the relevant accounting period.

INVESTMENT MANAGER'S REVIEW

Over the 12-month period to 30 June 2023, the Fund delivered a total return of -17.50% (Class A (Accumulation)), compared to -4.67% for the IA Infrastructure Sector. Given the Fund's exposure to infrastructure and real assets, the rising interest rate environment had an adverse impact on investor appetite for these assets. Whilst net asset values largely remained robust as offsetting factors such as inflation assumptions and power prices supported them, it was perceived that in the future higher interest rates would impact net asset values. This resulted in discounts to net asset values largely expanding across the infrastructure and real asset universe over the 12-month reporting period.

Over the period, the top contributors were 3i Infrastructure and Civitas Social Housing.

3i Infrastructure delivered a total net asset value return of 14.7%, in excess of the 8-10% target return the management team set themselves.

Civitas Social Housing was subject to an all-cash offer from Wellness Unity Limited, a subsidiary of CK Asset Holdings. Wellness Unity Limited offered to pay 80p per share, representing a 44.4% premium to the latest closing price.

Over the period under review, the top detractors were Home REIT and Tritax Big Box REIT

Home REIT was due to report full-year results on 28 November, however shortly before this the shares were subject to a publicly available and extensive short note on the company. This resulted in the company being subject to an enhanced set of audit procedures which delayed the publication of the full-year results. The shares were temporarily suspended from 3 January 2023 until the full-year results are published. At the end of the period, the full-year results had yet to be published.

Tritax Big Box REIT announced full-year results for the 12-month period to 31 December 2022. The company announced a 14.5% increase in rent roll, a 4.5% increase in dividend per share, and a 19.0% decrease in net tangible asset per share.

ESG

Downing is an active participant in core ESG frameworks and associations, including the UN Global Compact, the UN Principles of Responsible Investment, the UK Stewardship Code, Climate Action 100+, the Transitions Pathway Initiative, and the International Corporate Governance Network. In 2022 we were proud to be certified as a B Corp whereby we promote the interests of all stakeholders including our clients and the environment.

Downing LLP
Investment Manager to the Fund
25 September 2023

PERFORMANCE RECORD

Class A (Accumulation)	Year ended 30 June 2023	Period from 01 March 2022 to 30 June 2022[^]
Changes in net assets per share	GBP	GBP
Opening net asset value per share	99.1534	100.0000
Return before operating charges	(16.0954)	(0.3514)
Operating charges (note 1)	(1.2576)	(0.4952)
Return after operating charges *	(17.3530)	(0.8466)
Closing net asset value per share	81.8004	99.1534
Retained distributions on accumulated shares	4.8628	1.4827
*after direct transactions costs of:	0.1538	0.4780
Performance		
Return after charges	(17.50%)	(0.85%)
Other information		
Closing net asset value	£903,450	£8,628,820
Closing number of shares	1,104,457	8,702,495
Operating charges (note 2)	1.39%	1.50%
Direct transaction costs	0.17%	0.48%
Prices		
Highest share price	103.4915	103.1855
Lowest share price	78.1775	95.7618

[^]Share class launched 01 March 2022

Class A (Income)	Year ended 30 June 2023	Period from 04 March 2022 to 30 June 2022[^]
Changes in net assets per share	GBP	GBP
Opening net asset value per share	101.2227	100.0000
Return before operating charges	(16.1620)	3.2472
Operating charges (note 1)	(1.2522)	(0.4879)
Return after operating charges *	(17.4142)	2.7593
Distribution on income shares	(4.8639)	(1.5366)
Closing net asset value per share	78.9446	101.2227
*after direct transactions costs of:	0.1531	0.4829
Performance		
Return after charges	(17.20%)	2.76%
Other information		
Closing net asset value	£305,736	£415,432
Closing number of shares	387,279	410,414
Operating charges (note 2)	1.39%	1.50%
Direct transaction costs	0.17%	0.48%
Prices		
Highest share price	105.6379	106.9417
Lowest share price	76.6628	99.2460

[^]Share class launched 04 March 2022

PERFORMANCE RECORD (Continued)

	Year ended 30 June 2023	Period from 17 March 2022 to 30 June 2022 [^]
Class B (Accumulation)		
Changes in net assets per share	GBP	GBP
Opening net asset value per share	99.6345	100.0000
Return before operating charges	(16.1781)	0.0365
Operating charges (note 1)	(1.1734)	(0.4020)
Return after operating charges *	(17.3515)	(0.3655)
Closing net asset value per share	82.2830	99.6345
Retained distributions on accumulated shares	4.8886	1.3128
*after direct transactions costs of:	0.1546	0.4791
Performance		
Return after charges	(17.42%)	(0.37%)
Other information		
Closing net asset value	£681,587	£170,952
Closing number of shares	828,345	171,579
Operating charges (note 2)	1.29%	1.40%
Direct transaction costs	0.17%	0.48%
Prices		
Highest share price	104.0023	103.6684
Lowest share price	78.6378	99.3297

[^]Share class launched 17 March 2022

	Year ended 30 June 2023	Period from 11 April to 30 June 2022 [^]
Class B (Income)		
Changes in net assets per share	GBP	GBP
Opening net asset value per share	95.6668	100.0000
Return before operating charges	(15.2703)	(2.9985)
Operating charges (note 1)	(1.0989)	(0.3002)
Return after operating charges *	(16.3692)	(3.2987)
Distribution on income shares	(4.5999)	(1.0345)
Closing net asset value per share	74.6977	95.6668
*after direct transactions costs of:	0.1448	0.4696
Performance		
Return after charges	(17.11%)	(3.30%)
Other information		
Closing net asset value	£1,164,996	£1,420,740
Closing number of shares	1,559,613	1,485,091
Operating charges (note 2)	1.29%	1.40%
Direct transaction costs	0.17%	0.48%
Prices		
Highest share price	99.8665	100.6152
Lowest share price	72.5378	95.6668

[^]Share class launched 11 April 2022

PERFORMANCE RECORD (Continued)

Class SI (Accumulation)	Period from 01	
	Year ended 30 June 2023	March 2022 to 30 June 2022 [^]
Changes in net assets per share	GBP	GBP
Opening net asset value per share	99.2090	100.0000
Return before operating charges	(16.1115)	(0.3617)
Operating charges (note 1)	(1.0783)	(0.4293)
Return after operating charges *	(17.1898)	(0.7910)
Closing net asset value per share	82.0192	99.2090
Retained distributions on accumulated shares	4.8706	1.4831
*after direct transactions costs of:	0.1540	0.4781
Performance		
Return after charges	(17.33%)	(0.79%)
Other information		
Closing net asset value	£14,867,673	£19,910,864
Closing number of shares	18,127,064	20,069,617
Operating charges (note 2)	1.19%	1.30%
Direct transaction costs	0.17%	0.48%
Prices		
Highest share price	103.5795	103.2064
Lowest share price	78.3849	95.7632

[^]Share class launched 01 March 2022

Class SI (Income)	Period from 01	
	Year ended 30 June 2023	March to 30 June 2022 [^]
Changes in net assets per share	GBP	GBP
Opening net asset value per share	97.7244	100.0000
Return before operating charges	(15.6050)	(0.3664)
Operating charges (note 1)	(1.0359)	(0.4261)
Return after operating charges *	(16.6409)	(0.7925)
Distribution on income shares	(4.7014)	(1.4831)
Closing net asset value per share	76.3821	97.7244
*after direct transactions costs of:	0.1480	0.4745
Performance		
Return after charges	(17.03%)	(0.79%)
Other information		
Closing net asset value	£500,135	£634,064
Closing number of shares	654,781	648,828
Operating charges (note 2)	1.19%	1.30%
Direct transaction costs	0.17%	0.48%
Prices		
Highest share price	102.0287	103.2049
Lowest share price	74.1726	95.7630

[^]Share class launched 01 March 2022

PERFORMANCE RECORD (Continued)

1. The operating charges per share figure is calculated by applying the operating charges percentage to the average net asset valuation per share throughout the period.

2. The operating charges percentage is based on the expenses incurred during the period annualised, as a proportion of the average net asset value of the Sub-fund plus the costs of the underlying holdings.

Risk Profile

Based on past data, the Sub-fund is ranked a '4' on the synthetic risk and reward indicator scale (of 1 to 7) as described fully in the Key Investor Information Document (30 June 2022: ranked 4). The Sub-fund is ranked 4 because simulated monthly historical performance data indicates that average rises and falls in market prices would have occurred historically.

PORTFOLIO STATEMENT

As at 30 June 2023

Holding	Value £	% of net assets
Commodity & Energy (30.06.2022: 26.29%)		
269,000 Atrato Onsite Energy	219,504	1.19%
302,000 Bluefield Solar Income Fund Ltd	359,380	1.96%
366,000 Foresight Solar Fund Ltd	356,850	1.95%
692,000 Greencoat Renewables PLC	586,680	3.21%
916,000 Greencoat UK Wind PLC	1,311,712	7.17%
379,000 Gresham House Energy Storage Fund PLC	544,244	2.98%
144,000 Harmony Energy Inc	149,760	0.82%
501,000 JLEN Environmental Assets Group Limited	529,056	2.89%
223,000 NextEnergy Solar Fund Ltd	211,404	1.16%
969,000 Renewables Infrastructure Group Ltd	1,102,722	6.03%
706,000 SDCL Energy Efficiency Income Trust PLC	523,852	2.86%
229,000 US SOLAR FUND	121,370	0.66%
233,000 VH Global Sustainable Energy Opportunities PLC	219,020	1.20%
	<u>6,235,554</u>	<u>34.08%</u>
Europe ex UK Equities (30.06.2022: 1.19%)		
235,000 Aquila European Renewables Income Fund PLC	178,600	0.98%
	<u>178,600</u>	<u>0.98%</u>
Global Emerging Market Equities (30.06.2022: 1.20%)		
100,000 Utilico Emerging Markets Ltd	221,000	1.21%
	<u>221,000</u>	<u>1.21%</u>
Infrastructure (30.06.2022: 39.62%)		
375,000 3i Infrastructure PLC	1,166,250	6.38%
419,000 BBGI SICAV SA	575,706	3.15%
530,000 Cordiant Digital Infrastructure Ltd	443,080	2.42%
408,000 Digital 9 Infrastructure	248,064	1.36%
149,993 Downing Renewables & Infrastructure Trust PLC^	149,993	0.82%
114,000 Ecofin Global Utilities and Infrastructure Plc Ord	213,180	1.17%
738,500 GCP Infrastructure Investments Ltd	570,122	3.12%
210,000 Gore Street Energy Storage Fund PLC	193,200	1.06%
835,000 HICL Infrastructure Company Ltd	1,123,910	6.15%
886,000 International Public Partnerships Ltd	1,146,484	6.27%
235,000 Octopus Renewables Infrastructure Trust plc	217,140	1.19%
277,000 Pantheon Infrastructure PLC	221,600	1.21%
	<u>6,268,729</u>	<u>34.30%</u>
International Fixed Interest (30.06.2022: 3.97%)		
971,000 Sequoia Economic Infrastructure Income Fund Ltd	741,844	4.06%
	<u>741,844</u>	<u>4.06%</u>

PORTFOLIO STATEMENT (Continued)

As at 30 June 2023

Holding	Value £	% of net assets
Property (30.06.2022: 24.60%)		
1,602,000 Assura PLC	727,628	3.98%
733,000 Home REIT plc^^	278,907	1.53%
238,000 Impact Healthcare REIT PLC	213,248	1.17%
762,000 Primary Health Properties PLC	724,281	3.96%
304,000 Target Healthcare REIT Ltd	218,880	1.20%
422,000 Triple Point Social Housing REIT PLC	208,468	1.14%
553,000 Tritax Big Box REIT PLC	690,697	3.78%
301,000 Urban Logistics Reit PLC	340,732	1.86%
230,000 Warehouse REIT PLC	180,780	0.99%
	3,583,621	19.61%
UK Fixed Interest (30.06.2022: 1.19%)		
337,000 GCP Asset Backed Income Fund Ltd	214,331	1.17%
	214,331	1.17%
	17,443,679	95.41%
	841,365	4.59%
	18,285,044	100.00%

Note: The 30 June 2022 comparators percentages are based on Mid pricing and does not add up to 100%. The Mid to Bid adjustment for the year ended 30 June 2022 was (0.27%).

^related security to the investment manager

^^ Suspended security

SUMMARY OF MATERIAL PORTFOLIO CHANGES

Purchases (Note 14)	£
Renewables Infrastructure Group Ltd	1,158,721
3i Infrastructure PLC	846,525
Gresham House Energy Storage Fund PLC	786,126
Tritax Big Box REIT PLC	643,813
Assura PLC	552,102
HICL Infrastructure Company Ltd	547,461
Primary Health Properties PLC	494,336
International Public Partnerships Ltd	482,648
JLEN Environmental Assets Group Limited	471,227
Greencoat UK Wind PLC	443,613
Urban Logistics Reit PLC	428,850
Greencoat Renewables PLC	369,297
Bluefield Solar Income Fund Ltd	358,997
GCP Infrastructure Investments Ltd	356,325
Sequoia Economic Infrastructure Income Fund Ltd	335,772
Digital 9 Infrastructure	321,035
NextEnergy Solar Fund Ltd	310,373
BBGI SICAV SA	278,463
Cordiant Digital Infrastructure Ltd	232,275
Warehouse REIT PLC	214,303
Other various purchases	2,575,364
Total purchases for the year	12,207,626
Sales (Note 14)	£
3i Infrastructure PLC	1,511,435
Tritax Big Box REIT PLC	1,222,676
Renewables Infrastructure Group Ltd	1,037,619
Greencoat UK Wind PLC	921,020
Greencoat Renewables PLC	867,486
HICL Infrastructure Company Ltd	849,374
International Public Partnerships Ltd	813,915
Gresham House Energy Storage Fund PLC	791,311
Assura PLC	646,179
Sequoia Economic Infrastructure Income Fund Ltd	606,705
Primary Health Properties PLC	584,685
Urban Logistics Reit PLC	508,817
BBGI SICAV SA	496,968
JLEN Environmental Assets Group Limited	481,026
Civitas Social Housing PLC	476,793
Digital 9 Infrastructure	468,842
SDCL Energy Efficiency Income Trust PLC	430,579
NextEnergy Solar Fund Ltd	423,782
GCP Infrastructure Investments Ltd	405,717
Bluefield Solar Income Fund Ltd	405,170
Other various sales	4,448,192
Total sales for the year	18,398,291

The above transactions represent the top 20 purchases and sales during the year.

STATEMENT OF TOTAL RETURN

For the		Notes	Year ended 30.06.2023		Period 01.03.2022 to 30.06.2022	
			£	£	£	£
Income						
	Net capital (losses)	2		(6,773,714)		(610,056)
	Revenue	3	1,647,976		343,193	
Expenses		4	(114,627)		(30,463)	
	Interest payable and similar charges	6	<u>(974)</u>		<u>(167)</u>	
	Net revenue before taxation		1,532,375		312,563	
	Taxation	5	<u>(84,780)</u>		<u>(5,106)</u>	
	Net revenue after taxation			<u>1,447,595</u>		<u>307,457</u>
	Total return before distributions			(5,326,119)		(302,599)
	Finance costs: distributions	6		<u>(1,586,106)</u>		<u>(328,303)</u>
	Changes in net assets attributable to shareholders from investment activities			<u>(6,912,225)</u>		<u>(630,902)</u>

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the	Year ended 30.06.2023 £	Period 01.03.2022 to 30.06.2022 £
Opening net assets attributable to shareholders	31,091,120	-
Amounts receivable on creation of shares	10,938,052	32,140,401
Amounts payable on cancellation of shares	(18,333,840)	(847,312)
Dividends reinvested	1,429,418	428,933
Dilution levies	72,519	-
Changes in net assets attributable to shareholders from investment activities (see above)	<u>(6,912,225)</u>	<u>(630,902)</u>
Closing net assets attributable to shareholders	<u>18,285,044</u>	<u>31,091,120</u>

BALANCE SHEET

As at	Notes	30.06.2023		30.06.2022	
		£	£	£	£
ASSETS					
Investment assets			17,443,679		30,405,296
Current assets					
Debtors	7	344,633		191,869	
Cash and bank balances	8	<u>641,897</u>		<u>1,168,450</u>	
Total current assets			<u>986,530</u>		<u>1,360,319</u>
Total assets			18,430,209		31,765,615
LIABILITIES					
Current liabilities					
Distribution payable on income shares		(31,727)		(31,292)	
Creditors	9	<u>(113,438)</u>		<u>(643,203)</u>	
Total current liabilities			<u>(145,165)</u>		<u>(674,495)</u>
Net assets attributable to shareholders			<u>18,285,044</u>		<u>31,091,120</u>

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting policies

The principal accounting policies, which have been applied in both the current and prior periods, are set out on pages 7 and 8.

2 Net capital (losses)	2023	01.03.2022 to 30.06.2022
	£	£
The net capital (losses) comprise:		
Non-derivative securities (losses)	(6,770,953)	(606,826)
Transaction charges (custodian)	(3,193)	(1,912)
Foreign exchange gains/(losses)	432	(1,318)
Total net capital (losses)	<u>(6,773,714)</u>	<u>(610,056)</u>

3 Revenue	2023	01.03.2022 to 30.06.2022
	£	£
Non-taxable dividends	1,111,495	287,031
Interest from non-derivative securities	150,241	1,449
Property income distributions (PIDs)	336,515	39,815
Investment manager rebate	36,634	14,723
Bank interest	13,091	175
Total revenue	<u>1,647,976</u>	<u>343,193</u>

4 Expenses	2023	01.03.2022 to 30.06.2022
	£	£
Payable to the Authorised Fund Manager, associates of the Authorised Fund Manager, and agents of either of them:		
Annual management charge	78,095	15,856
Payable to the depositary, associates of the depositary, and agents of either of them:		
Depositary fee	18,000	6,016
Safe custody fee	1,387	162
	<u>19,387</u>	<u>6,178</u>
Other expenses:		
Audit fee	8,100	6,000
FCA fee	47	17
Other expenses	8,998	2,412
	<u>17,145</u>	<u>8,429</u>
Total expenses	<u>114,627</u>	<u>30,463</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5 Taxation	01.03.2022 to	
	2023	30.06.2022
	£	£
(a) Analysis of charge in the year		
UK Corporation tax	84,176	5,106
Irrecoverable overseas withholding tax	604	-
Total tax charge for the year (note 5b)	<u>84,780</u>	<u>5,106</u>

(b) Factors affecting current tax charge for the year

The tax assessed for the year is lower than the standard rate of corporation tax in the UK for an open-ended investment company 20.00% (2022: 20.00%).

The differences are explained below:

Net revenue before taxation	1,532,375	312,563
Corporation tax at 20.00% (2022: 20.00%).	<u>306,475</u>	<u>62,513</u>
Effects of:		
Revenue not subject to UK corporation tax	(222,299)	(57,407)
Irrecoverable overseas withholding tax	604	-
Total tax charge for the year (note 5a)	<u>84,780</u>	<u>5,106</u>

(c) Provision for deferred taxation

At 30 June 2023 there is no potential deferred tax asset or liability (30 June 2022: nil).

6 Finance costs	01.03.2022 to	
	2023	30.06.2022
	£	£
Interim dividend distribution	1,261,985	-
Final dividend distribution	<u>292,369</u>	<u>460,225</u>
	1,554,354	460,225
Add: Revenue deducted on cancellation of shares	88,126	4,498
Deduct: Revenue received on issue of shares	<u>(56,374)</u>	<u>(136,420)</u>
	1,586,106	328,303
Net distribution for the year		
Interest payable and similar charges	974	167
Total finance costs	<u>1,587,080</u>	<u>328,470</u>
Reconciliation of distributions		
Net revenue after taxation	1,447,595	307,457
Expenses paid from capital less IM rebate	77,993	15,740
Relief on expenses allocated to capital	(15,599)	(3,148)
Balance brought forward	(8,254)	-
Balance carried forward	84,371	8,254
Net distribution for the year	<u>1,586,106</u>	<u>328,303</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

7 Debtors	30.06.2023	30.06.2022
	£	£
Amounts receivable on creation of shares	73,105	51,472
Amounts receivable on unsettled trades	106,844	-
Accrued revenue:		
Non-taxable dividends receivable	96,118	122,874
Interest from non derivative securities receivable	36,429	-
Property income distributions receivable	25,211	2,800
Investment manager rebate	6,377	14,723
Prepayment	549	-
Total debtors	<u>344,633</u>	<u>191,869</u>

8 Cash and bank balances	30.06.2023	30.06.2022
	£	£
Cash and bank balances	<u>641,897</u>	<u>1,168,450</u>

9 Creditors	30.06.2023	30.06.2022
	£	£
Amounts payable on cancellation of shares	16,351	8,059
Amounts payable on unsettled trades	-	611,997
Payable to the AFM, associates of the AFM and agents of either of them:		
Annual management charge	22	7,839
Payable to the depositary, associates of the depositary, and agents of either of them:		
Depositary fees	1,479	1,479
Safe custody and other custodian charges	<u>2,667</u>	<u>2,074</u>
	4,146	3,553
UK Corporation tax	84,176	5,106
Other accrued expenses	8,743	6,649
Total creditors	<u>113,438</u>	<u>643,203</u>

10 Risk management

In pursuing its investment objective as stated on page 68, the Sub-fund holds a number of financial instruments. The Sub-fund's financial instruments comprise securities and other investments, cash balances, debtors and creditors that arise directly from its operations, for example, in respect of sales and purchases awaiting settlement, amounts receivable for issues and payable for redemptions and debtors for accrued revenue.

The main risks arising from the Sub-fund's financial instruments, those of its underlying holdings and the AFM's policies for managing these risks are summarised below. These policies have been applied throughout the year.

Market price risk

Market price risk is the risk that the value of the Sub-fund's investment holdings will fluctuate as a result of changes in market prices caused by factors other than interest rate or foreign currency movement. Market price risk arises mainly from uncertainty about future prices of financial instruments the Sub-fund holds. It represents the potential loss the Sub-fund might suffer through holding market positions in the face of price movements.

The Sub-fund's investment portfolio is exposed to market price fluctuations, which are monitored by the AFM in pursuance of the investment objective and policy as set out in the Prospectus.

Adherence to investment guidelines and to investment and borrowing powers set out in the Instrument of Incorporation, the Prospectus and in the rules of the Financial Conduct Authority's Collective Investment Schemes Sourcebook mitigates the risk of excessive exposure to any particular type of security or issuer.

If market prices at the balance sheet date had been 10% higher or lower while all other variables remained constant, the return attributable to ordinary shareholders and equity for the year ended 30 June 2023 would have increased/decreased by £1,744,368 (30 June 2022: £3,040,530).

10 Risk management (Continued)

Foreign currency risk

Foreign currency risk is the risk that the value of the Sub-fund's investment holdings will fluctuate as a result of changes in foreign currency exchange rates.

The Sub-fund's investment portfolio is invested in equities that are registered overseas and/or denominated in overseas currencies and the balance sheet can be affected by movements in foreign exchange rates. The AFM may seek to manage exposure to currency movements by using forward exchange contracts or by hedging the Sterling value of investments that are priced in other currencies. Revenue received in other currencies is converted to Sterling on or near the date of receipt.

A portion of the net assets of the Sub-fund is denominated in currencies other than sterling with the effect that the balance sheet and total return can be affected by currency movements. If foreign exchange rates at the balance sheet date had been 10% higher or lower while all other variables remained constant, the return attributable to ordinary shareholders and equity for the year ended 30 June 2023 would have increased/decreased by £58,668 (30 June 2022: £124,015).

Net currency assets and liabilities consist of:

	Net monetary assets and liabilities		Non-monetary assets and liabilities		Total net assets and liabilities	
	£		£		£	
	30.06.2023	30.06.2022	30.06.2023	30.06.2022	30.06.2023	30.06.2022
Sterling	841,365	685,824	16,856,999	29,165,147	17,698,364	29,850,971
Euro	-	-	586,680	1,240,149	586,680	1,240,149
Total	841,365	685,824	17,443,679	30,405,296	18,285,044	31,091,120

Interest rate risk

Interest rate risk is the risk to portfolio value due to changes in interest rates. The magnitude of the exposure from an adverse change in interest rates depends on the sensitivity of the instrument to changes in interest rates as well as the absolute change in interest rates. In general, values of long-term instruments are more sensitive to interest rate changes than the values of short-term instruments.

The Sub-funds take on interest rate risk when the investment manager believes the expected returns compensate for the risk, limited by the investment objective, policy and any prospectus rules. The investment manager monitors the level of interest rate risk in the fund on a regular basis. In addition any cash deposits in the sub-fund are linked to SONIA, ensuring interest income increases as interest rates increase.

The table below details the interest rate risk profile at the balance sheet date:

	30.06.2023	30.06.2022
	£	£
Financial assets floating rate	641,897	1,168,450
Financial assets interest bearing instruments	-	-
Financial assets non-interest bearing instruments	17,788,312	30,597,165
Financial liabilities non-interest bearing instruments	(145,165)	(674,495)
Financial liabilities floating rate	-	-
	18,285,044	31,091,120

At 30 June 2023, if interest rates increased or decreased by 0.25%, with all other variables remaining constant, then the net assets attributable to shareholders of the Sub-fund would increase or decrease by approximately £1,605 (30 June 2022: £2,921).

Maturity of financial liabilities

The financial liabilities of the Sub-fund as at 30 June 2023 are payable either within one year or on demand.

Liquidity risk

The Sub-fund's assets comprise mainly of readily realisable securities. The main liability of the Sub-fund is the redemption of any shares that the investors wish to sell. Assets of the Sub-fund may need to be sold if insufficient cash is available to finance such redemptions.

Credit risk

Certain transactions in securities that the Sub-fund enters into expose it to the risk that the counterparty will not deliver the investment for a purchase, or cash for a sale after the Sub-fund has fulfilled its responsibilities. The Sub-fund only buys and sells investments through brokers which have been approved by the AFM as acceptable counterparties and fund management companies. In addition, limits are set to the exposure to any individual broker that may exist at any time and changes in brokers' financial ratings are reviewed. Indirect credit risk arises from holdings in collectives that invest in debt securities as any default or perceived risk of default will affect the valuation of such holdings.

Credit risk also arises on cash held within financial institutions. Credit risk on cash balances is mitigated by ensuring that cash is held with financial institutions that are at least investment grade credit related.

10 Risk management (Continued)

Fair value disclosure

The fair value hierarchy is intended to prioritise the inputs that are used to measure the fair value of assets and liabilities. The highest priority is given to quoted prices and the lowest priority to un-observable inputs. The criteria applied to the fair values levels in these financial statements are as follows:

Level 1: Unadjusted quoted price in an active market for an identical instrument;

Level 2: Valuation techniques using observable inputs other than quoted prices within level 1;

Level 3: Valuation techniques using unobservable inputs.

Valuation Technique	30.06.2023		30.06.2022	
	Assets (£000's)	Liabilities (£000's)	Assets (£000's)	Liabilities (£000's)
Level 1: Unadjusted quoted price in an active market for an identical instrument	17,165	-	30,405	-
Level 3: Valuation techniques using unobservable inputs	279	-	-	-
Total	17,444	-	30,405	-

11 Shares held

Class A (Accumulation)

Opening shares at 01.07.2022	8,702,495
Shares issued during the year	602,236
Shares cancelled during the year	(8,200,274)
Shares converted during the year	-
Closing shares as at 30.06.2023	1,104,457

Class A (Income)

Opening shares at 01.07.2022	410,414
Shares issued during the year	316,863
Shares cancelled during the year	(339,998)
Shares converted during the year	-
Closing shares as at 30.06.2023	387,279

Class B (Accumulation)

Opening shares at 01.07.2022	171,579
Shares issued during the year	669,677
Shares cancelled during the year	(12,911)
Shares converted during the year	-
Closing shares as at 30.06.2023	828,345

Class B (Income)

Opening shares at 01.07.2022	1,485,091
Shares issued during the year	483,821
Shares cancelled during the year	(409,299)
Shares converted during the year	-
Closing shares as at 30.06.2023	1,559,613

Class SI (Accumulation)

Opening shares at 01.07.2022	20,069,617
Shares issued during the year	9,943,193
Shares cancelled during the year	(11,885,746)
Shares converted during the year	-
Closing shares as at 30.06.2023	18,127,064

Class SI (Income)

Opening shares at 01.07.2022	648,828
Shares issued during the year	5,953
Shares cancelled during the year	-
Shares converted during the year	-
Closing shares as at 30.06.2023	654,781

NOTES TO THE FINANCIAL STATEMENTS (Continued)

12 Contingent assets and liabilities

At 30 June 2023, the Sub-fund had no contingent liabilities or commitments (30 June 2022: nil)

13 Post balance sheet events

As indicated in the accounting policies in Note 1, the investments have been valued at the closing valuation point on 30 June 2023. Since that date, the Sub-fund's quoted price has moved as follows:

Share class	Price at 30 June 2023 GBP	Price at 26 October 2023 GBP
Class A (Accumulation)	81.8004p	73.4868p
Class A (Income)	78.9446p	69.7510p
Class B (Accumulation)	82.2830p	73.9440p
Class B (Income)	74.6977p	66.0196p
Class SI (Accumulation)	82.0192p	73.7307p
Class SI (Income)	76.3821p	67.5301p

14 Direct transaction costs

	Year to 30.06.2023		Period 01.03.2022 to 30.06.2022	
	£	£	£	£
Analysis of total purchase costs				
Purchases in the year before transaction c	12,168,166		32,780,379	
Commissions	8,799	0.07%	33,699	0.10%
Taxes & levies	30,661	0.25%	69,647	0.21%
Total purchase costs	39,460	0.32%	103,346	0.31%
Total purchases including transaction cost	<u>12,207,626</u>		<u>32,883,725</u>	

	Year to 30.06.2023		Period 01.03.2022 to 30.06.2022	
	£	£	£	£
Analysis of total sale costs				
Sales in the year before transaction costs	18,411,211		1,872,737	
Commissions	(12,892)	(0.07%)	(1,136)	(0.06%)
Taxes & levies	(28)	(0.00%)	-	(0.00%)
Total sale costs	(12,920)	(0.07%)	(1,136)	(0.06%)
Total sales net of transaction costs	<u>18,398,291</u>		<u>1,871,601</u>	

The following represents the total of each type of transaction cost, expressed as a percentage of the Sub-fund's average net asset value in the year:

	Year to 30.06.2023		Period 01.03.2022 to 30.06.2022	
	£	% of average net asset value	£	% of average net asset value
Commissions	21,691	0.07%	34,835	0.16%
Taxes & levies	30,689	0.10%	69,647	0.32%
	<u>52,380</u>	<u>0.17%</u>	<u>104,482</u>	<u>0.48%</u>

15 Portfolio Dealing Spread

The average portfolio dealing spread at 30 June 2023 is 0.80% (30 June 2022 0.54%)

16 Related Party transactions

Valu-Trac Investment Management Limited, as AFM is a related party due to its ability to act in respect of the operations of the Sub-fund.

Amounts paid to the AFM and its associates are disclosed in note 4. The amounts due to the AFM and its associates at the balance sheet date are disclosed in note 9. Amounts paid from the AFM and its associates are disclosed in note 3. Amounts due from the AFM and its associates at the balance sheet date are disclosed in note 7.

As noted in the portfolio summary, the Sub-fund held shares in related holdings. The purchases and sales of related holdings can be found in the summary of material portfolio changes. The income received from related holdings during the year was £16,284.

DISTRIBUTION TABLES

For the year ended 30 June 2023

Q1 Interim distribution in pence per share

Group 1: Shares purchased prior to 01 July 2022

Group 2 : Shares purchased on or after 01 July 2022 and on or before 30 September 2022

Class A (Accumulation)	Net Revenue 30.11.2022	Equalisation	Distribution 30.11.2022
Group 1	1.2001p	-	1.2001p
Group 2	0.7245p	0.4756p	1.2001p

Class A (Income)	Net Revenue 30.11.2022	Equalisation	Distribution 30.11.2022
Group 1	1.2250p	-	1.2250p
Group 2	0.7673p	0.4577p	1.2250p

Class B (Accumulation)	Net Revenue 30.11.2022	Equalisation	Distribution 30.11.2022
Group 1	1.2061p	-	1.2061p
Group 2	1.0361p	0.1700p	1.2061p

Class B (Income)	Net Revenue 30.11.2022	Equalisation	Distribution 30.11.2022
Group 1	1.1581p	-	1.1581p
Group 2	0.5451p	0.6130p	1.1581p

Class SI (Accumulation)	Net Revenue 30.11.2022	Equalisation	Distribution 30.11.2022
Group 1	1.2012p	-	1.2012p
Group 2	0.8198p	0.3814p	1.2012p

Class SI (Income)	Net Revenue 30.11.2022	Equalisation	Distribution 30.11.2022
Group 1	1.1832p	-	1.1832p
Group 2	1.1832p	-	1.1832p

Q2 Interim distribution in pence per share

Group 1: Shares purchased prior to 01 October 2022

Group 2 : Shares purchased on or after 01 October 2022 and on or before 31 December 2022

Class A (Accumulation)	Net Revenue 28.02.2023	Equalisation	Distribution 28.02.2023
Group 1	1.1991p	-	1.1991p
Group 2	0.8940p	0.3051p	1.1991p

Class A (Income)	Net Revenue 28.02.2023	Equalisation	Distribution 28.02.2023
Group 1	1.2077p	-	1.2077p
Group 2	0.9955p	0.2122p	1.2077p

Class B (Accumulation)	Net Revenue 28.02.2023	Equalisation	Distribution 28.02.2023
Group 1	1.2053p	-	1.2053p
Group 2	0.9062p	0.2991p	1.2053p

Class B (Income)	Net Revenue 28.02.2023	Equalisation	Distribution 28.02.2023
Group 1	1.1420p	-	1.1420p
Group 2	0.5041p	0.6379p	1.1420p

Class SI (Accumulation)	Net Revenue 28.02.2023	Equalisation	Distribution 28.02.2023
Group 1	1.2007p	-	1.2007p
Group 2	0.5363p	0.6644p	1.2007p

Class SI (Income)	Net Revenue 28.02.2023	Equalisation	Distribution 28.02.2023
Group 1	1.1670p	-	1.1670p
Group 2	1.1670p	-	1.1670p

DISTRIBUTION TABLES (Continued)
Q3 Interim distribution in pence per share

Group 1: Shares purchased prior to 01 January 2023

Group 2 : Shares purchased on or after 01 January 2023 and on or before 31 March 2023

Class A (Accumulation)	Net Revenue 31.05.2023	Equalisation	Distribution 31.05.2023	Distribution 31.05.2022[^]
Group 1	1.1672p	-	1.1672p	-
Group 2	0.3142p	0.8530p	1.1672p	-
Class A (Income)	Net Revenue 31.05.2023	Equalisation	Distribution 31.05.2023	Distribution 31.05.2022[^]
Group 1	1.1602p	-	1.1602p	-
Group 2	0.5619p	0.5983p	1.1602p	-
Class B (Accumulation)	Net Revenue 31.05.2023	Equalisation	Distribution 31.05.2023	Distribution 31.05.2022[^]
Group 1	1.1736p	-	1.1736p	-
Group 2	0.6411p	0.5325p	1.1736p	-
Class B (Income)	Net Revenue 31.05.2023	Equalisation	Distribution 31.05.2023	Distribution 31.05.2022[^]
Group 1	1.0973p	-	1.0973p	-
Group 2	0.5341p	0.5632p	1.0973p	-
Class SI (Accumulation)	Net Revenue 31.05.2023	Equalisation	Distribution 31.05.2023	Distribution 31.05.2022[^]
Group 1	1.1694p	-	1.1694p	-
Group 2	0.7464p	0.4230p	1.1694p	-
Class SI (Income)	Net Revenue 31.05.2023	Equalisation	Distribution 31.05.2023	Distribution 31.05.2022[^]
Group 1	1.1217p	-	1.1217p	-
Group 2	1.1217p	-	1.1217p	-

[^]Distribution period 01 March 2022 to 31 March 2022

Final distribution in pence per share

Group 1: Shares purchased prior to 01 April 2023

Group 2 : Shares purchased on or after 01 April 2023 and on or before 30 June 2023

Class A (Accumulation)	Net Revenue 31.08.2023	Equalisation	Distribution 31.08.2023	Distribution 31.08.2022
Group 1	1.2964p	-	1.2964p	1.4827p
Group 2	0.7485p	0.5479p	1.2964p	1.4827p
Class A (Income)	Net Revenue 31.08.2023	Equalisation	Distribution 31.08.2023	Distribution 31.08.2022
Group 1	1.2710p	-	1.2710p	1.5366p
Group 2	1.0494p	0.2216p	1.2710p	1.5366p
Class B (Accumulation)	Net Revenue 31.08.2023	Equalisation	Distribution 31.08.2023	Distribution 31.08.2022
Group 1	1.3036p	-	1.3036p	1.3128p
Group 2	1.1372p	0.1664p	1.3036p	1.3128p
Class B (Income)	Net Revenue 31.08.2023	Equalisation	Distribution 31.08.2023	Distribution 31.08.2022
Group 1	1.2025p	-	1.2025p	1.0345p
Group 2	0.7464p	0.4561p	1.2025p	1.0345p
Class SI (Accumulation)	Net Revenue 31.08.2023	Equalisation	Distribution 31.08.2023	Distribution 31.08.2022
Group 1	1.2993p	-	1.2993p	1.4831p
Group 2	0.8269p	0.4724p	1.2993p	1.4831p
Class SI (Income)	Net Revenue 31.08.2023	Equalisation	Distribution 31.08.2023	Distribution 31.08.2022
Group 1	1.2295p	-	1.2295p	1.4831p
Group 2	1.0566p	0.1729p	1.2295p	1.4831p

VT DOWNING INVESTOR FUNDS ICVC - VT DOWNING LISTED INFRASTRUCTURE INCOME FUND

For the year ended 30 June 2023

DISTRIBUTION TABLES (Continued)

Information for corporate shareholders

A corporate shareholder receives the distribution shown on the voucher enclosed with this report as follows:

- i) 68.98% of the total dividend allocation together with the tax credit is received as franked investment income.
- ii) 31.02% of the dividend allocation is received as an annual payment received after deduction of income tax at the lower rate and is liable to corporation tax. It is not franked investment income.

INFORMATION FOR INVESTORS

Taxation

Within the Company, only VT Downing Listed Infrastructure Income Fund will pay corporation tax on its profits for the year ended 30 June 2023 but capital gains within the whole Company will not be taxed.

Individual Shareholders

Income Tax: Tax-free annual dividend allowance now standing at £1,000 (2023/24). UK resident shareholders are now subject to new, higher rates of tax on dividend income in excess of the annual allowance. UK resident shareholders are subject to tax on dividend income in excess of the annual allowance.

Capital Gains Tax: Individual shareholders resident in the UK for tax purposes may be liable to capital gains tax on realisation of their shares as with other chargeable assets. However, the first £6,000 (2023/24) of gains each year are presently tax free for individuals. Gains in excess of that amount are charged at the rate of tax applicable to the individual tax payer.

Corporate shareholders

Companies resident for tax purposes in the UK which hold shares should note that OEIC distributions are streamed into both franked and unfranked income. The unfranked income element will be treated as an annual payment which has been subject to income tax at a rate of 20% and will be liable to tax accordingly. On realisation of their shares, UK resident companies may be liable to pay corporation tax on any capital gains.

The above information on taxation is only a general summary, and shareholders should consult their own tax advisors in relation to their own circumstances. Shareholders should also note that the position as outlined may change to reflect future changes in tax legislation.

Issue and redemption of shares

Valu-Trac Investment Management Limited is the AFM and Registrar. Valu-Trac Investment Management Limited will receive requests for the purchase or sale of shares at any time during 8.30am to 5.30pm. Instructions may be given by email to the below email address or by sending an application form to the Registrar. Application forms are available from the Registrar. (E-mail:downing@valu-trac.com).

The price of shares will be determined by reference to a valuation of the Company's net assets at 12 noon on each dealing day.

The AFM has the right to reject, on reasonable grounds relating to the circumstances of the applicant, any application for shares in whole or part, and in this event the AFM will return any money sent, or the balance of such monies, at the risk of the applicant. In addition the AFM may reject any application previously accepted in circumstances where the applicant has paid by cheque and that cheque subsequently fails to be cleared.

Any subscription monies remaining after a whole number of shares has been issued will not be returned to the applicant. Instead, smaller denomination shares will be issued in such circumstances.

A contract note giving details of the shares purchased and the price used will be issued by the Registrar by the end of the business day following the valuation point by reference to which the purchase price is determined.

Ownership of shares will be evidenced by an entry on the Company's Register of Shareholders. Certificates will not be issued. Statements in respect of periodic distributions of revenue will show the number of shares held by the recipient in respect of which the distribution is made. Individual statements of a shareholder's shares will also be issued at any time on request by the registered holder.

Where shares are redeemed, payment will be made not later than the close of business on the fourth business day following the next valuation point after receipt by the AFM of a request for redemption.

The most recent issue and redemption prices are available from the AFM.

Assessment of Value

The AFM conducts an assessment of value for the Sub-funds each year. The assessment of value reports are available on the AFM's website.

INFORMATION FOR INVESTORS (Continued)

Remuneration Disclosure

The AFM is subject to a remuneration policy which meets the requirements of the Undertakings for Collective Investment in Transferable Securities Directive (UCITS) as set out in SYSC 19E of the FCA Handbook.

The policy is designed to ensure practices for employee remuneration are consistent with, and promote, sound and effective risk management. It does not encourage risk-taking which is inconsistent with the risk profiles, rules or instrument of incorporation of the funds managed, and does not impair the AFM compliance with its duty to act in the best interests of the funds it manages.

The AFM has reviewed the Remuneration Policy and its application in the last year which has resulted in no material changes to the policy or irregularities to process.

The AFM is required to disclose the total remuneration it pays to its staff during the financial year, split into fixed and variable remuneration, with separate aggregate disclosure for staff whose actions may have a material impact to the risk profile of a fund or the AFM itself. This includes executives, senior risk and compliance staff and certain senior managers.

28.05.2023	Number of Beneficiaries	Fixed Remuneration	Variable Remuneration Paid	Total Remuneration Paid
Total remuneration paid by the AFM during the year	86	£3,462,948	£ nil	£3,462,948
Remuneration paid to employees of the AFM who have a material impact on the risk profile of the UK UCITS	18	£1,043,732	£ nil	£1,043,732
Senior Management	14	£779,584	£ nil	£779,584
Control Functions	4	£264,148	£ nil	£264,148
Employees receiving total remuneration that takes them into the same remuneration brackets as senior management and risk takers	0	£ -	£ nil	£ -

Further information is available in the AFM's Remuneration Policy document which can be obtained from <https://www.valu-trac.com/Pillar%203%202021-09.pdf>. A paper copy of the remuneration policy is available on request from the registered office of the Authorised Fund Manager free of charge.

CORPORATE DIRECTORY

Authorised Fund Manager & Registrar	<p>Valu-Trac Investment Management Limited Orton Fochabers Moray IV32 7QE</p> <p>Telephone: 01343 880344 Fax: 01343 880267 Email: Downing@valu-trac.com</p> <p>Authorised and regulated by the Financial Conduct Authority Registered in England No 2428648</p>
Investment Manager	<p>Downing LLP St Magnus House 3 Lower Thames Street London EC3R 6HD</p> <p>Authorised and regulated by the Financial Conduct Authority</p>
Depositary	<p>NatWest Trustee and Depositary Services Limited House A Floor 0, 175 Glasgow Road Gogarburn Edinburgh EH12 1HQ</p> <p>Authorised regulated by the Financial Conduct Authority</p>
Auditor	<p>Johnston Carmichael LLP Chartered Accountants Commerce House South Street Elgin IV30 1JE</p>