

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 2022**

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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.

Changes to Company

During the year the Company launched the Sub fund, VT Downing Listed Infrastructure Income Fund on 01 March 2022.

STATEMENT OF THE AUTHORISED CORPORATE DIRECTOR'S (ACD's) RESPONSIBILITIES

The rules of the Financial Conduct Authority's Collective Investment Schemes Sourcebook require the Authorised Corporate Director 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 losses for the year. In preparing these financial statements the Authorised Corporate Director 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 Corporate Director 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 Corporate Director 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 E. Smith CA

Valu-Trac Investment Management Limited
Authorised Corporate Director

Date

STATEMENT OF THE DEPOSITARY'S RESPONSIBILITIES AND REPORT OF THE DEPOSITARY

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 2022

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 2022 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 2022 and of the net revenue and the net capital 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 Corporate Director'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 Corporate Director 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 Corporate Director 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 Corporate Director 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 Corporate Director

As explained more fully in the Authorised Corporate Director's Responsibilities Statement set out on page 2, the Authorised Corporate Director 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 Corporate Director 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 Corporate Director 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 Corporate Director 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.

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 Corporate Director. 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 Corporate Director was remunerated and whether this provided an incentive for fraudulent activity. We considered the overall control environment and how the Authorised Corporate Director 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.

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 Corporate Director in its calculation of accounting estimates for potential management bias; and
- > Assessing the Company's compliance with the key requirements of the Collective Investment Schemes Sourcebook and its Prospectus.

**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)

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.

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.

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

SUB-FUND OVERVIEW

Name of Sub-fund	VT Downing Global Investors Fund
Size of Sub-fund	£32,587,190
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 ACD 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 ACD 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 ACD'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 ACD 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

In the year under review, the twelve months to 30 June 2022, the F Accumulation units in VT Downing Global Investors Fund declined in price by 11.08 %, compared with an 8.77% decline in the peer group, the IA Global Total Return Index.

The year was divided into two clean halves - a strong second half of 2021 and a weak first half of 2022. Over the whole period, NAV per share was slightly lower at the end than at the beginning. With hindsight, it is clear that the second half of 2021 was the last hurrah of the Covid recovery period and our Technology exposure in particular carried returns up until November. At that time, markets had come to believe in a more sustainable economic recovery, and the cost of money, defined by longer term interest rates, began to rise. This change in sentiment caused the Technology sector to savagely de-rate. We unwound exposures quickly, but not quickly enough to offset the de-rating. 2022 became more normalised until the Russia /Ukraine War began. That event exposed complacencies in global supply chains and an over-reliance on unreliable partners and we have engaged with alternative suppliers of the energies and foods in particular which were formally sourced from what is now a war zone.

To some extent, sectors of the market that are now showing positive signs, both in terms of management commentary on prospects and values attributed, are those that first started the rolling declines back in November. This is particularly true of the Technology sector. It is possible that we have endured a downcycle over the period that is now showing signs of concluding. Our strategy going forwards is to remain closely engaged with businesses that can solve, and benefit from, shortages occurring across numerous supply chains. We have reduced our position, but still have material exposure to Technology. We also hold meaningful exposure to recurring demand consumer brands and to Healthcare providers worldwide.

It is noteworthy that at the time of writing, many commodity prices are below recent highs, implying cost spike-driven inflation may be peaking. The capitalist system works off the cost of these inputs and for that reason we believe the cycle may be turning.

Markets are likely to remain febrile for now because Putin is such a huge, malign and unpredictable influence over global supplies of food and energy. However, ironically, he is also likely to be a key driver of two emerging forces for good: decarbonisation (because fossil energy has become more expensive than non-fossil energy) and re-shoring (because global supply chains have been shown to be over-exposed to unreliable origins).

The diversification of the portfolio is expansive in terms of both geography and activity. De-ratings across markets have been steep and we feel that a broad exposure is the right strategy after a difficult period if markets are entering a 'start-over' moment.

Downing LLP
Investment Manager to the Fund
23 August 2022

PERFORMANCE RECORD

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

^Share class launched 24 March 2020

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

^Share class launched 22 May 2020

PERFORMANCE RECORD (Continued)

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

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. 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 2022

Holding	Value £	% of net assets
Communications (30.06.2021: 5.75%)		
90 Alphabet Inc	165,998	0.51%
1,100 Nintendo Co Ltd	390,765	1.20%
	<u>556,763</u>	<u>1.71%</u>
Consumer Discretionary (30.06.2021: 9.10%)		
18,000 Compass Group PLC	301,680	0.94%
4,200,000 Mitra Adiperkasa Tbk PT	226,201	0.69%
6,000 Sony Corp	402,599	1.24%
	<u>930,480</u>	<u>2.87%</u>
Consumer Staples (30.06.2021: 8.67%)		
7,150 Amsterdam Commodities NV	137,110	0.42%
9,430 Archer Daniels Midland Co	601,460	1.85%
4,557 Colgate-Palmolive Co	299,760	0.92%
6,742 Diageo PLC	236,796	0.73%
1,375 Estee Lauder Companies Inc	291,617	0.89%
8,000 Fevertree Drinks PLC	98,560	0.30%
5,750 General Mills Inc	354,541	1.09%
28,000 Leroy Seafood Group ASA	161,275	0.49%
24,000 M P Evans Group PLC	213,840	0.66%
2,327 McCormick & Company Inc	164,542	0.50%
4,000 Mondelez International Inc	204,950	0.63%
3,144 Nestle SA	298,764	0.92%
215,000 Olam Group Ltd	193,177	0.59%
2,475 PepsiCo Inc	340,766	1.05%
2,520 Procter & Gamble Co	295,914	0.91%
3,810 Reckitt Benckiser Group PLC	231,877	0.71%
118 Seaboard Corp	375,091	1.15%
14,000 Shoprite Holdings Ltd	141,739	0.43%
59,000 SLC Agricola SA	432,664	1.33%
15,000 Suedzucker AG	193,588	0.59%
12,200 Unilever PLC	450,638	1.38%
183,000 Wilmar International Ltd	439,010	1.35%
	<u>6,157,679</u>	<u>18.89%</u>
Commodity & Energy (30.06.2021: 0.00%)		
8,150 Alerion Clean Power SpA	224,017	0.69%
	<u>224,017</u>	<u>0.69%</u>
Energy (30.06.2021: 1.21%)		
3,000,000 AKR Corporindo Tbk PT	170,272	0.52%
3,150 Cheniere Energy Inc	351,241	1.08%
6,475 Devon Energy Corp	298,504	0.92%
42,000 Etablissements Maurel et Prom SA	164,057	0.50%
10,700 FLEX LNG Ltd	246,075	0.76%
15,300 Golar LNG Ltd	292,814	0.90%
90,000 Gulf Keystone Petroleum Ltd	237,600	0.73%
5,950 Occidental Petroleum Corp	290,319	0.89%
17,500 Reliance Industries Ltd	473,180	1.45%
300,000 Savannah Energy PLC	107,625	0.33%
19,400 Torm PLC	216,441	0.66%
6,500 TotalEnergies SE	282,651	0.87%
	<u>3,130,779</u>	<u>9.61%</u>
Financials (30.06.2021: 2.26%)		
62,000 Beazley PLC	303,304	0.93%
60,000 HSBC Holdings PLC	324,720	1.00%
	<u>628,024</u>	<u>1.93%</u>

PORTFOLIO STATEMENT (Continued)
As at 30 June 2022

Holding	Value £	% of net assets
Health Care (30.06.2021: 14.90%)		
2,500 AstraZeneca PLC	270,000	0.83%
6,000 Bayer AG	292,940	0.90%
600 Eli Lilly and Co	160,050	0.49%
8,000 Euroapi SAS	106,037	0.33%
1,500 Formycon AG	98,630	0.30%
3,000 Henry Schein Inc	192,410	0.59%
1,250 Johnson & Johnson	182,685	0.56%
4,700 Novo Nordisk A/S	418,138	1.28%
364 Thermo Fisher Scientific Inc	160,973	0.49%
780 UnitedHealth Group Inc	332,112	1.02%
1,000 Vertex Pharmaceuticals Inc	231,434	0.71%
	2,445,409	7.50%
Industrials (30.06.2021: 18.33%)		
14,700 Adani Enterprises Ltd	336,859	1.03%
18,000 Adani Ports and Special Economic Zone Ltd	126,181	0.39%
3,333 Alfen NV	246,411	0.76%
15,000 BAE Systems PLC	124,320	0.38%
2,800 Canadian Pacific Railway Ltd	163,621	0.50%
435 Deere & Co	108,131	0.33%
3,600 Energia Innovacion y Desarrollo Fotovoltaico SA	200,069	0.61%
21,000 Fluence Energy Inc	154,257	0.47%
521,066 Grindrod Ltd	238,146	0.73%
72,000 International Container Terminal Services Inc	199,366	0.61%
13,000 Itochu Corp	288,771	0.89%
27,900 KEI Industries Ltd	332,430	1.02%
746 Lockheed Martin Corp	257,902	0.79%
35,000 Marubeni Corp	259,489	0.80%
39,500 Ocean Wilsons Holdings Ltd	373,275	1.15%
13,126 Odfjell SE	60,112	0.18%
3,700 Quanta Services Inc	365,820	1.12%
3,066 Seche Environnement SA	218,323	0.67%
8,000 Stolt-Nielsen Ltd	136,307	0.42%
7,340 Thales SA	740,179	2.27%
	4,929,969	15.12%
Information Technology (30.06.2021: 22.37%)		
700 Accenture PLC	161,807	0.50%
365 Adobe Systems Inc	111,059	0.34%
420 ASML Holding NV	162,596	0.50%
997 Automatic Data Processing Inc	174,691	0.54%
9,000 Cyxtera Technologies Inc	85,063	0.26%
1,800 Enphase Energy Inc	274,534	0.84%
750 Microsoft Corp	161,194	0.49%
1,000 NVIDIA Corp	128,368	0.39%
1,400 Qualcomm Inc	150,558	0.46%
156,000 REC Silicon ASA	197,404	0.61%
2,215 U Blox Holding AG	183,713	0.56%
	1,790,987	5.49%

PORTFOLIO STATEMENT (Continued)
As at 30 June 2022

Holding	Value £	% of net assets
Materials (30.06.2021: 11.61%)		
60,957 Afrimat Ltd	175,975	0.54%
1,107 Albemarle Corp	193,700	0.59%
391,000 Alphamin Resources Corp	204,986	0.63%
47,000 Borosil Renewables Ltd	295,650	0.91%
3,160 CF Industries Holdings Inc	225,297	0.69%
775,000 Cornish Metals Inc	162,750	0.50%
3,000 Croda International PLC	187,500	0.58%
4,010 Eramet SA	341,859	1.05%
95,000 Glencore PLC	430,089	1.32%
22,300 Iluka Resources Ltd	119,725	0.37%
69,000 Ivanhoe Mines Ltd	331,522	1.02%
880 Linde PLC	205,034	0.63%
13,400 Livent Corp	252,247	0.77%
58,870 Lynas Corporation Ltd	292,997	0.90%
5,040 Mosaic Co	200,301	0.61%
6,980 Nutrien Ltd	475,291	1.46%
8,750 OCI NV	235,924	0.72%
75,000 Omnia Holdings Ltd	279,067	0.86%
14,500 Svenska Cellulosa SCA AB	178,558	0.55%
5,000 TFF Group	137,004	0.42%
2,954 Wacker Chemie AG	340,705	1.05%
21,000 W-Scope Corp	287,987	0.88%
	5,554,168	17.05%
Real Estate (30.06.2021: 3.67%)		
1,250 American Tower Corp	261,271	0.80%
11,600 Americold Realty Trust	286,760	0.88%
153,000 Capitaland Investment Ltd	347,078	1.07%
5,000 Iron Mountain Inc	198,897	0.61%
150,000 Mapletree Logistics Trust	149,898	0.46%
114,000 Parkway Life Real Estate Investment Trust	329,598	1.01%
1,588 Prologis Inc	155,157	0.48%
636 Public Storage	163,279	0.50%
13,833 SEGRO PLC	136,020	0.42%
	2,027,958	6.23%
US Equities (30.06.2021: 0.50%)		
	-	0.00%
Utilities (30.06.2021: 0.82%)		
5,000 Grenergy Renovables SA	144,477	0.44%
15,000 Scatec ASA	104,486	0.32%
11,000 Solaria Energia y Medio Ambiente SA	189,206	0.58%
	438,169	1.34%
Portfolio of investments (30.06.2021: 99.19%)	28,814,402	88.43%
Net other assets (30.06.2021: 0.94%)	3,823,312	11.73%
Mid to bid adjustment (30.06.2021: (0.13%))	(50,524)	(0.16%)
	32,587,190	100.00%

SUMMARY OF MATERIAL PORTFOLIO CHANGES

Purchases (Note 14)	£
Wilmar International Ltd	1,615,205
Xinyi Solar Holdings Ltd	1,146,195
Unilever PLC	1,047,220
Fevertree Drinks PLC	1,012,163
Beazley PLC	1,007,282
Fluence Energy Inc	997,785
Koninklijke Vopak NV	986,042
Americold Realty Trust	984,995
HSBC Holdings PLC	968,315
Gulf Keystone Petroleum Ltd	912,769
REC Silicon ASA	884,533
Devon Energy Corp	830,665
Seaboard Corp	788,882
Olam International Ltd	777,454
TotalEnergies SE	760,088
Lululemon Athletica Inc	748,338
Wacker Chemie AG	738,794
ASML Holding NV	731,533
Datadog inc	729,005
Colgate-Palmolive Co	712,649
Other purchases	86,421,864
Total purchases for the year	104,801,776
Sales (Note 14)	£
Wilmar International Ltd	1,353,090
Xinyi Solar Holdings Ltd	1,243,969
Koninklijke Vopak NV	887,575
Americold Realty Trust	795,469
Vinci SA	786,327
Fevertree Drinks PLC	784,705
ASML Holding NV	762,638
REC Silicon ASA	759,021
Olam Group Ltd	749,803
SITC International Holdings Co Ltd	713,907
Fluence Energy Inc	704,039
Lululemon Athletica Inc	697,809
Beazley PLC	695,090
Colgate-Palmolive Co	694,127
Datadog inc	693,154
Adobe Systems Inc	687,308
Mastercard Inc	684,011
TotalEnergies SE	677,116
Gulf Keystone Petroleum Ltd	661,789
American Tower Corp	644,462
Other sales	96,829,480
Total sales for the year	112,504,889

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

STATEMENT OF TOTAL RETURN

For the year ended 30 June 2022

		2022	24.03.2020 to 30.06.2021
	Notes	£	£
Income			
Net capital (losses)/gains	2	(4,406,542)	10,731,940
Revenue	3	846,509	422,083
Expenses	4	(343,867)	(294,536)
Interest payable and similar charges	6	<u>(2,107)</u>	<u>(2,176)</u>
Net revenue before taxation		500,535	125,371
Taxation	5	<u>(104,152)</u>	<u>(50,249)</u>
Net revenue after taxation		<u>396,383</u>	<u>75,122</u>
Total return before distributions		(4,010,159)	10,807,062
Finance costs: distributions	6	<u>(740,250)</u>	<u>(364,374)</u>
Changes in net assets attributable to shareholders from investment activities		<u>(4,750,409)</u>	<u>10,442,688</u>

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the year ended 30 June 2022

	2022	24.03.2020 to 30.06.2021
	£	£
Opening net assets attributable to shareholders	40,981,943	-
Amounts receivable on creation of shares	6,281,439	31,871,823
Amounts payable on cancellation of shares	(10,618,182)	(1,687,824)
Dividend reinvested	692,399	355,256
Changes in net assets attributable to shareholders from investment activities (see above)	<u>(4,750,409)</u>	<u>10,442,688</u>
Closing net assets attributable to shareholders	<u>32,587,190</u>	<u>40,981,943</u>

BALANCE SHEET

As at 30 June 2022		30.06.2022		30.06.2021	
	Notes	£	£	£	£
ASSETS					
Investment assets			28,763,878		40,596,977
Current assets					
Debtors	7	1,432,444		995,732	
Cash and bank balances	8	3,495,267		452,683	
Total current assets			4,927,711		1,448,415
Total assets			33,691,589		42,045,392
LIABILITIES					
Current liabilities					
Distribution payable on income shares		(19,293)		(29,735)	
Bank overdraft	8	-		(168,250)	
Creditors	9	(1,085,106)		(865,464)	
Total current liabilities			(1,104,399)		(1,063,449)
Net assets attributable to shareholders			32,587,190		40,981,943

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2022

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

Accounting policies

(a) The financial statements have been prepared in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Association (IA) in May 2014 and to the amendments to the SORP issued by the IA in June 2017. The functional currency is Sterling.

(b) Dividends on equities are recognised when the security is quoted ex-dividend. Other revenue is accounted for on an accruals basis.

(c) 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.

(d) Special dividends are treated as repayments of capital or revenue depending on the facts of each particular case.

(e) All expenses are accounted for on an accruals basis and, all expenses are charged to capital of the Sub-fund.

(f) Where the revenue from investments exceeds the expenses of the Sub-fund, half yearly distributions are allocated to all holders of income and accumulation shares.

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 that no longer exists the ACD). Application to claim distributions that have not been paid should be made to the ACD before this six year period has elapsed.

Where the expenses exceeds the income received from investments of the Sub-fund, the deficit will be transferred to the capital at the end of each accounting year.

(g) The listed investments of the Sub-fund have been valued at bid-market prices at the closing valuation point at 12 noon on 30 June 2022. The total net assets are presented at bid price.

(h) All transactions in foreign currencies are converted into Sterling at the rates of exchange ruling at the date of such transactions. Any foreign currency assets and liabilities at the end of the accounting year are translated at the exchange rates at the closing valuation point of 12 noon on 30 June 2022.

(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 ACD considers that it is more likely than not there will be taxable profits from which underlying timing differences can be deducted.

(j) In order to mitigate the dilutive effect of shareholder transactions on the existing shareholders of the Sub-fund and the Sub-fund's Net Asset Value, the ACD retains discretion to charge a dilution levy on all purchases and redemptions of shares. The levy, which is paid into the Sub-fund, is intended to cover certain charges not included in the mid 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.

(k) Equalisation will be applied to the Sub-fund. An allocation of income to be made in respect of each share issued or sold by the ACD during an accounting year in respect of which that income allocation is made may include a capital sum ("income equalisation") representing the ACD's best estimate of the amount of income included in the price of that share.

The amount of income equalisation in respect of any share may be the actual amount of income included in the issue price of the share in question or it may be an amount arrived at by taking the aggregate of the ACD's best estimate of the amounts of income included in the price of shares in that class issued or sold in the annual or interim year in question and dividing that aggregate by the number of those shares and applying the resultant average to each of the shares in question.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

2 Net capital (losses)/gains	2022	24.03.2020 to 30.06.2021
	£	£
The net capital (losses)/gains comprise:		
Non-derivative securities (losses)/gains	(4,124,432)	10,886,150
Transaction charges (custodian)	(23,466)	(21,782)
Foreign exchange (losses)	(258,644)	(132,428)
Total net capital (losses)/gains	<u>(4,406,542)</u>	<u>10,731,940</u>

3 Revenue	2022	24.03.2020 to 30.06.2021
	£	£
Non-taxable dividends	845,954	414,048
Property income distributions (PIDs)	-	2,741
Investment manager rebate	-	5,284
Bank interest	555	10
Total revenue	<u>846,509</u>	<u>422,083</u>

4 Expenses	2022	24.03.2020 to 30.06.2021
	£	£
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director, and agents of either of them:		
ACD fee	273,457	247,949
Payable to the depositary, associates of the depositary, and agents of either of them:		
Depositary fee	18,000	22,844
Safe custody fee	5,499	3,955
	<u>23,499</u>	<u>26,799</u>
Other expenses:		
Audit fee	8,100	8,100
FCA fee	50	82
Other expenses	38,761	11,606
	<u>46,911</u>	<u>19,788</u>
Total expenses	<u>343,867</u>	<u>294,536</u>

5 Taxation

	2022	24.03.2020 to 30.06.2021
	£	£

(a) Analysis of charge in the year

Irrecoverable overseas withholding tax	104,152	50,249
Total tax charge for the year (note 5b)	104,152	50,249

(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% (2021: 20.00%).

The differences are explained below:

Net revenue before taxation	500,535	125,371
Corporation tax at 20.00% (2021: 20.00%)	100,107	25,074
Effects of:		
Revenue not subject to UK corporation tax	(169,191)	(82,809)
Current year expenses not utilised	69,084	57,735
Irrecoverable overseas withholding tax	104,152	50,249
Total tax charge for the year (note 5a)	104,152	50,249

(c) Provision for deferred taxation

At 30 June 2022 there is a potential deferred tax asset of £126,819 (30 June 2021: £57,735) 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

	2022	24.03.2020 to 30.06.2021
	£	£
Interim dividend distributions	168,061	169,346
Final dividend distribution	561,073	228,919
	729,134	398,265
Add: Revenue deducted on cancellation of shares	29,591	3,441
Deduct: Revenue received on issue of shares	(18,475)	(37,332)
Net distribution for the year	740,250	364,374
Interest payable and similar charges	2,107	2,176
Total finance costs	742,357	366,550
Reconciliation of distributions		
Net revenue after taxation	396,383	75,122
Expenses paid from capital less IM rebate	343,867	289,252
Net distribution for the year	740,250	364,374

NOTES TO THE FINANCIAL STATEMENTS (Continued)

7 Debtors	30.06.2022	30.06.2021
	£	£
Amounts receivable for issue of shares	1,630	167,984
Amounts receivable on unsettled trades	1,356,744	799,843
Prepayments	-	67
Accrued revenue:		
Non-taxable dividends receivable	44,872	22,418
Recoverable withholding tax	29,198	5,420
Total debtors	1,432,444	995,732

8 Cash and bank balances	30.06.2022	30.06.2021
	£	£
Cash and bank balances	3,495,267	452,683
Bank overdraft	-	(168,250)

9 Creditors	30.06.2022	30.06.2021
	£	£
Amounts payable for cancellation of shares	26,975	7,843
Amounts payable on unsettled trades	1,002,191	811,129
Payable to the ACD, associates of the ACD and agents of either of them:		
ACD's periodic charge	19,340	24,357
Payable to the depositary, associates of the depositary, and agents of either of them:		
Depositary fee	1,479	1,627
Transaction charges	20,277	7,252
Safe custody and other custodian charges	3,620	1,501
	25,376	10,380
Other accrued expenses	11,224	11,755
Total creditors	1,085,106	865,464

10 Risk management

In pursuing its investment objective as stated on page 7, 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 ACD'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 ACD 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 2022 would have increased/decreased by £2,897,834 (30 June 2021: £4,059,698).

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 ACD 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 2022 would have increased/decreased by £2,492,574 (30 June 2021: £3,675,702).

Net currency assets and liabilities consist of:

	Net monetary assets and liabilities		Non-monetary assets & liabilities		Total net assets	
	£		£		£	
	30.06.2022	30.06.2021	30.06.2022	30.06.2021	30.06.2022	30.06.2021
Sterling	3,695,402	784,130	3,966,048	3,440,798	7,661,450	4,224,928
US Dollar	524,995	(66,817)	10,086,465	14,524,792	10,611,460	14,457,975
Euro	(93,467)	(9,063)	4,655,437	6,479,280	4,561,970	6,470,217
Australian Dollar	-	-	409,725	212,493	409,725	212,493
Canadian Dollar	255	-	1,163,568	1,387,169	1,163,823	1,387,169
Swiss Franc	(43,880)	-	482,164	3,385,581	438,284	3,385,581
Danish Krone	(52,401)	-	634,245	985,222	581,844	985,222
Hong Kong Dollar	193,596	-	-	1,688,559	193,596	1,688,559
Indian Rupee	5	4	1,557,255	1,748,079	1,557,260	1,748,083
Indonesian Rupiah	-	-	394,898	-	394,898	-
Japanese Yen	12,296	-	1,627,596	2,243,941	1,639,892	2,243,941
Malaysian Ringgit	5	4	-	147,577	5	147,581
Norwegian Krone	(458,230)	(160,038)	1,119,040	493,290	660,810	333,252
Philippine Peso	-	-	198,879	168,733	198,879	168,733
Swedish Krona	-	-	178,500	2,077,852	178,500	2,077,852
Singapore Dollar	44,736	-	1,456,344	603,408	1,501,080	603,408
Thai Baht	-	-	-	194,425	-	194,425
South African Rand	-	(163,254)	833,714	815,778	833,714	652,524
Total	3,823,312	384,966	28,763,878	40,596,977	32,587,190	40,981,943

Interest rate risk

Interest rate risk is the risk that the value of the Sub-fund's investment holdings will fluctuate as a result of changes in interest rates. These include cash and bank balances.

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

	30.06.2022	30.06.2021
	£	£
Financial assets floating rate	3,495,267	452,683
Financial assets interest bearing instruments	-	-
Financial assets non-interest bearing instruments	30,196,322	41,592,709
Financial liabilities non-interest bearing instruments	(1,104,399)	(895,199)
Financial liabilities floating rate	-	(168,250)
	32,587,190	40,981,943

10 Risk management (continued)**Maturity of financial liabilities**

The financial liabilities of the Sub-fund as at 30 June 2022 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 ACD 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	Assets (£000's)	Liabilities (£000's)
Level 1: Unadjusted quoted price in an active market for an identical instrument	28,764	-
Total	28,764	-

11 Shares held**Class F (Accumulation)**

Opening shares at 01.07.2021	22,202,260
Shares issued during the year	3,225,788
Shares cancelled during the year	(3,441,510)
Shares converted during the year	-
Closing shares as at 30.06.2022	21,986,538

Class F (Income)

Opening shares at 01.07.2021	3,759,333
Shares issued during the year	590,487
Shares cancelled during the year	(3,453,844)
Shares converted during the year	-
Closing shares as at 30.06.2022	895,976

Class A (Accumulation)

Opening shares at 01.07.2021	89,454
Shares issued during the year	38,629
Shares cancelled during the year	(66,343)
Shares converted during the year	-
Closing shares as at 30.06.2022	61,740

12 Contingent assets and liabilities

At 30 June 2022, the Sub-fund had no contingent liabilities or commitments (30 June 2021: £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 2022. Since that date, the Sub-fund's quoted price has moved as follows:

Share class

	Price at 30 June 2022 GBp	Price at 28 October 2022 GBp
Class F (Accumulation)	142.7194p	147.6386p
Class F (Income)	122.7998p	127.0405p
Class A (Accumulation)	96.4261p	99.6970p

14 Direct transaction costs

	2022 £	%	24.03.2020 to 30.06.2021 £	%
Analysis of total purchase costs				
Purchases in the year before transaction costs	104,676,053		91,081,179	
Commissions	55,939	0.05%	46,163	0.05%
Taxes & levies	69,784	0.07%	53,976	0.06%
Total purchase costs	125,723	0.12%	100,139	0.11%
Total purchases including transaction costs	104,801,776		91,181,318	

	2022 £	%	24.03.2020 to 30.06.2021 £	%
Analysis of total sale costs				
Sales in the year before transaction costs	112,580,064		61,503,189	
Commissions	(60,577)	(0.05%)	(30,597)	(0.05%)
Taxes & levies	(14,598)	(0.01%)	(8,022)	(0.01%)
Total sale costs	(75,175)	(0.06%)	(38,619)	(0.06%)
Total sales net of transaction costs	112,504,889		61,464,570	

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:

	2022 £	% of average net asset value	24.03.2020 to 30.06.2021 £	% of average net asset value
Commissions	116,516	0.29%	76,760	0.28%
Taxes & levies	84,382	0.21%	61,998	0.22%
	200,898	0.50%	138,758	0.50%

15 Portfolio dealing spread

The average portfolio dealing spread at 30 June 2022 is 0.32% (2021: 0.26%).

16 Related party transactions

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

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

DISTRIBUTION TABLES

For the year ended 30 June 2022

Interim distribution in pence per share

Group 1: Shares purchased prior to 24 March 2020

Group 2 : Shares purchased on or after 24 March 2020 and on or before 30 June 2020

24 March 2020 to 30 June 2020

Class F (Accumulation)	Distribution 28.08.2020
Group 1	0.3645p
Group 2	0.3645p

Class F (Income)	Distribution 28.08.2020
Group 1	0.1479p
Group 2	0.1479p

Interim distribution in pence per share

Group 1: Shares purchased prior to 1 July 2021

Group 2 : Shares purchased on or after 1 July 2021 and on or before 31 December 2021

01 July 2021 to 31 December 2021

Class F (Accumulation)	Net Revenue 28.02.2022	Equalisation	Distribution 28.02.2022	Distribution 26.02.2021
Group 1	0.6681p	-	0.6681p	0.5239p
Group 2	0.2871p	0.3810p	0.6681p	0.5239p

Class F (Income)	Net Revenue 28.02.2022	Equalisation	Distribution 28.02.2022	Distribution 26.02.2021
Group 1	0.5872p	-	0.5872p	0.4315p
Group 2	0.3484p	0.2388p	0.5872p	0.4315p

Class A (Accumulation)	Net Revenue 28.02.2022	Equalisation	Distribution 28.02.2022
Group 1	0.4518p	-	0.4518p
Group 2	0.1593p	0.2925p	0.4518p

DISTRIBUTION TABLES (Continued)**Final distribution in pence per share**

Group 1: Shares purchased prior to 01 January 2022

Group 2 : Shares purchased on or after 01 January 2022 and on or before 30 June 2022

01 January 2022 to 30 June 2022

Class F (Accumulation)	Net Revenue 31.08.2022	Equalisation	Distribution 31.08.2022	Distribution 31.08.2021
Group 1	2.4595p	-	2.4595p	0.8949p
Group 2	1.4970p	0.9625p	2.4595p	0.8949p

Class F (Income)	Net Revenue 31.08.2022	Equalisation	Distribution 31.08.2022	Distribution 31.08.2021
Group 1	2.1533p	-	2.1533p	0.7910p
Group 2	1.6806p	0.4727p	2.1533p	0.7910p

Class A (Accumulation)	Net Revenue 31.08.2022	Equalisation	Distribution 31.08.2022	Distribution 31.08.2021
Group 1	1.6622p	-	1.6622p	0.5432p
Group 2	1.4561p	0.2061p	1.6622p	0.5432p

EQUALISATION

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.

Information for corporate shareholders

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

- i) 99.93% of the total dividend allocation together with the tax credit is received as franked investment income.
- ii) 0.07% 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	£44,215,840
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 ACD 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 ACD 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
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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.

Performance Overview

In the year under review, the twelve months to 30 June 2022, the accumulation units in VT Downing Unique Opportunities Fund declined in price by 21.05% (A Accumulation), compared with an 8.49% decline 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. Over the period from launch to 30 June 2022, the income units rose in price by 32.73% and generated a total return of 38.69%. This compares to an average total return of 45.63% 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 34.71% from launch to 30 June 2022, and this compares to an average total return of 36.51% achieved by the peer group.

It is noteworthy that a year ago the Fund was celebrating being in the first quartile for performance, and this year is reporting being in the fourth quartile, without a significant change in the underlying holdings. The comment we made last year, that this remains a short period over which to measure the performance of any fund and deduce meaningful conclusions, continues to be apposite.

By way of context, the Fund launched in March 2020 at what in hindsight turned out to be the low point of the UK equity market following the sharp sell-off after the first onset of Covid 19. This goes some way to explaining the strong performance of the Fund in absolute terms right through to September 2021. The price of the accumulation units peaked at 186.58p on 7 September 2021. Even allowing for the fortuitous timing of the launch, an 86.6% return in less than 18 months is significantly above the average annual return for the UK equity market. With the benefit of hindsight, valuations had probably risen too far, too soon.

From September 2021, the market started to anticipate a rise in interest rates from unusually low levels. Support for individuals unable to work during the pandemic came to an end in the UK on 30 September 2021. As the economy opened up, labour shortages (known as the great resignation) started to bite, leading to escalating wage demands. Labour shortages turned out to be a global phenomenon, and manifested themselves in higher freight and logistics costs, port congestion, higher staff turnover, rising commodity prices and shortages of silicon chips and other key components. Initially, the market became focussed on wage inflation and staff retention issues in technology businesses. The Fund's largest sector weighting, at approximately 20%, is in information technology, and this started to weigh down on performance.

From September 2021, there was a rotation into sectors perceived to be beneficiaries of higher interest rates, notably banks, which can charge higher rates of interest to borrowers and delay paying more to depositors, thus temporarily widening profit margins. This Fund does not have any investments in the banking sector, partly because the major banks are larger than the upper end of our market capitalisation range (£10bn), and partly because even smaller banks are very highly leveraged through the practice of fractional reserve banking (i.e. they lend out customer deposits many times over) and this does not fit with the Fund's preference for companies with low leverage.

From January 2022, investors worried even more about a surge in global inflation and became fearful that central banks would need to raise interest rates much more aggressively than originally envisaged. This particularly led to a devaluation of companies bearing a valuation premium to the general market for their growth potential, because a rise in discount rates particularly hurts the value of businesses where much of the intrinsic value lies in the medium to long term. This derating was particularly severe in January, when the unit price of the fund fell by 11%, although there was no widespread change in individual profit expectations then or since.

The invasion of Ukraine on 24 February added a further twist, with the significant rise in energy, fertiliser and food prices driving fears of a recession, particularly for consumers on low incomes, for whom energy and food costs are a high proportion of expenditure. The Fund owns no oil or gas producers: the largest are too big to fall within the maximum capitalisation limit. We choose not to invest in smaller exploration and production companies because they are generally price-takers and dependent on an unpredictable oil price and on new discoveries which are hard to predict. Generally, the returns on equity of companies in this sector are very poor and do not meet our return threshold over the economic cycle.

In summary, the absolute fall in the value of the Fund was due predominantly to a derating of growth businesses. There were a few stock specific factors and these are discussed in the section below. The Fund also performed badly in relative terms against the peer group in which it has been placed, the IA UK All Companies Sector. This is one of the largest Investment Association fund categories, and many of its constituent funds hold significant exposure to the largest UK companies and to sectors where these mega-caps are a big feature, such as oil & gas, mining, banks, tobacco and pharmaceuticals. Our Fund has no exposure to these sectors, through choice and because of our chosen market capitalisation range. At the end of June, among the top 100 UK companies, those hitting 12-month highs were AstraZeneca, BAE Systems, BAT Industries, GSK, HSBC Holdings and Standard Chartered, which are all mega-caps and neatly illustrate the point. Considerable variation in our performance against the peer group should therefore always be expected.

Performance Overview (continued)

The Fund ended June 2022 with cash of 9.0% and 34 holdings (including Trellus Health, now sold).

Key Contributors and Detractors

The largest individual contribution in the past twelve months came from EMIS Group, a leading provider of software and services to GP surgeries, community pharmacies and hospital pharmacies in the UK. In mid-June, EMIS announced a recommended cash offer for the company at 1925p per share from UnitedHealth Group Inc., a major US healthcare business, representing a 49% premium to the undisturbed share price[1]. Corporate bids of this kind evoke mixed feelings: on the one hand it is a nice short-term boost to performance, but on the other hand EMIS is a unique business which will be hard to replace. This bid highlights the value of dominant data sets in specific industry verticals, and the Fund owns stakes in other businesses with similar characteristics.

The second largest positive contribution unsurprisingly came from a supplier to the defence industry, Chemring[2]. The invasion of the Ukraine will likely generate replenishment orders for its componentry used in products such as Next Generation Light Anti-Tank Weapons (NLAWs). The company has also announced a first order for its next generation electronic warfare product from the Swedish government, and has the potential to generate further orders for its electronic warfare and national cyber-protection capabilities, particularly as there will be a structural upward shift in defence spending from NATO countries as a result of Russian aggression.

For the second year running, Alfa Financial Software was among the top contributors. It is a global leader in the provision of leasing software for managing the lease cycle for automotive, aircraft, office and agricultural equipment lessors. Alfa continues to diversify its customer base, and to grow Total Contract Values. Its shares have been supported by a buy-back programme and special dividends.

There were 28 fallers and only six risers in the year. This shows the broad-based nature of the derating. The largest single detractor was EKF Diagnostics, a manufacturer of diagnostic test kits and reagents used in routine testing for indicators of diabetes and anaemia. EKF enjoyed supernormal revenues and profits as a supplier of test kits for Covid 19 PCR tests for a period, and when these unwound, the shares reacted badly. However, EKF has redeployed the cash generated from the Covid testing operations into new business opportunities such as enzyme fermentation, non-invasive pre-natal testing and drugs of abuse testing.

Impax Asset Management moved from being a top three contributor last year to a bottom three contributor this year. The shares have a higher-than-average beta due to the impact of stock market levels on the company's ad valorem fee income. In addition, Impax' focus on sustainable investing means they have generally avoided investing in fossil fuels where share prices temporarily surged. Impax has excellent long-term credentials in the area of sustainable investing and the vast majority of its funds already meet the EU category of Article 9 under the Sustainable Finance Disclosure Regulations[3], meaning that they have the objective of delivering positive environmental or social impact. We expect this positioning to drive long term organic growth.

XP Power designs and manufactures power control systems which convert power from the electricity grid into other formats to allow critical equipment to function safely. XP Power shares fell sharply in March when the company lost a jury trial in the United States and was fined \$40m for misappropriation of trade secrets[4]. While this result was unexpected, the share price of the company over-reacted, falling by about 40% between January and June 2020 which wiped some £380million off the market capitalisation[5]. The company has experienced some component shortages and supply chain challenges, but is designed into many critical products used in healthcare and semiconductor manufacturing and entered 2022 with a record order book.

There was only one complete disposal during the year. We sold our holding in marine services group James Fisher at a loss, having concluded that it was faced with high debt levels and multiple strategic challenges. The shares have since halved and the chief executive has been replaced. This experience has reminded us not to underestimate the power of excess debt to undermine the value of equity, and that we should be more critical of debt in combination with a gradual shift in corporate strategy towards lumpy multi-year contracting awards.

There have been two new investments in the year. Rightmove is the leading UK property portal and crucially its platform is the market leader, with a 90% share of all search minutes spent. The group's very high returns on equity demonstrate the existence of a significant moat, with network effects meaning that as its platform attracts the most visitors and search minutes it is almost essential for an estate agent to advertise on its site. Rightmove regularly adds extra features for which agents pay a premium. Steady growth in the core business is likely to be supplemented by a recent move into digitalising search and referencing in the lettings market.

Key Contributors and Detractors (continued)

Spirent is a world leader (top three) in testing and assurance for telecommunications networks pre and post-launch. Gross margins have exceeded 69% in each of the last ten years and recently reached 73%. Adjusted operating margins have exceeded 10% in each of the past five years and reached 19.8% in 2020. Return on average equity has been circa 18% in each of the last two reported years and in double figures for four years. Spirent holds net cash, so return on operating assets is even higher (32% in 2020). I believe that the barriers to entry which enable these returns are its reputation (brand) and high switching costs: Spirent has one of the largest product suites and is a tried and tested partner for many major telcos. The introduction of 5G technology requires far more testing than previous versions as it will extend into so many more devices, for example cars, and the Internet of Things.

Outlook

The manager does not attempt to forecast macro-economic 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 2022, based on our own analysis of recent report and accounts, only six out of the 34 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 30%, 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 24% which indicates that these businesses are likely very cash generative and have pricing power. Finally, the average stake held by directors was 8.5%, 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

01 August 2022

Sources

^[1] <https://www.londonstockexchange.com/news-article/market-news/recommended-cash-offer-for-emis-group-plc/15501446>

^[2] Chemring, Bulls beat Bears: upgrades continue, Investec research note, 03 March 2022

^[3] <https://www.sharesmagazine.co.uk/news/shares/why-impax-shares-are-down-hard-despite-a-rise-in-earnings-and-inflows>

^[4] <https://www.londonstockexchange.com/news-article/XPP/re-comet-legal-action/15381570>

^[5] https://otp.tools.investis.com/clients/uk/xp_power/rns/regulatory-story.aspx?cid=2777&newsid=1578495

PERFORMANCE RECORD

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

^Share class launched 25 March 2020

Class A (Income)	Year ended 30 June 2022	Period from 17 March 2020 to 30
		June 2021
Changes in net assets per share	GBp	GBp
Opening net asset value per share	172.0171	100.0000
Return before operating charges	(34.3970)	76.2269
Operating charges (note 1)	(1.3866)	(1.7568)
Return after operating charges *	(35.7836)	74.4701
Distribution on income shares	(3.5069)	(2.4530)
Closing net asset value per share	132.7266	172.0171
*after direct transactions costs of:	0.3200	0.8777
Performance		
Return after charges	(20.80%)	74.47%
Other information		
Closing net asset value	£5,062,574	£6,867,234
Closing number of shares	3,814,288	3,992,180
Operating charges (note 2)	0.91%	1.00%
Direct transaction costs	0.21%	0.65%
Prices		
Highest share price	188.1010	173.8009
Lowest share price	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 '5' on the synthetic risk and reward indicator scale (of 1 to 7) as described fully in the Key Investor Information Document. The Sub-fund is ranked 5 because historical performance data indicates that relatively high rises and falls in market prices would have occurred historically.

PORTFOLIO STATEMENT

As at 30 June 2022

Holding		Value £	% of net assets
Communications (30.06.2021: 8.83%)			
235,000	Auto Trader Group PLC	1,273,700	2.87%
55,000	4imprint Group PLC	1,273,250	2.87%
255,000	Rightmove PLC	1,432,845	3.24%
80,000	YouGov PLC	676,000	1.53%
		4,655,795	10.51%
Consumer Discretionary (30.06.2021: 12.86%)			
140,000	Dunelm Group PLC	1,117,900	2.53%
13,000	Games Workshop Group PLC	856,700	1.94%
92,918	Videndum PLC	1,210,722	2.74%
		3,185,322	7.21%
Consumer Staples (30.06.2021: 2.85%)			
315,000	A.G.Barr PLC	1,623,825	3.67%
		1,623,825	3.67%
Financials (30.06.2021: 11.26%)			
490,000	AJ Bell PLC	1,291,640	2.92%
190,000	Impax Asset Management Group PLC	1,141,900	2.58%
137,500	Mortgage Advice Bureau (Holdings) PLC	1,215,500	2.75%
315,000	Tatton Asset Management Ltd.	1,181,250	2.67%
		4,830,290	10.92%
Healthcare (30.06.2021: 16.39%)			
550,000	Advanced Medical Solutions Group PLC	1,619,750	3.66%
24,000	Craneware PLC	446,400	1.01%
4,100,000	EKF Diagnostics Holdings PLC	1,346,850	3.05%
121,000	EMIS Group PLC	2,253,020	5.10%
110,000	Ergomed PLC	1,105,500	2.50%
61,538	Trellus Health Ltd	8,615	0.02%
303,000	Tristel PLC	1,060,500	2.40%
		7,840,635	17.74%
Industrials (30.06.2021: 14.13%)			
565,000	Chemring Group PLC	1,789,638	4.05%
60,000	Diploma PLC	1,325,400	3.00%
425,000	Rotork PLC	1,015,750	2.30%
32,000	XP Power Ltd	916,000	2.07%
		5,046,788	11.42%
Information Technology (30.06.2021: 20.13%)			
950,000	Alfa Financial Software Holdings PLC	1,446,375	3.27%
450,000	Aptitude Software Group PLC	1,566,000	3.54%
875,000	dotDigital Group PLC	612,500	1.38%
650,000	Strix Group PLC	1,075,100	2.43%
125,000	Kainos Group PLC	1,370,000	3.10%
85,000	Softcat PLC	1,104,150	2.50%
510,000	Spirent Communications plc	1,254,600	2.84%
150,000	Tracsis PLC	1,402,500	3.17%
		9,831,225	22.23%
Materials (30.06.2021: 5.83%)			
1,325,000	Elementis PLC	1,293,863	2.93%
62,000	Victrex PLC	1,071,980	2.42%
		2,365,843	5.35%
Real Estate (30.06.2021: 0.00%)			
235,000	MJ Gleeson PLC	1,205,550	2.73%
		1,205,550	2.73%
Portfolio of investments (30.06.2021: 92.28%)		40,585,273	91.78%
Net other assets (30.06.2021: 8.29%)		3,909,418	8.85%
Mid to bid adjustment (30.06.2021: (0.57%))		(278,851)	(0.63%)
		44,215,840	100.00%

SUMMARY OF MATERIAL PORTFOLIO CHANGES

Purchases (Note 14)	£
Rightmove PLC	1,984,000
Aptitude Software Group PLC	1,432,801
Spirent Communications PLC	1,351,530
EKF Diagnostics Holdings PLC	1,296,347
Vitec Group PLC	1,193,388
AJ Bell PLC	1,130,909
Elementis PLC	999,341
Games Workshop Group PLC	898,003
XP Power Ltd	879,204
Dunelm Group PLC	831,365
Victrex PLC	820,874
Auto Trader Group PLC	820,855
Mortgage Advice Bureau (Holdings) PLC	807,488
Diploma PLC	790,724
Chemring Group PLC	761,375
A.G.Barr PLC	759,086
EMIS Group PLC	750,787
Impax Asset Management Group PLC	711,467
MJ Gleeson PLC	710,051
Tristel PLC	697,475
Other purchases	6,491,730
Total purchases for the year	26,118,800
Sales (Note 14)	£
Vitec Group PLC	1,328,390
James Fisher and Sons PLC	858,439
Craneware PLC	842,434
Games Workshop Group PLC	746,633
dotDigital Group PLC	547,735
Auto Trader Group PLC	426,455
Chemring Group PLC	358,070
Elementis PLC	283,783
Tatton Asset Management Ltd.	273,616
XP Power Ltd	265,831
Dunelm Group PLC	258,879
Rotork PLC	254,463
YouGov PLC	224,871
EMIS Group PLC	215,531
A.G.Barr PLC	202,057
Victrex PLC	201,331
Alfa Financial Software Holdings PLC	179,044
Impax Asset Management Group PLC	164,980
Mortgage Advice Bureau (Holdings) PLC	164,111
4imprint Group PLC	135,267
Other sales	261,867
Total sales for the year	8,193,787

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

STATEMENT OF TOTAL RETURN

For the year ended 30 June 2022

		2022	17.03.2020 to 30.06.2021
	Notes	£	£
Income			
Net capital (losses)/gains	2	(12,941,503)	7,190,874
Revenue	3	1,087,805	321,780
Expenses	4	(446,703)	(237,312)
Interest payable and similar charges	6	<u>(8,015)</u>	<u>(6,905)</u>
Net revenue before taxation		633,087	77,563
Taxation	5	<u>-</u>	<u>-</u>
Net revenue after taxation		<u>633,087</u>	<u>77,563</u>
Total return before distributions		(12,308,416)	7,268,437
Finance costs: distributions	6	<u>(1,080,915)</u>	<u>(279,866)</u>
Changes in net assets attributable to shareholders from investment activities		<u>(13,389,331)</u>	<u>6,988,571</u>

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the year ended 30 June 2022

	2022	17.03.2020 to 30.06.2021
	£	£
Opening net assets attributable to shareholders	38,514,521	-
Amounts receivable on creation of shares	39,054,230	35,465,903
Amounts payable on cancellation of shares	(20,982,234)	(4,290,037)
Dividend reinvested	1,008,544	318,057
Dilution levies	10,110	32,027
Changes in net assets attributable to shareholders from investment activities (see above)	<u>(13,389,331)</u>	<u>6,988,571</u>
Closing net assets attributable to shareholders	<u>44,215,840</u>	<u>38,514,521</u>

BALANCE SHEET

As at 30 June 2022		30.06.2022		30.06.2021	
	Notes	£	£	£	£
ASSETS					
Investment assets			40,306,422		35,319,673
Current assets					
Debtors	7	290,615		402,753	
Cash and bank balances	8	3,983,527		3,253,852	
Total current assets			4,274,142		3,656,605
Total assets			44,580,564		38,976,278
LIABILITIES					
Current liabilities					
Distributions payable on income shares		(73,564)		(36,093)	
Creditors	9	(291,160)		(425,664)	
Total current liabilities			(364,724)		(461,757)
Net assets attributable to shareholders			44,215,840		38,514,521

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2022

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

(a) The financial statements have been prepared in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Association (IA) in May 2014 and to the amendments to the SORP issued by the IA in June 2017. The functional currency is Sterling.

(b) Dividends on equities are recognised when the security is quoted ex-dividend. Other revenue is accounted for on an accruals basis.

(c) 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.

(d) Special dividends are treated as repayments of capital or revenue depending on the facts of each particular case.

(e) All expenses are accounted for on an accruals basis and, all expenses are charged to capital of the Sub-fund.

(f) Where the revenue from investments exceeds the expenses of the Sub-fund, half yearly distributions are allocated to all holders of income and accumulation shares.

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 that no longer exists the ACD). Application to claim distributions that have not been paid should be made to the ACD before this six year period has elapsed.

Where the expenses exceeds the income received from investments of the Sub-fund, the deficit will be transferred to the capital at the end of each accounting year.

(g) The listed investments of the Sub-fund have been valued at bid-market prices at the closing valuation point at 12 noon on 30 June 2022. The total net assets are presented at bid price.

(h) All transactions in foreign currencies are converted into Sterling at the rates of exchange ruling at the date of such transactions. Any foreign currency assets and liabilities at the end of the accounting year are translated at the exchange rates at the closing valuation point of 12 noon on 30 June 2022.

(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 ACD considers that it is more likely than not there will be taxable profits from which underlying timing differences can be deducted.

(j) In order to mitigate the dilutive effect of shareholder transactions on the existing shareholders of the Sub-fund and the Sub-fund's Net Asset Value, the ACD retains discretion to charge a dilution levy on all purchases and redemptions of shares. The levy, which is paid into the Sub-fund, is intended to cover certain charges not included in the mid 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.

(k) Equalisation will be applied to the Sub-fund. An allocation of income to be made in respect of each share issued or sold by the ACD during an accounting year in respect of which that income allocation is made may include a capital sum ("income equalisation") representing the ACD's best estimate of the amount of income included in the price of that share.

The amount of income equalisation in respect of any share may be the actual amount of income included in the issue price of the Share in question or it may be an amount arrived at by taking the aggregate of the ACD's best estimate of the amounts of income included in the price of shares in that class issued or sold in the annual or interim period in question and dividing that aggregate by the number of those shares and applying the resultant average to each of the shares in question.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

2 Net capital (losses)/gains

	2022	17.03.20 to 30.06.2021
	£	£
The net capital (losses)/gains comprise:		
Non-derivative securities (losses)/gains	(12,938,265)	7,195,533
Transaction charges (custodian)	(3,238)	(4,659)
Total net capital (losses)/gains	<u>(12,941,503)</u>	<u>7,190,874</u>

3 Revenue

	2022	17.03.20 to 30.06.2021
	£	£
Non-taxable dividends	1,086,839	286,770
Investment manager rebate	-	35,009
Bank interest	966	1
Total revenue	<u>1,087,805</u>	<u>321,780</u>

4 Expenses

	2022	17.03.20 to 30.06.2021
	£	£
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director, and agents of either of them:		
ACD fee	402,047	193,691
Payable to the depositary, associates of the depositary, and agents of either of them:		
Depositary fee	18,840	23,188
Safe custody fee	1,980	852
	<u>20,820</u>	<u>24,040</u>
Other expenses:		
Audit fee	8,117	8,083
FCA fee	50	83
Other expenses	15,669	11,415
	<u>23,836</u>	<u>19,581</u>
Total expenses	<u>446,703</u>	<u>237,312</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5 Taxation

	2022	17.03.20 to 30.06.2021
	£	£

(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% (2021: 20.00%).

The differences are explained below:

Net revenue before taxation	633,087	77,563
Corporation tax at 20.00% (2021: 20.00%)	126,617	15,513
Effects of:		
Revenue not subject to UK corporation tax	(217,367)	(57,355)
Current year expenses not utilised	90,750	41,842
Total tax charge for the year (note 5a)	-	-

(c) Provision for deferred taxation

At 30 June 2022 there is a potential deferred tax asset of £132,592 (30 June 2021: £41,842) 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

	2022	17.03.20 to 30.06.2021
	£	£
Interim dividend distributions	512,803	199,796
Final dividend distribution	638,346	202,733
	1,151,149	402,529

Add: Revenue deducted on cancellation of shares	91,355	14,614
Deduct: Revenue received on issue of shares	(161,589)	(137,277)

Net distribution for the year	1,080,915	279,866
Interest payable and similar charges	8,015	6,905
Total finance costs	1,088,930	286,771

Reconciliation of distributions

Net revenue after taxation	633,087	77,563
Balance carried forward	1,125	-
Expenses paid from capital less IM rebate	446,703	202,303
Net distribution for the year	1,080,915	279,866

NOTES TO THE FINANCIAL STATEMENTS (Continued)

7 Debtors	30.06.2022	30.06.2021
	£	£
Amounts receivable for issue of shares	200,213	353,593
Amounts receivable on unsettled trades	36,275	
Prepayments	60	65
Investment manager rebate	-	32
Accrued revenue:		
Non-taxable dividends receivable	54,067	49,063
Total debtors	290,615	402,753

8 Cash and bank balances	30.06.2022	30.06.2021
	£	£
Cash and bank balances	3,983,527	3,253,852

9 Creditors	30.06.2022	30.06.2021
	£	£
Amounts payable on cancellation of shares	85,967	85,957
Amounts payable on unsettled trades	160,104	278,415
Payable to the ACD, associates of the ACD and agents of either of them:		
ACD's periodic charge	30,615	47,809
Payable to the depositary, associates of the depositary, and agents of either of them:		
Depositary fees	1,479	1,627
Transaction charges	2,272	1,148
Safe custody and other custodian charges	1,278	413
	5,029	3,188
Other accrued expenses	9,445	10,295
Total creditors	291,160	425,664

10 Risk management

In pursuing its investment objective as stated on page 27, 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 ACD'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 ACD 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 2022 would have increased/decreased by £4,030,642 (30 June 2021: £3,531,967).

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 and liabilities		Total net assets	
	£		£		£	
	30.06.2022	30.06.2021	30.06.2022	30.06.2021	30.06.2022	30.06.2021
Sterling	3,909,418	3,194,848	40,306,422	35,319,673	44,215,840	38,514,521
Total	3,909,418	3,194,848	40,306,422	35,319,673	44,215,840	38,514,521

Interest rate risk

Interest rate risk is the risk that the value of the Sub-fund's investment holdings will fluctuate as a result of changes in interest rates. These include cash and bank balances.

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

	30.06.2022 £	30.06.2021 £
Financial assets floating rate	3,983,527	3,253,852
Financial assets interest bearing instruments	-	-
Financial assets non-interest bearing instruments	40,597,037	35,722,426
Financial liabilities non-interest bearing instruments	(364,724)	(461,757)
Financial liabilities floating rate	-	-
	44,215,840	38,514,521

Maturity of financial liabilities

The financial liabilities of the Sub-fund as at 30 June 2022 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 ACD 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.

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

11 Shares held

Class A (Accumulation)

Opening shares at 01.07.2021	18,676,932
Shares issued during the year	22,465,873
Shares cancelled during the year	(11,871,214)
Shares converted during the year	-
Closing shares as at 30.06.2022	29,271,591

Class A (Income)

Opening shares at 01.07.2021	3,992,180
Shares issued during the year	875,191
Shares cancelled during the year	(1,053,083)
Shares converted during the year	-
Closing shares as at 30.06.2022	3,814,288

12 Contingent assets and liabilities

At 30 June 2022, the Sub-fund had no contingent liabilities or commitments (30 June 2021: £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 2022. Since that date, the Sub-fund's quoted price has moved as follows:

Share class	Price at 30 June 2022 GBp	Price at 28 October 2022 GBp
Class A (Accumulation)	134.7112p	134.6519p
Class A (Income)	132.7266p	132.6711p

NOTES TO THE FINANCIAL STATEMENTS (Continued)

14 Direct transaction costs

	2022		17.03.2020 to 30.06.2021	
	£	%	£	%
Analysis of total purchase costs				
Purchases in the year before transaction costs	26,018,623		29,284,458	
Commissions	16,092	0.06%	17,808	0.06%
Taxes & Levies	84,085	0.32%	85,001	0.29%
Total purchase costs	100,177	0.38%	102,809	0.35%
Total purchases including transaction costs	26,118,800		29,387,267	
Analysis of total sale costs				
	£	%	£	%
Sales in the year before transaction costs	8,197,111		1,263,837	
Commissions	(3,322)	(0.04%)	(777)	(0.06%)
Taxes & Levies	(2)	(0.00%)	(19)	(0.00%)
Total sale costs	(3,324)	(0.04%)	(796)	(0.06%)
Total sales net of transaction costs	8,193,787		1,263,041	

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:

	2022		17.03.2020 to 30.06.2021	
	£	% of average net asset value	£	% of average net asset value
Commissions	19,414	0.04%	18,585	0.12%
Taxes & Levies	84,087	0.17%	85,020	0.53%
	103,501	0.21%	103,605	0.65%

15 Portfolio dealing spread

The average portfolio dealing spread at 30 June 2022 is 1.26% (2021: 1.14%).

16 Related party transactions

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

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

DISTRIBUTION TABLES

For the year ended 30 June 2022

Interim distribution in pence per share

Group 1: Shares purchased prior to 17 March 2020

Group 2 : Shares purchased on or after 17 March 2020 and on or before 30 June 2020

17 March 2020 to 30 June 2020

Class A (Accumulation)	Distribution 28.08.2020
Group 1	0.2232p
Group 2	0.2232p

Class A (Income)	Distribution 28.08.2020
Group 1	0.2363p
Group 2	0.2363p

Interim distribution in pence per share

Group 1: Shares purchased prior to 1 July 2021

Group 2 : Shares purchased on or after 01 July 2021 and on or before 31 December 2021

01 July 2021 to 31 December 2021

Class A (Accumulation)	Net Revenue 28.02.2022	Equalisation	Distribution 28.02.2022	Distribution 26.02.2021
Group 1	1.5653p	-	1.5653p	1.2835p
Group 2	0.8802p	0.6851p	1.5653p	1.2835p

Class A (Income)	Net Revenue 28.02.2022	Equalisation	Distribution 28.02.2022	Distribution 26.02.2021
Group 1	1.5782p	-	1.5782p	1.3126p
Group 2	1.1981p	0.3801p	1.5782p	1.3126p

Final distribution in pence per share

Group 1: Shares purchased prior to 01 January 2022

Group 2 : Shares purchased on or after 01 January 2022 and on or before 30 June 2022

01 January 2022 to 30 June 2022

Class A (Accumulation)	Net Revenue 31.08.2022	Equalisation	Distribution 31.08.2022	Distribution 31.08.2021
Group 1	1.9295p	-	1.9295p	0.8922p
Group 2	1.0675p	0.8620p	1.9295p	0.8922p

Class A (Income)	Net Revenue 31.08.2022	Equalisation	Distribution 31.08.2022	Distribution 31.08.2021
Group 1	1.9287p	-	1.9287p	0.9041p
Group 2	1.0018p	0.9269p	1.9287p	0.9041p

DISTRIBUTION TABLES (Continued)

EQUALISATION

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.

Information for corporate shareholders

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

- i) 99.91% of the total dividend allocation together with the tax credit is received as franked investment income.
- ii) 0.09% 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	£70,914,793
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 ACD 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 ACD 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:	<p>Class A (Accumulation)</p> <p>Class A (Income)</p> <p>Class F (Accumulation)¹</p> <p>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 ACD'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 ACD 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

Investment philosophy

Whilst the VT Downing European Unconstrained Income Fund is a relatively new fund, having only launched in November 2020, the investment philosophy underpinning the strategy has been followed by the managers for over a decade.

The Fund aims to take advantage of two types of opportunities. The first is to find well-known stocks that have temporarily fallen out of favour with the market but where the managers believe that the long-term business model still has strong potential. These can be large or small companies, but in such circumstances the manager is aiming to take advantage of the short-term behavioural bias of other investors. The second types of opportunities are in "off-the-radar" stocks. These are less well-known stocks that are often a better way to play a market opportunity than the more popular names. In these circumstances, the managers believe that they may be able to get an analytic edge in these companies simply because relatively few investors are taking the time to look at such stocks.

The types of businesses that the managers are attracted to are companies that have a long-term sustainable advantage that allows them to earn returns above the cost of capital over the long run. These companies typically have attractive characteristics such as strong brands, market dominance, a technology advantage, and structural tailwinds driving their industry. Strong balance sheets allow such companies to weather the natural gyrations of the economy and can also allow them to take advantage of opportunities that arise in their markets. However, these companies are usually well-priced by other investors and so the managers believe that they need to be selective and patient in their approach to stock picking. As a result, the Fund is concentrated, typically holding between 30 and 40 names, and the investment horizon is three to five years.

Performance overview

The twelve months to the end of June 2022 has been very eventful, ending about 12% lower in sterling terms. The European market rose in the second half of calendar year 2021, peaking in December. However, since then, the market has been moving in a relentless downwards direction, characterised by extreme rotations with value stocks outperforming growth on the back of increasingly hawkish expectations from central banks.

In February, Russian forces attacked Ukraine after months of escalating aggression. Putin's invasion is a human tragedy and a conflict that is reshaping the economics and politics of Europe and beyond. With Ukrainians determined in their resistance, the West has responded by imposing drastic and crippling sanctions on Russia. The deteriorating situation and heightened uncertainty triggered a significant sell-off in markets, with some sharp moves, notably a surge in gas prices.

Markets continued to weaken throughout the period as investors grappled with the ongoing war in Europe, an emerging energy crisis, soaring inflation and concerns of a forthcoming recession. The Energy sector outperformed the market as the major beneficiary of the energy crisis and commodity inflation, while Healthcare, Communications and Consumer Staples also held up as defensive sectors. Retail was the worst performing sector as the consumer is expected to bear the brunt of inflationary headwinds, and Technology and Real Estate sold off as rapidly rising interest rates hurt valuations.

The Fund's NAV fell by (13.09%) (Class A (Accumulation)), slightly underperforming the peer group (the IA Europe (ex-UK) sector which fell by (12.54%)). The Fund had a significant underweight to strongly performing sectors such as Energy and Healthcare. This was balanced on the positive side by the material underweight to consumer stocks. An additional headwind was the relative underperformance of small caps compared with large caps, which impacted the Fund given its larger exposure to smaller companies.

Key contributors and detractors

Relative outperformance was largely driven by stock picking:

Stocks benefitting from strong inflation performed well, such as the Fund's salmon holdings, Mowi, Salmar and Masoval. With European electricity pool prices remaining extremely high, alternative energy provider ENCE reported strong free cashflow and flagged the potential to pay very high dividends for the next few years, lifting the shares strongly. Deutsche Boerse, one of the largest positions in the Fund, is a beneficiary of the current elevated volatility in the market and looks set to combine structural growth (pre and post-trading) with cyclical tailwinds if volatility persists and interest rates rise.

The biggest detractor during the period was Rubis where trading was impacted by a delay in volume recovery after Covid and then a poorly received acquisition.

Additionally, positions in semiconductor stocks (Infineon, BE Semiconductors and AMS-Osram) were weak on concerns of a cyclical slowdown in the event of a recession. These companies all remain well-positioned to grow over the medium term.

Portfolio activity & outlook

The managers made a number of changes within the Fund which reflect the significant changes underway in Europe. One of the main long-term outcomes from the Russia/Ukraine conflict is an immediate focus on energy dependency in Europe and a reduced reliance on Russian oil and gas. A number of positions were added to play this theme – Exmar, Friedrich Vorwerk and Siemens Energy. Exmar is an energy shipping company that is positioned in an important part of the global energy value chain. In particular, it owns two vessels that are designed to facilitate the liquefaction, storage and regasification of liquefied natural gas (LNG), thereby allowing customers to establish virtual new supply routes at short notice. Vorwerk is a German energy infrastructure and engineering company that is focused on designing and building natural gas pipeline and electricity grids. With renewables set to be a long-term solution to Europe's energy crisis, Siemens Energy and its holding in Siemens Gamesa (leading offshore wind turbine manufacturer), look well set to benefit in the years to come. Additionally, we added a position in ENCE, which is Europe's leading eucalyptus pulp producer and Spain's largest biomass energy producer.

Inpost is a leading last-mile logistics company with operations in Poland. A position was added following significant weakness in the shares since its IPO last year. The valuation is now attractive given its strong growth opportunities and high returns.

A position was also started in Ireland's leading bank, AIB. With two of its competitors exiting the market last year (KBC and Natwest), AIB is well positioned to benefit from its solid balance sheet and a recovering housing market. With interest rates set to rise, AIB's earnings are expected to recover strongly in the years to come.

These new positions were funded by exiting a number of our consumer-related positions (Europris, Fnac-Darty, Glanbia and Instone) on fears of a possible recession, as well as exits in Sirius Real Estate and Vestas Wind Systems.

Downing LLP
Investment Manager to the Fund
1 August 2022

PERFORMANCE RECORD

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

^Share class launched 17 November 2020

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

^Share class launched 30 November 2020

PERFORMANCE RECORD (Continued)

		Year ended 30 June 2022	Period from 11 December 2020 to 30 June 2021 [^]
Class F (Accumulation)			
Changes in net assets per share		GBp	GBp
Opening net asset value per share		109.1734	100.0000
Return before operating charges		(13.4439)	9.5530
Operating charges (note 1)		(0.6536)	(0.3796)
Return after operating charges *		(14.0975)	9.1734
Closing net asset value per share		95.0759	109.1734
Retained distributions on accumulated shares		3.7219	1.9780
*after direct transactions costs of:		0.1225	0.2719
Performance			
Return after charges		(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)		0.64%	0.67%
Direct transaction costs		0.12%	0.26%
Prices			
Highest share price		116.5370	109.9894
Lowest share price		93.4753	97.9021

[^]Share class launched 11 December 2020

		Year ended 30 June 2022	Period from 5 November 2020 to 30 June 2021
Class F (Income)			
Changes in net assets per share		GBp	GBp
Opening net asset value per share		115.4496	100.0000
Return before operating charges		(14.0269)	18.0441
Operating charges (note 1)		(0.6793)	(0.4812)
Return after operating charges *		(14.7062)	17.5629
Distribution on income shares		(3.8968)	(2.1133)
Closing net asset value per share		96.8466	115.4496
*after direct transactions costs of:		0.1274	0.2801
Performance			
Return after charges		(12.74%)	17.56%
Other information			
Closing net asset value		£45,497,755	£55,830,166
Closing number of shares		46,979,175	48,358,899
Operating charges (note 2)		0.64%	0.67%
Direct transaction costs		0.12%	0.26%
Prices			
Highest share price		123.2365	117.7584
Lowest share price		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. 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 2022

Holding		Value £	% of net assets
Communications (30.06.2021: 2.06%)			
298,768	Infrastrutture Wireless Italiane SpA	2,466,468	3.48%
252,955	InPost SA	1,164,611	1.64%
		<u>3,631,079</u>	<u>5.12%</u>
Consumer Discretionary (30.06.2021: 6.52%)			
10,386	Volkswagen AG	1,131,559	1.60%
		<u>1,131,559</u>	<u>1.60%</u>
Consumer Staples (30.06.2021: 6.61%)			
61,589	Mowi ASA	1,153,548	1.63%
331,396	Måsøval AS	1,218,809	1.72%
24,566	SalMar ASA	1,393,517	1.97%
		<u>3,765,874</u>	<u>5.32%</u>
Energy (30.06.2021: 3.79%)			
92,483	Friedrich Vorwerk Group SE	1,982,007	2.79%
446,961	Snam SpA	1,970,669	2.78%
105,000	Siemens Energy AG	1,262,671	1.78%
866,696	Stillfront Group AB (publ)	1,621,570	2.29%
1,922,316	Talga Group Ltd	1,113,376	1.57%
		<u>7,950,293</u>	<u>11.21%</u>
Financials (30.06.2021: 20.47%)			
169,353	Aumann AG	1,840,163	2.59%
788,100	AIB Group plc	1,508,913	2.12%
384,435	Banca Farmafactoring SpA	2,142,264	3.02%
294,695	doValue SpA	1,432,722	2.02%
158,166	Flow Traders NV	3,692,626	5.21%
35,792	Julius Baer Gruppe AG	1,327,632	1.87%
48,280	KBC Ancora CVA	1,436,541	2.03%
58,788	Worldline	1,758,036	2.48%
		<u>15,138,897</u>	<u>21.34%</u>
Health Care (30.06.2021: 13.64%)			
208,302	Fagron NV	2,736,627	3.86%
36,054	Bayer AG	1,760,274	2.48%
18,678	Siemens Healthineers AG	761,271	1.07%
		<u>5,258,172</u>	<u>7.41%</u>
Industrials (30.06.2021: 16.40%)			
10,726	Befesa SA	425,558	0.60%
892,571	Cadeler A/S	2,376,897	3.35%
20,394	Eiffage SA	1,491,450	2.10%
980,645	Ence Energia y Celulosa SA	2,831,929	3.99%
362,000	Exmar NV	1,560,936	2.20%
94,816	Prysmian SpA	2,128,109	3.00%
107,276	Relx PLC	2,354,785	3.32%
21,207	Schneider Electric SE	2,024,886	2.86%
		<u>15,194,550</u>	<u>21.42%</u>
Information Technology (30.06.2021: 11.88%)			
87,936	AMS AG	643,732	0.91%
12,889	BE Semiconductor Industries NV	501,245	0.71%
42,080	Infineon Technologies AG	825,372	1.16%
20,925	SAP SE	1,527,947	2.15%
		<u>3,498,296</u>	<u>4.93%</u>

PORTFOLIO STATEMENT (Continued)

As at 30 June 2022

Holding		Value £	% of net assets
	Real Estate (30.06.2021: 9.20%)		
111,388	Cibus Nordic Real Estate AB (publ)	1,410,255	1.99%
2,303,312	Cairn Homes PLC	1,970,538	2.78%
109,230	Aedas Homes SA	2,033,639	2.86%
25,465	Deutsche Boerse AG	3,465,841	4.89%
		8,880,273	12.52%
	Utilities (30.06.2021: 2.75%)		
18,466	Rubis SCA	354,188	0.50%
		354,188	0.50%
	Portfolio of investments (30.06.2021: 93.32%)	64,803,181	91.37%
	Net other assets (30.06.2021: 6.77%)	6,206,445	8.75%
	Mid to bid adjustment (30.06.2021: (0.09%))	(94,833)	(0.13%)
		70,914,793	99.99%

SUMMARY OF MATERIAL PORTFOLIO CHANGES

Purchases (Note 14)	£
Flow Traders NV	4,384,731
Volkswagen AG	3,810,244
Stillfront Group AB (publ)	3,703,500
KBC Ancora CVA	3,145,070
Deutsche Boerse AG	3,097,923
AIB Group plc	2,786,710
Worldline SA	2,785,019
Cadeler A/S	2,574,589
Friedrich Vorwerk Group SE	2,561,763
Aedas Homes SA	2,529,338
Ence Energia y Celulosa SA	2,392,581
Bayer AG	2,002,563
Banca Farmafactoring SpA	1,904,536
Exmar NV	1,605,598
Talga Group Ltd	1,594,073
Siemens Energy AG	1,534,165
Snam SpA	1,497,127
Siemens Healthineers AG	1,113,864
Relx PLC	1,012,578
InPost SA	984,797
Other purchases	7,471,585
Total purchases for the year	54,492,354

Sales (Note 14)	£
Siemens Healthineers AG	3,022,434
Banca Farmafactoring SpA	2,842,999
Europris ASA	2,584,643
Fnac Darty SA	2,545,028
Van Lanschot Kempen NV	2,470,675
Cibus Nordic Real Estate AB (publ)	2,452,284
Snam SpA	2,136,908
Sirius Real Estate Ltd	2,113,841
Instone Real Estate Group AG	2,080,497
Fresenius Medical Care AG & Co KGaA	2,038,302
Befesa SA	2,016,423
Glanbia PLC	2,011,055
Flow Traders NV	1,986,172
Volkswagen AG	1,929,166
Julius Baer Gruppe AG	1,710,422
Amundi SA	1,705,756
AMS AG	1,581,786
Amadeus IT Group SA	1,559,656
Rubis SCA	1,434,643
Stillfront Group AB (publ)	1,323,941
Other sales	14,816,094
Total sales for the year	56,362,725

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

STATEMENT OF TOTAL RETURN**For the year ended 30 June 2022**

	Notes	2022 £	05.11.2020 to 30.06.2021 £
Income			
Net capital (losses)/gains	2	(12,843,043)	10,059,972
Revenue	3	3,299,308	1,512,269
Expenses	4	(535,647)	(328,999)
Interest payable and similar charges	6	(13,949)	(9,227)
Net revenue before taxation		2,749,712	1,174,043
Taxation	5	(386,080)	(165,390)
Net revenue after taxation		2,363,632	1,008,653
Total return before distributions		(10,479,411)	11,068,625
Finance costs: distributions	6	(2,861,440)	(1,337,652)
Changes in net assets attributable to shareholders from investment activities		(13,340,851)	9,730,973

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS**For the year ended 30 June 2022**

	2022 £	05.11.2020 to 30.06.2021 £
Opening net assets attributable to shareholders	84,901,450	-
Amounts receivable on creation of shares	5,556,030	96,402,610
Amounts payable on cancellation of shares	(7,198,636)	(21,666,037)
Dividend reinvested	996,800	433,904
Changes in net assets attributable to shareholders from investment activities (see above)	(13,340,851)	9,730,973
Closing net assets attributable to shareholders	70,914,793	84,901,450

BALANCE SHEET

As at 30 June 2022		30.06.2022		30.06.2021	
	Notes	£	£	£	£
ASSETS					
Investment assets			64,708,348		79,158,470
Current assets					
Debtors	7	401,927		2,075,681	
Cash and bank balances	8	<u>6,942,339</u>		<u>4,742,763</u>	
Total current assets			<u>7,344,266</u>		<u>6,818,444</u>
Total assets			72,052,614		85,976,914
LIABILITIES					
Current liabilities					
Distribution payable on income shares		(1,081,829)		(694,236)	
Creditors	9	<u>(55,992)</u>		<u>(381,228)</u>	
Total current liabilities			<u>(1,137,821)</u>		<u>(1,075,464)</u>
Net assets attributable to shareholders			<u>70,914,793</u>		<u>84,901,450</u>

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 30 June 2022

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

(a) The financial statements have been prepared in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Association (IA) in May 2014 and to the amendments to the SORP issued by the IA in June 2017. The functional currency is Sterling.

(b) Dividends on equities are recognised when the security is quoted ex-dividend. Other revenue is accounted for on an accruals basis.

(c) 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.

(d) Special dividends are treated as repayments of capital or revenue depending on the facts of each particular case.

(e) All expenses are accounted for on an accruals basis and, all expenses are charged to the capital of the Sub-fund.

(f) Where the revenue from investments exceeds the expenses of the Sub-fund, quarterly distributions are allocated to all holders of income and accumulation shares, two months in arrears.

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 that no longer exists the ACD). Application to claim distributions that have not been paid should be made to the ACD before this six year period has elapsed.

Where the expenses exceeds the income received from investments of the Sub-fund, the deficit will be transferred to the capital at the end of each accounting year.

(g) The listed investments of the Sub-fund have been valued at bid-market prices at the closing valuation point at 12 noon on 30 June 2022. The total net assets are presented at bid price.

(h) All transactions in foreign currencies are converted into Sterling at the rates of exchange ruling at the date of such transactions. Any foreign currency assets and liabilities at the end of the accounting year are translated at the exchange rates at the closing valuation point of 12 noon on 30 June 2022.

(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 ACD considers that it is more likely than not there will be taxable profits from which underlying timing differences can be deducted.

(j) In order to mitigate the dilutive effect of shareholder transactions on the existing shareholders of the Sub-fund and the Sub-fund's Net Asset Value, the ACD retains discretion to charge a dilution levy on all purchases and redemptions of shares. The levy, which is paid into the Sub-fund, is intended to cover certain charges not included in the mid 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.

(k) Equalisation will be applied to the Sub-fund. An allocation of income to be made in respect of each share issued or sold by the ACD during an accounting period in respect of which that income allocation is made may include a capital sum ("income equalisation") representing the ACD's best estimate of the amount of income included in the price of that share.

The amount of income equalisation in respect of any share may be the actual amount of income included in the issue price of the Share in question or it may be an amount arrived at by taking the aggregate of the ACD's best estimate of the amounts of income included in the price of shares in that class issued or sold in the annual or interim period in question and dividing that aggregate by the number of those shares and applying the resultant average to each of the shares in question.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

		05.11.2020 to
2 Net capital (losses)/gains	2022	30.06.2021
	£	£
The net capital (losses)/gains comprise:		
Non-derivative securities (losses)/gains	(12,660,669)	10,247,357
Transaction charges (custodian)	(4,123)	(2,063)
Foreign exchange (losses)	(178,251)	(185,322)
Total net capital (losses)/gains	<u>(12,843,043)</u>	<u>10,059,972</u>

		05.11.2020 to
3 Revenue	2022	30.06.2021
	£	£
Non-taxable dividends	3,297,404	1,512,227
Bank interest	1,904	42
Total revenue	<u>3,299,308</u>	<u>1,512,269</u>

		05.11.2020 to
4 Expenses	2022	30.06.2021
	£	£
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director, and agents of either of them:		
ACD fee	487,795	297,213
Payable to the depositary, associates of the depositary, and agents of either of them:		
Depositary fee	30,039	18,095
Safe custody fee	7,942	4,651
	<u>37,981</u>	<u>22,746</u>
Other expenses:		
Audit fee	8,100	8,100
FCA fee	41	40
Other expenses	1,730	900
	<u>9,871</u>	<u>9,040</u>
Total expenses	<u>535,647</u>	<u>328,999</u>

5 Taxation

	2022	05.11.2020 to 30.06.2021
	£	£

(a) Analysis of charge in the year

Irrecoverable overseas withholding tax	386,080	165,390
Total tax charge for the year (note 5b)	386,080	165,390

(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% (2021: 20.00%).

The differences are explained below:

Net revenue before taxation	2,749,712	1,174,043
Corporation tax at 20.00% (2021: 20.00%)	549,942	234,809
<u>Effects of:</u>		
Revenue not subject to UK corporation tax	(659,480)	(302,446)
Current year expenses not utilised	109,538	67,637
Irrecoverable overseas withholding tax	386,080	165,390
Total tax charge for the year (note 5a)	386,080	165,390

(c) Provision for deferred taxation

At 30 June 2022 there is a potential deferred tax asset of £177,175 in relation to surplus management expenses (2021: £67,637). 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

	2022	05.11.2020 to 30.06.2021
	£	£
Interim dividend distributions	1,176,039	276,626
Final dividend distribution	1,673,098	1,051,911
	2,849,137	1,328,537
Add: Revenue deducted on cancellation of shares	50,751	38,860
Deduct: Revenue received on issue of shares	(38,448)	(29,745)
Net distribution for the year	2,861,440	1,337,652
Interest payable and similar charges	13,949	9,227
Total finance costs	2,875,389	1,346,879
Reconciliation of distributions		
Net revenue after taxation	2,363,632	1,008,653
Expenses paid from capital	535,647	328,999
Balance carried forward	(37,839)	-
Net distribution for the year	2,861,440	1,337,652

NOTES TO THE FINANCIAL STATEMENTS (Continued)

7 Debtors	30.06.2022	30.06.2021
	£	£
Amounts receivable for issue of shares	24,999	1,000
Amounts receivable on unsettled trades	-	1,868,259
Prepayments	-	44
Accrued revenue:		
Non-taxable dividends receivable	376,928	126,328
Recoverable withholding tax	-	80,050
Total debtors	<u>401,927</u>	<u>2,075,681</u>
8 Cash and bank balances	30.06.2022	30.06.2021
	£	£
Cash and bank balances	<u>6,942,339</u>	<u>4,742,763</u>
9 Creditors	30.06.2022	30.06.2021
	£	£
Amounts payable on unsettled trades	-	321,134
Payable to the ACD, associates of the ACD and agents of either of them:		
ACD's periodic charge	36,997	45,377
Payable to the depositary, associates of the depositary, and agents of either of them:		
Depositary fees	2,379	2,752
Transaction charges	3,043	1,003
Safe custody and other custodian charges	<u>5,269</u>	<u>2,755</u>
	10,691	6,510
Other accrued expenses	8,304	8,207
Total creditors	<u>55,992</u>	<u>381,228</u>

10 Risk management

In pursuing its investment objective as stated on page 47, 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 ACD's policies for managing these risks are summarised below. These policies have been applied throughout the period.

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 ACD 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 2022 would have increased/decreased by £6,470,835 (30 June 2021: £7,915,847).

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 ACD 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 2022 would have increased/decreased by £6,508,597 (30 June 2021: £7,851,346).

Net currency assets and liabilities consist of:

	Net monetary assets and liabilities		Non-monetary assets and liabilities		Total net assets and liabilities	
	£		£		£	
	30.06.2022	30.06.2021	30.06.2022	30.06.2021	30.06.2022	30.06.2021
Sterling	5,828,823	4,666,903	-	1,721,089	5,828,823	6,387,992
Australian Dollar	-	-	1,102,460	-	1,102,460	-
Euro	299,216	1,076,077	52,475,920	60,191,571	52,775,136	61,267,648
Danish Krone	-	-	-	1,534,663	-	1,534,663
Norwegian Krone	64,907	-	6,131,129	6,728,010	6,196,036	6,728,010
Swiss Franc	12,785	-	1,970,905	5,353,980	1,983,690	5,353,980
Swedish Krona	714	-	3,027,934	3,629,157	3,028,648	3,629,157
Total	6,206,445	5,742,980	64,708,348	79,158,470	70,914,793	84,901,450

Interest rate risk

Interest rate risk is the risk that the value of the Sub-fund's investment holdings will fluctuate as a result of changes in interest rates. These include cash and bank balances.

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

	30.06.2022	30.06.2021
	£	£
Financial assets floating rate	6,942,339	4,742,763
Financial assets interest bearing instruments	-	-
Financial assets non-interest bearing instruments	65,110,275	81,234,151
Financial liabilities non-interest bearing instruments	(1,137,821)	(1,075,464)
Financial liabilities floating rate	-	-
	70,914,793	84,901,450

Maturity of financial liabilities

The financial liabilities of the Sub-fund as at 30 June 2022 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

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 ACD 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.

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

11 Shares held**Class A (Accumulation)**

Opening shares at 01.07.2021	299,412
Shares issued during the year	180,966
Shares cancelled during the year	(75,442)
Shares converted during the year	-
Closing shares as at 30.06.2022	404,936

Class A (Income)

Opening shares at 01.07.2021	15,745
Shares issued during the year	46,270
Shares cancelled during the year	(24,955)
Shares converted during the year	-
Closing shares as at 30.06.2022	37,060

Class F (Accumulation)

Opening shares at 01.07.2021	26,377,615
Shares issued during the year	-
Shares cancelled during the year	-
Shares converted during the year	-
Closing shares as at 30.06.2022	26,377,615

Class F (Income)

Opening shares at 01.07.2021	48,358,899
Shares issued during the year	4,990,550
Shares cancelled during the year	(6,370,274)
Shares converted during the year	-
Closing shares as at 30.06.2022	46,979,175

12 Contingent assets and liabilities

At 30 June 2022, the Sub-fund had no contingent liabilities or commitments (30 June 2021: £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 2022. Since that date, the Sub-fund's quoted price has moved as follows:

Share class

	Price at 30 June 2022 GBp	Price at 28 October 2022 GBp
Class A (Accumulation)	98.1280p	98.4969p
Class A (Income)	90.2587p	89.7117p
Class F (Accumulation)	95.0759p	95.4972p
Class F (Income)	96.8466p	96.3242p

NOTES TO THE FINANCIAL STATEMENTS (Continued)

14 Direct transaction costs

	2022		05.11.2020 to 30.06.2021	
	£	%	£	%
Analysis of total purchase costs				
Purchases in the year before transaction costs	54,415,614		92,830,928	
Commissions	26,569	0.05%	46,313	0.05%
Taxes & levies	50,171	0.09%	130,088	0.14%
Total purchase costs	76,740	0.14%	176,401	0.19%
Total purchases including transaction costs	54,492,354		93,007,329	
Analysis of total sale costs				
	£	%	£	%
Sales in the year before transaction costs	56,390,042		24,025,669	
Commissions	(27,300)	(0.05%)	(10,941)	(0.05%)
Taxes & levies	(17)	(0.00%)	(6)	(0.00%)
Total sale costs	(27,317)	(0.05%)	(10,947)	(0.05%)
Total sales net of transaction costs	56,362,725		24,014,722	

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:

	2022		05.11.2020 to 30.06.2021	
	% of average £ net asset value		% of average £ net asset value	
Commissions	53,869	0.06%	57,254	0.08%
Taxes & Levies	50,188	0.06%	130,094	0.18%
	104,057	0.12%	187,348	0.26%

15 Portfolio Dealing Spread

The average portfolio dealing spread at 30 June 2022 is 0.26% (2021: 0.18%).

16 Related Party transactions

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

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

DISTRIBUTION TABLES

For the year ended 30 June 2022

Q1 Interim distribution in pence per share

Group 1: Shares purchased prior to 01 July 2021

Group 2 : Shares purchased on or after 01 July 2021 on or before 30 September 2021

01 July 2021 to 30 September 2021

Class A (Accumulation)	Net Revenue 30.11.2021	Equalisation	Distribution 30.11.2021	Distribution 30.11.2020
Group 1	0.4358p	-	0.4358p	-
Group 2	0.1883p	0.2475p	0.4358p	-

Class A (Income)	Net Revenue 30.11.2021	Equalisation	Distribution 30.11.2021	Distribution 30.11.2020
Group 1	0.4333p	-	0.4333p	-
Group 2	0.2069p	0.2264p	0.4333p	-

Class F (Accumulation)	Net Revenue 30.11.2021	Equalisation	Distribution 30.11.2021	Distribution 30.11.2020
Group 1	0.4389p	-	0.4389p	-
Group 2	0.4389p	-	0.4389p	-

Class F (Income)	Net Revenue 30.11.2021	Equalisation	Distribution 30.11.2021	Distribution 30.11.2020
Group 1	0.4641p	-	0.4641p	-
Group 2	0.2191p	0.2450p	0.4641p	-

Q2 Interim distribution in pence per share

Group 1: Shares purchased prior to 01 October 2021

Group 2 : Shares purchased on or after 01 October 2021 and on or before 31 December 2021

01 October 2021 to 31 December 2021

Class A (Accumulation)	Net Revenue 28.02.2022	Equalisation	Distribution 28.02.2022	Distribution 26.02.2021^
Group 1	0.2949p	-	0.2949p	0.1573p
Group 2	0.1738p	0.1211p	0.2949p	0.1573p

Class A (Income)	Net Revenue 28.02.2022	Equalisation	Distribution 28.02.2022	Distribution 26.02.2021^
Group 1	0.2805p	-	0.2805p	0.1255p
Group 2	0.1992p	0.0813p	0.2805p	0.1255p

Class F (Accumulation)	Net Revenue 28.02.2022	Equalisation	Distribution 28.02.2022	Distribution 26.02.2021^
Group 1	0.2854p	-	0.2854p	0.4191p
Group 2	0.2854p	-	0.2854p	0.4191p

Class F (Income)	Net Revenue 28.02.2022	Equalisation	Distribution 28.02.2022	Distribution 26.02.2021^
Group 1	0.3006p	-	0.3006p	0.4435p
Group 2	0.1673p	0.1333p	0.3006p	0.4435p

^ Distribution period 05 November 2020 to 31 December 2020

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

Group 1: Shares purchased prior to 01 January 2022

Group 2 : Shares purchased on or after 01 January 2022 and on or before 31 March 2022

01 January 2022 to 31 March 2022

Class A (Accumulation)	Net Revenue 31.05.2022	Equalisation	Distribution 31.05.2022	Distribution 31.05.2021
Group 1	0.8170p	-	0.8170p	0.2264p
Group 2	0.1237p	0.6933p	0.8170p	0.2264p

Class A (Income)	Net Revenue 31.05.2022	Equalisation	Distribution 31.05.2022	Distribution 31.05.2021
Group 1	0.7751p	-	0.7751p	0.2197p
Group 2	0.3241p	0.4510p	0.7751p	0.2197p

Class F (Accumulation)	Net Revenue 31.05.2022	Equalisation	Distribution 31.05.2022	Distribution 31.05.2021
Group 1	0.7910p	-	0.7910p	0.2187p
Group 2	0.7910p	-	0.7910p	0.2187p

Class F (Income)	Net Revenue 31.05.2022	Equalisation	Distribution 31.05.2022	Distribution 31.05.2021
Group 1	0.8310p	-	0.8310p	0.2346p
Group 2	0.2087p	0.6223p	0.8310p	0.2346p

Final distribution in pence per share

Group 1: Shares purchased prior to 01 April 2022

Group 2 : Shares purchased on or after 01 April 2022 and on or before 30 June 2022

01 April 2022 to 30 June 2022

Class A (Accumulation)	Net Revenue 31.08.2022	Equalisation	Distribution 31.08.2022	Distribution 31.08.2021
Group 1	2.2780p	-	2.2780p	1.3863p
Group 2	0.1457p	2.1323p	2.2780p	1.3863p

Class A (Income)	Net Revenue 31.08.2022	Equalisation	Distribution 31.08.2022	Distribution 31.08.2021
Group 1	2.1452p	-	2.1452p	1.3400p
Group 2	1.9600p	0.1852p	2.1452p	1.3400p

Class F (Accumulation)	Net Revenue 31.08.2022	Equalisation	Distribution 31.08.2022	Distribution 31.08.2021
Group 1	2.2066p	-	2.2066p	1.3402p
Group 2	2.2066p	-	2.2066p	1.3402p

Class F (Income)	Net Revenue 31.08.2022	Equalisation	Distribution 31.08.2022	Distribution 31.08.2021
Group 1	2.3011p	-	2.3011p	1.4352p
Group 2	0.1553p	2.1458p	2.3011p	1.4352p

EQUALISATION

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.

Information for corporate shareholders

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

- 99.94% of the total dividend allocation together with the tax credit is received as franked investment income.
- 0.06% 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	£31,091,120
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 ACD 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 ACD 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 ACD, 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

The Fund launched in March 2022 and currently has 41 holdings. The Manager believes that infrastructure as an investable asset class is currently positioned to enjoy a period of robust performance, driven both by the changing macro backdrop and structural tailwinds. Infrastructure is one of the few asset classes where value and revenue streams are linked to movements to inflation. We continue to see ongoing and growing support from global governments to update and maintain essential infrastructure as several global shocks over the last few years have highlighted the lack of historic investment in key infrastructure. The Manager will give a fuller review of progress in this area at the next set of accounts.

In the year under review, the twelve months to 30 June 2022, the Class A (Accumulation) units in VT Downing Global Investors Fund declined in price by 0.85%, compared with an 1.24% decline in the peer group, the MSCI UK Index.

Downing LLP
Investment Manager to the Fund
26 August 2022

PERFORMANCE RECORD

		Period from 01 March 2022 to 30 June 2022^
Class A (Accumulation)		
Changes in net assets per share		GBp
Opening net asset value per share		100.0000
Return before operating charges		(0.3514)
Operating charges (note 1)		(0.4952)
Return after operating charges *		(0.8466)
Closing net asset value per share		99.1534
Retained distributions on accumulated shares		1.4827
*after direct transactions costs of:		0.4780
Performance		
Return after charges		(0.85%)
Other information		
Closing net asset value		£8,628,820
Closing number of shares		8,702,495
Operating charges (note 2)		1.50%
Direct transaction costs		0.48%
Prices		
Highest share price		103.1855
Lowest share price		95.7618

^Share class launched 01 March 2022

		Period from 04 March 2022 to 30 June 2022^
Class A (Income)		
Changes in net assets per share		GBp
Opening net asset value per share		100.0000
Return before operating charges		3.2472
Operating charges (note 1)		(0.4879)
Return after operating charges *		2.7593
Distribution on income shares		(1.5366)
Closing net asset value per share		101.2227
*after direct transactions costs of:		0.4829
Performance		
Return after charges		2.76%
Other information		
Closing net asset value		£415,432
Closing number of shares		410,414
Operating charges (note 2)		1.50%
Direct transaction costs		0.48%
Prices		
Highest share price		106.9417
Lowest share price		99.2460

^Share class launched 04 March 2022

PERFORMANCE RECORD (Continued)

		Period from 17 March 2022 to 30 June 2022^
Class B (Accumulation)		
Changes in net assets per share		GBp
Opening net asset value per share		100.0000
Return before operating charges		0.0365
Operating charges (note 1)		(0.4020)
Return after operating charges *		(0.3655)
Closing net asset value per share		99.6345
Retained distributions on accumulated shares		1.3128
*after direct transactions costs of:		0.4791
Performance		
Return after charges		(0.37%)
Other information		
Closing net asset value		£170,952
Closing number of shares		171,579
Operating charges (note 2)		1.40%
Direct transaction costs		0.48%
Prices		
Highest share price		103.6684
Lowest share price		99.3297

^Share class launched 17 March 2022

		Period from 11 April to 30 June 2022^
Class B (Income)		
Changes in net assets per share		GBp
Opening net asset value per share		100.0000
Return before operating charges		(2.9985)
Operating charges (note 1)		(0.3002)
Return after operating charges *		(3.2987)
Distribution on income shares		(1.0345)
Closing net asset value per share		95.6668
*after direct transactions costs of:		0.4696
Performance		
Return after charges		(3.30%)
Other information		
Closing net asset value		£1,420,740
Closing number of shares		1,485,091
Operating charges (note 2)		1.40%
Direct transaction costs		0.48%
Prices		
Highest share price		100.6152
Lowest share price		95.6668

^Share class launched 11 April 2022

PERFORMANCE RECORD (Continued)

		Period from 01 March 2022 to 30 June 2022^
Class SI (Accumulation)		
Changes in net assets per share		GBp
Opening net asset value per share		100.0000
Return before operating charges		(0.3617)
Operating charges (note 1)		(0.4293)
Return after operating charges *		(0.7910)
Closing net asset value per share		99.2090
Retained distributions on accumulated shares		1.4831
*after direct transactions costs of:		0.4781
Performance		
Return after charges		(0.79%)
Other information		
Closing net asset value		£19,910,864
Closing number of shares		20,069,617
Operating charges (note 2)		1.30%
Direct transaction costs		0.48%
Prices		
Highest share price		103.2064
Lowest share price		95.7632

^Share class launched 01 March 2022

		Period from 01 March to 30 June 2022^
Class SI (Income)		
Changes in net assets per share		GBp
Opening net asset value per share		100.0000
Return before operating charges		(0.3664)
Operating charges (note 1)		(0.4261)
Return after operating charges *		(0.7925)
Distribution on income shares		(1.4831)
Closing net asset value per share		97.7244
*after direct transactions costs of:		0.4745
Performance		
Return after charges		(0.79%)
Other information		
Closing net asset value		£634,064
Closing number of shares		648,828
Operating charges (note 2)		1.30%
Direct transaction costs		0.48%
Prices		
Highest share price		103.2049
Lowest share price		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. 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 2022

Holding		Value £	% of net assets
Commodity & Energy			
333,000	Bluefield Solar Income Fund Ltd	437,063	1.41%
533,000	Foresight Solar Fund Ltd	619,346	1.99%
1,234,000	Greencoat Renewables PLC	1,245,449	4.02%
1,206,000	Greencoat UK Wind PLC	1,857,843	5.99%
388,000	Gresham House Energy Storage Fund PLC	615,950	1.98%
505,000	JLEN Environmental Assets Group Limited	617,110	1.98%
340,000	NextEnergy Solar Fund Ltd	369,920	1.19%
788,000	SDCL Energy Efficiency Income Trust PLC	924,324	2.97%
348,000	Atrato Onsite Energy	369,576	1.19%
330,000	Harmony Energy Inc	369,600	1.19%
510,000	US SOLAR FUND	366,690	1.18%
340,500	VH Global Sustainable Energy Opportunities PLC	374,550	1.20%
		8,167,421	26.29%
Europe ex UK Equities			
422,000	Aquila European Renewables Income Fund PLC	370,305	1.19%
		370,305	1.19%
Global Emerging Market Equities			
178,000	Utilico Emerging Markets Ltd	373,800	1.20%
		373,800	1.20%
Infrastructure			
593,000	Cordiant Digital Infrastructure Ltd	616,720	1.98%
571,000	BBGI SICAV SA	927,304	2.98%
434,000	Ecofin US Renewables Infrastructure Trust PLC	366,730	1.18%
788,000	Digital 9 Infrastructure	870,740	2.80%
335,000	Downing Renewables & Infrastructure Trust PLC^	377,713	1.21%
77,666	Downing Renewables & Infrastructure Trust PLC (SUB SHS)^	453	0.00%
172,000	Ecofin Global Utilities and Infrastructure Plc Ord	373,240	1.20%
913,000	Renewables Infrastructure Group Ltd	1,229,811	3.96%
1,057,000	HICL Infrastructure Company Ltd	1,841,294	5.92%
358,000	Pantheon Infrastructure PLC	371,425	1.19%
561,000	3i Infrastructure PLC	1,845,690	5.94%
816,000	GCP Infrastructure Investments Ltd	912,288	2.93%
307,000	Gore Street Energy Storage Fund PLC	370,242	1.19%
1,125,000	International Public Partnerships Ltd	1,849,500	5.95%
344,000	Octopus Renewables Infrastructure Trust PLC	370,832	1.19%
		12,323,982	39.62%
International Fixed Interest			
1,327,000	Sequoia Economic Infrastructure Income Fund Ltd	1,232,783	3.97%
		1,232,783	3.97%
Property			
1,860,000	Assura PLC	1,228,530	3.95%
457,000	Civitas Social Housing PLC	366,514	1.18%
810,000	Home REIT PLC	930,690	2.99%
299,000	Impact Healthcare REIT PLC	350,727	1.13%
887,000	Primary Health Properties PLC	1,222,730	3.93%
339,000	Target Healthcare REIT Ltd	365,103	1.17%
416,000	Triple Point Social Housing REIT PLC	376,480	1.21%
1,000,000	Tritax Big Box REIT PLC	1,827,500	5.88%
378,000	Urban Logistics Reit PLC	616,140	1.98%
245,000	Warehouse REIT PLC	367,255	1.18%
		7,651,669	24.60%

PORTFOLIO STATEMENT (Continued)

As at 30 June 2022

Holding	Value £	% of net assets
UK Fixed Interest		
376,000 GCP Asset Backed Income Fund Ltd	369,984	1.19%
	<u>369,984</u>	<u>1.19%</u>
Portfolio of investments	30,489,944	98.06%
Net other assets	685,824	2.21%
Mid to bid adjustment	(84,648)	(0.27%)
	<u>31,091,120</u>	<u>100.00%</u>

The Sub-fund was launched on 01 March 2022, hence there are no comparatives

^related security to the investment manager

SUMMARY OF MATERIAL PORTFOLIO CHANGES

Purchases (Note 14)	£
Tritax Big Box REIT PLC	2,166,340
International Public Partnerships Ltd	2,109,047
3i Infrastructure PLC	1,961,804
HICL Infrastructure Company Ltd	1,870,535
Greencoat UK Wind PLC	1,855,702
Renewables Infrastructure Group Ltd	1,749,119
Sequoia Economic Infrastructure Income Fund Ltd	1,330,058
Primary Health Properties PLC	1,247,356
Assura PLC	1,228,264
Greencoat Renewables PLC	1,225,621
BBGI SICAV SA	1,089,693
Home REIT PLC	1,053,905
SDCL Energy Efficiency Income Trust PLC	925,940
GCP Infrastructure Investments Ltd	921,460
Digital 9 Infrastructure	875,416
Urban Logistics Reit PLC	838,086
Foresight Solar Fund Ltd	747,656
Gresham House Energy Storage Fund PLC	637,151
Cordiant Digital Infrastructure Ltd	628,450
JLEN Environmental Assets Group Limited	581,321
Other purchases	7,840,801
Total purchases for the year	32,883,725
Sales (Note 14)	£
Renewables Infrastructure Group Ltd	501,443
International Public Partnerships Ltd	250,099
Target Healthcare REIT Ltd	167,792
Foresight Solar Fund Ltd	155,111
Warehouse REIT PLC	147,559
Urban Logistics Reit PLC	146,058
BBGI SICAV SA	121,468
Home REIT PLC	116,858
Gresham House Energy Storage Fund PLC	101,572
Ecofin Global Utilities and Infrastructure PLC	59,493
Utilico Emerging Markets Ltd	58,279
Assura PLC	18,382
Gore Street Energy Storage Fund PLC	10,214
Triple Point Social Housing REIT PLC	9,074
GCP Infrastructure Investments Ltd	8,199
Other sales	0
Total sales for the year	1,871,601

The above transactions represent the largest sales and purchases during the year.

STATEMENT OF TOTAL RETURN

For the period 01 March 2022 to 30 June 2022

	Notes	01.03.2022 to 30.06.2022
		£
Income		
Net capital losses	2	(610,056)
Revenue	3	343,193
Expenses	4	(30,463)
Interest payable and similar charges	6	(167)
Net revenue before taxation		312,563
Taxation	5	(5,106)
Net revenue after taxation		307,457
Total return before distributions		(302,599)
Finance costs: distributions	6	(328,303)
Changes in net assets attributable to shareholders from investment activities		(630,902)

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the period 01 March 2022 to 30 June 2022

	01.03.2022 to 30.06.2022
	£
Opening net assets attributable to shareholders	-
Amounts receivable on creation of shares	32,140,401
Amounts payable on cancellation of shares	(847,312)
Dividend reinvested	428,933
Changes in net assets attributable to shareholders from investment activities (see above)	(630,902)
Closing net assets attributable to shareholders	31,091,120

The Sub-fund was launched on 01 March 2022, hence there are no comparatives

BALANCE SHEET

As at 30 June 2022

30.06.2022

	Notes	£	£
ASSETS			
Investment assets			30,405,296
Current assets			
Debtors	7	191,869	
Cash and bank balances	8	<u>1,168,450</u>	
Total current assets			<u>1,360,319</u>
Total assets			31,765,615
LIABILITIES			
Current liabilities			
Distribution payable on income shares		(31,292)	
Creditors	9	<u>(643,203)</u>	
Total current liabilities			<u>(674,495)</u>
Net assets attributable to shareholders			<u>31,091,120</u>

The Sub-fund was launched on 01 March 2022, hence there are no comparatives

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 30 June 2022

The principal accounting policies, which have been applied in the current period, are set out below:

(a) The financial statements have been prepared in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Association (IA) in May 2014 and to the amendments to the SORP issued by the IA in June 2017. The functional currency is Sterling.

(b) Dividends on equities are recognised when the security is quoted ex-dividend. Other revenue is accounted for on an accruals basis.

(c) 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.

(d) Special dividends are treated as repayments of capital or revenue depending on the facts of each particular case.

(e) All expenses are accounted for on an accruals basis and, all expenses are charged to the capital of the Sub-fund.

(f) Where the revenue from investments exceeds the expenses of the Sub-fund, quarterly distributions are allocated to all holders of income and accumulation shares.

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 that no longer exists the ACD). Application to claim distributions that have not been paid should be made to the ACD before this six year period has elapsed.

Where the expenses exceeds the income received from investments of the Sub-fund, the deficit will be transferred to the capital at the end of each accounting year.

(g) The listed investments of the Sub-fund have been valued at bid-market prices at the closing valuation point at 12 noon on 30 June 2022. The total net assets are presented at bid price.

(h) All transactions in foreign currencies are converted into Sterling at the rates of exchange ruling at the date of such transactions. Any foreign currency assets and liabilities at the end of the accounting period are translated at the exchange rates at the closing valuation point at 12 noon on 30 June 2022.

(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 ACD considers that it is more likely than not there will be taxable profits from which underlying timing differences can be deducted.

(j) In order to mitigate the dilutive effect of shareholder transactions on the existing shareholders of the Sub-fund and the Sub-fund's Net Asset Value, the ACD retains discretion to charge a dilution levy on all purchases and redemptions of shares. The levy, which is paid into the Sub-fund, is intended to cover certain charges not included in the mid 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.

(k) Equalisation will be applied to the Sub-fund. An allocation of income to be made in respect of each share issued or sold by the ACD during an accounting period in respect of which that income allocation is made may include a capital sum ("income equalisation") representing the ACD's best estimate of the amount of income included in the price of that share.

The amount of income equalisation in respect of any share may be the actual amount of income included in the issue price of the Share in question or it may be an amount arrived at by taking the aggregate of the ACD's best estimate of the amounts of income included in the price of shares in that class issued or sold in the annual or interim period in question and dividing that aggregate by the number of those shares and applying the resultant average to each of the shares in question.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

	01.03.2022 to 30.06.2022 £
2 Net capital (losses)	
The net capital (losses) comprise:	
Non-derivative securities (losses)	(606,826)
Transaction charges (custodian)	(1,912)
Foreign exchange (losses)	(1,318)
Total net capital (losses)	<u>(610,056)</u>

	01.03.2022 to 30.06.2022 £
3 Revenue	
Non-taxable dividends	287,031
Interest distributions	1,449
Property income distributions (PIDs)	39,815
Investment manager rebate	14,723
Bank interest	175
Total revenue	<u>343,193</u>

	01.03.2022 to 30.06.2022 £
4 Expenses	
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director, and agents of either of them:	
ACD fee	15,856
Payable to the depositary, associates of the depositary, and agents of either of them:	
Depositary fee	6,016
Safe custody fee	162
	<u>6,178</u>
Other expenses:	
Audit fee	6,000
FCA fee	17
Other expenses	2,412
	<u>8,429</u>
Total expenses	<u>30,463</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5 Taxation

01.03.2022 to
30.06.2022
£

(a) Analysis of charge in the period

UK Corporation tax	5,106
Total tax charge for the period (note 5b)	<u>5,106</u>

(b) Factors affecting current tax charge for the period

The tax assessed for the period is lower than the standard rate of corporation tax in the UK for an open-ended investment company 20.00%.

The differences are explained below:

Net revenue before taxation	312,563
Corporation tax at 20.00%	62,513
<u>Effects of:</u>	
Revenue not subject to UK corporation tax	(57,407)
Total tax charge for the period (note 5a)	<u>5,106</u>

(c) Provision for deferred taxation

At 30 June 2022 there is no potential deferred tax asset or liability

6 Finance costs

01.03.2022 to
30.06.2022
£

Interim dividend distribution	-
Final dividend distribution	460,225
	<u>460,225</u>

Add: Revenue deducted on cancellation of shares	4,498
Deduct: Revenue received on issue of shares	<u>(136,420)</u>

Net distribution for the period	328,303
Interest payable and similar charges	167
Total finance costs	<u>328,470</u>

Reconciliation of distributions

Net revenue after taxation	307,457
Expenses paid from capital less IM rebate	15,740
Relief on expenses allocated to capital	(3,148)
Balance carried forward	8,254
Net distribution for the period	<u>328,303</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

7 Debtors	30.06.2022
	£
Amounts receivable for issue of shares	51,472
Investment manager rebate	14,723
Accrued revenue:	
Non-taxable dividends receivable	122,874
Property income distributions receivable	2,800
Total debtors	<u>191,869</u>

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

9 Creditors	30.06.2022
	£
Amounts payable for cancellation of shares	8,059
Amounts payable on unsettled trades	611,997
Payable to the ACD, associates of the ACD and agents of either of them:	
ACD's periodic charge	7,839
Payable to the depositary, associates of the depositary, and agents of either of them:	
Depositary fees	1,479
Transaction charges	1,912
Safe custody and other custodian charges	<u>162</u>
	3,553
UK Corporation tax	5,106
Other accrued expenses	6,649
Total creditors	<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 ACD's policies for managing these risks are summarised below. These policies have been applied throughout the period.

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 ACD 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 period ended 30 June 2022 would have increased/decreased by £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 ACD 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 period ended 30 June 2022 would have increased/decreased by £124,015.

Net currency assets and liabilities consist of:

	Net monetary assets and liabilities	Non-monetary assets and liabilities	Total net assets and liabilities
	£	£	£
	30.06.2022	30.06.2022	30.06.2022
Sterling	685,824	29,165,147	29,850,971
Euro	-	1,240,149	1,240,149
Total	685,824	30,405,296	31,091,120

Interest rate risk

Interest rate risk is the risk that the value of the Sub-fund's investment holdings will fluctuate as a result of changes in interest rates. These include cash and bank balances and inherent risk on the collectives that distributes interest.

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

	30.06.2022
	£
Financial assets floating rate	1,168,450
Financial assets interest bearing instruments	-
Financial assets non-interest bearing instruments	30,597,165
Financial liabilities non-interest bearing instruments	(674,495)
Financial liabilities floating rate	-
	31,091,120

Maturity of financial liabilities

The financial liabilities of the Sub-fund as at 30 June 2022 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 ACD 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	Assets (£000's)	Liabilities (£000's)
Level 1: Unadjusted quoted price in an active market for an identical instrument	30,405	-
Total	30,405	-

11 Shares held**Class A (Accumulation)**

Opening shares at 01.03.2022	-
Shares issued during the period	8,760,354
Shares cancelled during the period	(94,401)
Shares converted during the period	36,542
Closing shares as at 30.06.2022	8,702,495

Class A (Income)

Opening shares at 04.03.2022	-
Shares issued during the period	410,418
Shares cancelled during the period	(4)
Shares converted during the period	-
Closing shares as at 30.06.2022	410,414

Class B (Accumulation)

Opening shares at 17.03.2022	-
Shares issued during the period	176,646
Shares cancelled during the period	(5,067)
Shares converted during the period	-
Closing shares as at 30.06.2022	171,579

Class B (Income)

Opening shares at 11.04.2022	-
Shares issued during the period	1,488,091
Shares cancelled during the period	(3,000)
Shares converted during the period	-
Closing shares as at 30.06.2022	1,485,091

Class SI (Accumulation)

Opening shares at 01.03.2022	-
Shares issued during the period	20,853,537
Shares cancelled during the period	(747,384)
Shares converted during the period	(36,536)
Closing shares as at 30.06.2022	20,069,617

Class SI (Income)

Opening shares at 01.03.2022	-
Shares issued during the period	648,828
Shares cancelled during the period	-
Shares converted during the period	-
Closing shares as at 30.06.2022	648,828

12 Contingent assets and liabilities

At 30 June 2022, the Sub-fund had no contingent liabilities or commitments.

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 2022. Since that date, the Sub-fund's quoted price has moved as follows:

Share class

	Price at 30 June 2022 GBP	Price at 28 October 2022 GBP
Class A (Accumulation)	99.1534p	91.4775p
Class A (Income)	101.2227p	92.1357p
Class B (Accumulation)	99.6345p	91.9477p
Class B (Income)	95.6668p	87.1196p
Class SI (Accumulation)	99.2090p	91.5925p
Class SI (Income)	97.7244p	89.0240p

14 Direct transaction costs

	01.03.2022 to 30.06.2022	
	£	%
Analysis of total purchase costs		
Purchases in the period before transaction costs	32,780,379	
Commissions	33,699	0.10%
Taxes & levies	69,647	0.21%
Total purchase costs	103,346	0.31%
Total purchases including transaction costs	32,883,725	
Analysis of total sale costs		
	01.03.2022 to 30.06.2022	
	£	%
Sales in the period before transaction costs	1,872,737	
Commissions	(1,136)	(0.06%)
Taxes & Levies	-	(0.00%)
Total sale costs	(1,136)	(0.06%)
Total sales net of transaction costs	1,871,601	

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 period:

	01.03.2022 to 30.06.2022	
	£	% of average net asset value
Commissions	34,835	0.16%
Taxes & Levies	69,647	0.32%
	104,482	0.48%

15 Portfolio Dealing Spread

The average portfolio dealing spread at 30 June 2022 is 0.54%

16 Related Party transactions

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

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

DISTRIBUTION TABLES

For the period ended 30 June 2022

Interim distribution in pence per share

Group 1: Shares purchased prior to 01 March 2022

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

01 March 2022 to 31 March 2022

Class A (Accumulation)	Net Revenue 31.05.2022	Equalisation	Distribution 31.05.2022
Group 1	-	-	-
Group 2	-	-	-

Class A (Income)	Net Revenue 31.05.2022	Equalisation	Distribution 31.05.2022
Group 1	-	-	-
Group 2	-	-	-

Class B (Accumulation)	Net Revenue 31.05.2022	Equalisation	Distribution 31.05.2022
Group 1	-	-	-
Group 2	-	-	-

Class B (Income)	Net Revenue 31.05.2022	Equalisation	Distribution 31.05.2022
Group 1	-	-	-
Group 2	-	-	-

Class SI (Accumulation)	Net Revenue 31.05.2022	Equalisation	Distribution 31.05.2022
Group 1	-	-	-
Group 2	-	-	-

Class SI (Income)	Net Revenue 31.05.2022	Equalisation	Distribution 31.05.2022
Group 1	-	-	-
Group 2	-	-	-

DISTRIBUTION TABLES (Continued)

Final distribution in pence per share

Group 1: Shares purchased prior to 01 April 2022

Group 2 : Shares purchased on or after 01 April 2022 and on or before 30 June 2022

01 April 2022 to 30 June 2022

Class A (Accumulation)	Net Revenue 31.08.2022	Equalisation	Distribution 31.08.2022
Group 1	1.4827p	-	1.4827p
Group 2	0.2467p	1.2360p	1.4827p

Class A (Income)	Net Revenue 31.08.2022	Equalisation	Distribution 31.08.2022
Group 1	1.5366p	-	1.5366p
Group 2	0.9544p	0.5822p	1.5366p

Class B (Accumulation)	Net Revenue 31.08.2022	Equalisation	Distribution 31.08.2022
Group 1	1.3128p	-	1.3128p
Group 2	0.4618p	0.8510p	1.3128p

Class B (Income)	Net Revenue 31.08.2022	Equalisation	Distribution 31.08.2022
Group 1	1.0345p	-	1.0345p
Group 2	0.5711p	0.4634p	1.0345p

Class SI (Accumulation)	Net Revenue 31.08.2022	Equalisation	Distribution 31.08.2022
Group 1	1.4831p	-	1.4831p
Group 2	0.4100p	1.0731p	1.4831p

Class SI (Income)	Net Revenue 31.08.2022	Equalisation	Distribution 31.08.2022
Group 1	1.4831p	-	1.4831p
Group 2	0.3831p	1.1000p	1.4831p

EQUALISATION

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.

Information for corporate shareholders

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

- i) 87.38% of the total dividend allocation together with the tax credit is received as franked investment income.
- ii) 12.62% 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

Base Currency

The base currency of the Company is Pounds Sterling.

Share Capital

The minimum share capital of the Company is £1,000 and the maximum is £100,000,000,000.

Structure of the Company

VT Downing Investor Funds ICVC is structured as an umbrella company. Provision exists for an unlimited number of Sub-funds, and at the date of this report four 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 are authorised.

Taxation

Within the Company, only VT Downing Listed Infrastructure Income Fund will pay corporation tax on its profits for the period ended 30 June 2022 but capital gains within the whole Company will not be taxed.

Individual shareholders

Income tax: Tax-free annual dividend allowance now standing at £2,000 (2022/23). 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 £12,300 (2022/2023) 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.

Classes of Shares

The Company can issue different classes of share in respect to any Sub-fund.

Valuation Point

The scheme property of the Company and each sub-fund will normally be valued at 12:00 mid-day on each dealing day for the purpose of calculating the price at which shares in the Company may be issued, sold, repurchased or redeemed.

The ACD reserves the right to revalue the Company or any Sub-fund at any time if it considers it desirable to do so, with the Depositary's approval.

Buying and Selling of Shares

The ACD will accept orders for the purchase and sale of shares on normal business days between 8:30am and 5:30pm. Instructions to buy or sell shares may either be in writing to:

Valu-Trac Investment Management Limited
Orton, Fochabers, Moray, IV32 7QE
Or by email to:
Downing@valu-trac.com for deals relating to all the Sub-funds.

A contract note will be issued by close of business on the next business day after the dealing date to confirm the transaction.

Pricing Basis

There is a single price for buying, selling and switching shares in a Sub-fund which represents the net asset value of the Sub-fund concerned. The share price is calculated on a forward pricing basis, that is at the next valuation point after the purchase or redemption is deemed to be accepted by the ACD.

The prices of shares are published daily on the Investment Association website at www.fundlistings.com. Neither the ACD nor the Company can be held responsible for any errors in the publication of the prices. The shares in the company will be issued and redeemed on a forward pricing basis which means that the price will not necessarily be the same as the published price.

Other Information

The Instrument of Incorporation, Prospectus, Key Investor Information Document and the most recent interim and annual reports may be inspected free of charge at the office of the ACD which is also the Head Office of the Company and copies may be obtained upon application.

Remuneration: Information about the authorised fund manager (AFM) remuneration policies and disclosures is available from Valu-Trac Investment Management Limited on its website which can be found on the link below.
<https://www.valu-trac.com/VIML%20Remuneration%20Policy%20Statement.pdf>

The AFM does not employ any staff directly from the Company, so there are no quantitative disclosures in this report.

CORPORATE DIRECTORY

Authorised Corporate Director & 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>
Depository	<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>

Statement by the Authorised Fund Manager (AFM) to the shareholders of VT Downing Global Investors Fund on the outcome of the AFM's assessment of the value provided to shareholders

For the year ended 30 June 2022

This assessment is to establish what VT Downing Global Investors Fund (the Fund) has delivered to you in return for the price you have had to pay.

Our assessment has been conducted against the seven factors outlined by the FCA and the Fund has been rated via a 'traffic light' system, where green (G) indicates good value: amber (A) room for improvement, and red (R) poor value. The dashboard below shows an overall summary of the assessment.

	Quality of Service	Performance	AFM costs - general	Economies of scale	Comparable market rates	Comparable services	Classes of units	Overall
VT Downing Global Investors Fund	● G	● G	● G	● G	● G	● G	● G	● G
Class F (Accumulation)	● G	● G	● G	● G	● G	● G	● G	● G
Class F (Income)	● G	● G	● G	● G	● G	● G	● G	● G
Class A (Accumulation)	● G	● A	● G	● G	● G	● G	● G	● G

Note the traffic light system was introduced in 2022 and there were no ratings in last year's assessment, the conclusion last year was while it is too early to conclude if the objective will be met, the shareholders of VT Downing Global Investors Fund were receiving good value, considering the period of time the Fund had been in operation.

VT Downing Global Investors Fund was launched on 24 March 2020.

The AFM is the Authorised Corporate Director (ACD) of the Fund, Valu-Trac Investment Management Limited (Valu-Trac). The Investment Manager is Downing LLP.

The investment objective of the Fund is to achieve capital growth and income over the long term (5 + years).

The 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).

The Fund may also invest in government securities, fixed income, collective investment schemes (which may include those managed and/or operated by the ACD and which will provide exposure to various asset classes including equities and fixed income), money market instruments, deposits, cash and near cash. The Fund will be actively managed.

Save as noted above, the Fund will not have any particular geographic, industry or economic sector focus and as such weightings in these may vary as required.

	Year ended 30 June 2022	Period 24 March 2020 to 30 June 2021
Value of Fund (Per Performance Record)		
Class F (Accumulation) ¹	£31,379k	£35,635k
Class F (Income) ²	£1,100k	£5,303k
Class A (Accumulation) ³	£60k	£97k
Shares outstanding		
Class F (Accumulation) ¹	21,987k	22,202k
Class F (Income) ²	896k	3,759k
Class A (Accumulation) ³	62k	89k

NAV per share

Class F (Accumulation) ¹	142.72p	160.50p
Class F (Income) ²	122.80p	141.06p
Class A (Accumulation) ³	96.43p	108.60p

Dividend per share

Class F (Accumulation) ¹	3.13p	1.78p
Class F (Income) ²	2.74p	1.37p
Class A (Accumulation) ³	2.11p	0.54p

Net (losses)/gains (before expenses)

Capital (losses)/gains	(£4,482k)	£10,754k
Total Net (losses)/gains	(£3,636k)	£11,171k

1 Share Class launched 24 March 2020

2 Share Class launched 22 May 2020

3 Share Class launched 05 March 2021

Source of all data Valu-Trac Administration Services unless stated otherwise

In carrying out the assessment of value the following criteria were considered:

1. Quality of service

The AFM considers that a good level of service was provided to shareholders by all parties involved commensurate to the amount paid by the Fund for those services. The AFM monitors the following operational services:

Depository – NatWest Trustee and Depository Services Limited

Custodian – RBC Investor Services Trust, UK branch (RBC)

The external audit is conducted by Johnston Carmichael LLP.

These services are essential in ensuring that the Fund operated efficiently and in the case of the Depository and Custodian the service is supervised on an on-going daily basis by the AFM. As a shareholder this means that you can be certain that your requests such as investment and redemption of the Fund's units will always be carried out exactly as set out in the documentation.

Valu-Trac does not delegate any of the core functions of the Fund such as fund administration, fund accounting and transfer agency. This means that the AFM directly employs and supervises the individuals who are carrying out this work and that those undertaking the work are appropriately qualified and experienced. Due to this high level of supervision and control of these functions the AFM believes that the shareholders can be certain that their instructions will be carried out efficiently and that the reporting they receive is timely and focused. The AFM works closely with Downing LLP to coordinate mailings such as annual letters with dividend vouchers and financial reports to avoid excessive correspondence whilst providing all required reporting on a timely and clear basis. This also has ensured that the AFM has responded to any enquiries from shareholders fully and promptly.

The AFM has also assessed the costing of each of these services to comparable providers and has concluded that the Fund is receiving good value for the services provided by each party (detailed analysis on how we have arrived at this conclusion can be provided on request).

2. Performance

The AFM has assessed the performance of the Fund net of all the charges that are outlined in its prospectus. The investment objective of the Fund is to achieve capital growth and income over the long term (5 + years).

The Fund is not managed to or constrained by a benchmark, and nor does the ACD use a benchmark in order to assess performance. In order to assess the Fund's performance, investors may find it useful to compare the Fund against the performance of the IA Global Sector (the comparator)

To assess performance, the below table shows total return for the period under review.

	Total Returns			
	Year ended 30 June 2022 Performance	Comparator Year ended 30 June 2022 Performance	Performance since class inception	Comparator Performance since class inception
Class F (Accumulation) (since 24 March 2020)	(11.08%)	(8.65%)	42.72%	40.54%
Class F (Income) (since 22 May 2020)	(11.00%)	(8.65%)	26.91%	20.37%
Class A (Accumulation) (since 05 March 2021)	(11.21%)	(8.65%)	(3.57%)	(0.05%)

The AFM has also assessed the risk taken to achieve the above performance and is satisfied no excessive risk was taken to achieve performance, (detailed analysis on how we have arrived at this conclusion can be provided on request). However, it is too early to assess the performance fully as to whether it is meeting the objectives of the Fund.

3. AFM costs

The costs incurred during the year ended 30 June 2022 were as follows:

	£	% of average fund value
Investment manager's fee	242,469	0.60%
ACD fee	30,988	0.08%
Depositary fee	18,000	0.04%
Audit fee	8,100	0.02%
Safe custody fee	5,499	0.01%
FCA fee	50	0.00%
Other fees	38,761	0.10%
Transaction fees (capital)	23,466	0.06%
Total costs	367,333	0.91%

Losses for the year (capital and revenue) were £4,109k, after overseas taxation of £104k.

There were no preliminary charges, redemption charges or dilution levies paid by shareholders during the period.

It should be noted that the prospectus does not allow for redemption charges however, the ACD's policy is that it may require a dilution levy on the purchase and redemption of Shares if, in its opinion, the existing Shareholders (for purchases) or remaining Shareholders (for redemptions) might otherwise be adversely affected. For example, the dilution levy may be charged in the following circumstances: where the Scheme Property of a Sub-fund is in continual decline; on a Sub-fund experiencing large levels of net purchases relative to its size; on "large deals" (typically being a purchase or redemption of Shares to a size exceeding 3% of the Net Asset Value of the relevant Sub-fund); in any case where the

ACD is of the opinion that the interests of existing or remaining Shareholders require the imposition of a dilution levy.

The AFM has considered the costs charged to the Fund by comparing the operating charges of the share classes to the average OCF of the largest 10 funds in the IA Global Sector, retail classes where available. This is shown below.

	Operating charges (excluding transaction fee (capital))
Class F	0.78%
Class A	0.93%
IA Global Sector (average of 10 largest funds)	1.13%
Source - Morningstar	

The AFM has concluded the costs, and in particular the Investment Manager's fee are appropriate and justified for the Fund. Section 7 explains the reasoning for the differences in the share class charges.

4. Economies of scale

The AFM has assessed to what extent it has been able to achieve any savings as a result of economies of scale. Where any such savings have been made this has in every case been passed on to the shareholders. An example of this is the depositary fees charges being on a sliding scale so reduce in cost as the Fund exceeds certain thresholds. As the AFM grows its total assets across all schemes it uses this purchasing power to benefit all schemes.

5. Comparable market rates

The AFM has compared the charges of this Fund with that of comparable funds. The AFM selected funds that are classified in the IA Global Sector along with similar style funds that the AFM administer. The AFM believes that the shareholders of the Fund are achieving efficient market rates as a whole and are not excessive as discussed in section 3. As the AFM assets grow in total it continues to strive for extra efficiencies wherever this can be achieved for all of its schemes.

6. Comparable services

The services provided to this Fund and the costs are also comparable amongst other similar funds operated by the AFM, and are aligned with its normal operating model.

7. Classes of units

The annualised operating charges for the two classes of shares are as noted below.

	At and for the period ended	
	30 June 2022	30 June 2021*
Class F	0.78%	0.83%
Class A	0.93%	0.98%

*Annualised

The Investment manager's fee is 0.60% per annum for the class F share classes while it is 0.75% per annum for the class A share classes. The minimum initial investment and holding in the Class F share classes is £1,000,000 compared to £1,000 for the Class A share classes and minimum top up is £1,000 for Class F compared to £100 for Class A which is why it attracts a lower fee.

CONCLUSION

As mentioned in the introduction, we have rated the Fund based on a ‘traffic light assessment system. This is shown in the table below, where green (G) indicates good value; amber (A) indicates room for improvement, and red (R) indicates poor value.

	Quality of Service	Performance	AFM costs - general	Economies of scale	Comparable market rates	Comparable services	Classes of units	Overall
VT Downing Global Investors Fund	● G	● G	● G	● G	● G	● G	● G	● G
Class F (Accumulation)	● G	● G	● G	● G	● G	● G	● G	● G
Class F (Income)	● G	● G	● G	● G	● G	● G	● G	● G
Class A (Accumulation)	● G	● A	● G	● G	● G	● G	● G	● G

In taking all of these criteria into consideration the AFM concludes that in assessing whether the payments out of the scheme property as set out in the prospectus are justified in the context of the overall value delivered to shareholders, while it is too early to conclude if the objective will be met, the shareholders of VT Downing Global Investors Fund are receiving good value, considering the period of time the Fund has been in operation.


















27 September 2022

Statement by the Authorised Fund Manager (AFM) to the shareholders of VT Downing Unique Opportunities Fund on the outcome of the AFM's assessment of the value provided to shareholders

For the year ended 30 June 2022

This assessment is to establish what VT Downing Unique Opportunities Fund (the Fund) has delivered to you in return for the price you have had to pay.

Our assessment has been conducted against the seven factors outlined by the FCA and the Fund has been rated via a 'traffic light' system, where green (G) indicates good value: amber (A) room for improvement, and red (R) poor value. The dashboard below shows an overall summary of the assessment.

	Quality of Service	Performance	AFM costs - general	Economies of scale	Comparable market rates	Comparable services	Classes of units	Overall
VT Downing Unique Opportunities Fund	 G	 A	 G	 G	 G	 G	 G	 G
Class A (Accumulation)	 G	 A	 G	 G	 G	 G	 G	 G
Class A (Income)	 G	 A	 G	 G	 G	 G	 G	 G

Note the traffic light system was introduced in 2022 and there were no ratings in last year's assessment, the conclusion last year was while it is too early to conclude if the objective will be met, the shareholders of VT Downing Unique Opportunities Fund were receiving good value, considering the period of time the Fund had been in operation.

VT Downing Unique Opportunities Fund was launched on 17 March 2020.

The AFM is the Authorised Corporate Director (ACD) of the Fund, Valu-Trac Investment Management Limited (Valu-Trac). The Investment Manager is Downing LLP.

The investment objective of the Fund is to achieve capital growth and income over the long term (5 + years).

The 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 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:

- 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.

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'.

The Fund may also invest in other equities, fixed income, money market instruments, deposits, warrants, cash and near cash.

The Fund will aim to hold a portfolio of between 25-40 investments.

The Fund will be actively managed.

Save as noted above (with a focus on UK listed investments), the Fund will not have any particular, industry or economic sector focus and as such weightings in these may vary as required.

	Year ended 30 June 2022	Period 17 March 2020 to 30 June 2021
Value of Fund (Per Performance Record)		
Class A (Accumulation) ¹	£39,432k	£31,868k
Class A (Income) ²	£5,063k	£6,867k
Shares outstanding		
Class A (Accumulation) ¹	29,272k	18,677k
Class A (Income) ²	3,814k	3,992k
NAV per share		
Class A (Accumulation) ¹	134.71p	170.63p
Class A (Income) ²	132.73p	172.02p
Dividend per share		
Class A (Accumulation) ¹	3.49p	2.40p
Class A (Income) ²	3.51p	2.45p
Net (losses)/gains (before expenses)		
Capital (losses)/gains	(£12,938k)	£7,196k
Total Net (losses)/gains	(£11,850k)	£7,482k

1 Share Class launched 25 March 2020

2 Share Class launched 17 March 2020

Source of all data Valu-Trac Administration Services unless stated otherwise

In carrying out the assessment of value the following criteria were considered:

1. Quality of service

The AFM considers that a good level of service was provided to shareholders by all parties involved commensurate to the amount paid by the Fund for those services. The AFM monitors the following operational services:

Depository – NatWest Trustee and Depository Services Limited

Custodian – RBC Investor Services Trust, UK branch (RBC)

The external audit is conducted by Johnston Carmichael LLP.

These services are essential in ensuring that the Fund operated efficiently and in the case of the Depository and Custodian the service is supervised on an on-going daily basis by the AFM. As a shareholder this means that you can be certain that your requests such as investment and redemption of the fund's units will always be carried out exactly as set out in the documentation.

Valu-Trac does not delegate any of the core functions of the fund such as fund administration, fund accounting and transfer agency. This means that the AFM directly employs and supervises the

individuals who are carrying out this work and that those undertaking the work are appropriately qualified and experienced. Due to this high level of supervision and control of these functions the AFM believes that the shareholders can be certain that their instructions will be carried out efficiently and that the reporting they receive is timely and focused. The AFM works closely with Downing LLP to coordinate mailings such as annual letters with dividend vouchers and financial reports to avoid excessive correspondence whilst providing all required reporting on a timely and clear basis. This also has ensured that the AFM has responded to any enquiries from shareholders fully and promptly.

The AFM has also assessed the costing of each of these services to comparable providers and has concluded that the Fund is receiving good value for the services provided by each party (detailed analysis on how we have arrived at this conclusion can be provided on request).

2. Performance

The AFM has assessed the performance of the Fund net of all the charges that are outlined in its prospectus. The investment objective of the Fund is to achieve capital growth and income over the long term (5 + years).

The Fund is not managed to or constrained by a benchmark, and nor does the ACD use a benchmark in order to assess performance. In order to assess the fund's performance, investors may find it useful to compare the Fund against the performance of the IA UK All Companies Sector (the comparator).

To assess capital and income returns, the below table shows total return for the period under review.

	Total Returns			
	Year ended 30 June 2022 Performance	Comparator Year ended 30 June 2022 Performance	Performance since class inception	Comparator Performance since class inception
Class A (Accumulation) (since 25 March 2020)	(21.05%)	(8.44%)	34.71%	35.15%
Class A (Income) (since 17 March 2020)	(20.80%)	(8.44%)	38.69%	41.25%

The AFM has also assessed the risk taken to achieve the above performance and is satisfied no excessive risk was taken to achieve performance, (detailed analysis on how we have arrived at this conclusion can be provided on request). However, it is too early to assess the performance fully as to whether it is meeting the objectives of the Fund.

3. AFM costs

The costs incurred during the year ended 30 June 2022 were as follows:

	£	% of average fund value
Investment manager's fee	371,227	0.75%
ACD fee	30,820	0.07%
Depositary fee	18,840	0.04%
Audit fee	8,117	0.02%
Safe custody fee	1,980	0.00%
FCA fee	50	0.00%
Other fees	15,669	0.03%
Transaction fees (capital)	3,238	0.01%
Total costs	449,941	0.92%

Losses for the year (capital and revenue) were £12,308k, there was no taxation.

There were no preliminary charges or redemption charges paid by shareholders during the period.

It should be noted that the prospectus does not allow for redemption charges however, the ACD's policy is that it may require a dilution levy on the purchase and redemption of Shares if, in its opinion, the existing Shareholders (for purchases) or remaining Shareholders (for redemptions) might otherwise be adversely affected. For example, the dilution levy may be charged in the following circumstances: where the Scheme Property of a Sub-fund is in continual decline; on a Sub-fund experiencing large levels of net purchases relative to its size; on "large deals" (typically being a purchase or redemption of Shares to a size exceeding 3% of the Net Asset Value of the relevant Sub-fund); in any case where the ACD is of the opinion that the interests of existing or remaining Shareholders require the imposition of a dilution levy. There were £10,110 of dilution levies applied in the year under review.

The AFM has considered the costs charged to the Fund by comparing the operating charges of the share classes to the average OCF of the largest 10 funds in the IA UK All Companies Sector, retail classes where available. This is shown below.

	Operating charges (excluding capital transaction costs)
Class A	0.91%
IA UK All Companies Sector (average of 10 largest funds)	0.91%
Source - Morningstar	

The AFM has concluded the costs, and in particular the Investment Manager's fee are appropriate and justified for the Fund.

4. Economies of scale

The AFM has assessed to what extent it has been able to achieve any savings as a result of economies of scale. Where any such savings have been made this has in every case been passed on to the shareholders. An example of this is the depositary fees charges being on a sliding scale so reduce in cost as the Fund exceeds certain thresholds. As the AFM grows its total assets across all schemes it uses this purchasing power to benefit all schemes.

5. Comparable market rates

The AFM has compared the charges of this Fund with that of comparable funds. The AFM selected funds that are classified in the IA UK All Companies Sector along with similar style funds that the AFM administer. The AFM believes that the shareholders of the Fund are achieving efficient market rates as a whole and are not excessive as discussed in section 3. As the AFM assets grow in total it continues to strive for extra efficiencies wherever this can be achieved for all of its schemes.

6. Comparable services

The services provided to this Fund and the costs are also comparable amongst other similar funds operated by the AFM, and are aligned with its normal operating model.








7. Classes of units

There is only one share class in this Fund, therefore, all shareholders of this Fund are treated equally in all respects. This is shown by the operating charges below.

	Year ended 30 June 2022	Period 17 March 2020 to 30 June 2021
Operating charges (annualised)		
Class A (Accumulation)	0.91%	1.00%
Class A (Income)	0.91%	1.00%
The Investment manager fee is 0.75% per annum.		

CONCLUSION

As mentioned in the introduction, we have rated the Fund based on a ‘traffic light assessment system. This is shown in the table below, where green (G) indicates good value; amber (A) indicates room for improvement, and red (R) indicates poor value.

	Quality of Service	Performance	AFM costs - general	Economies of scale	Comparable market rates	Comparable services	Classes of units	Overall
VT Downing Unique Opportunities Fund	 G	 A	 G	 G	 G	 G	 G	 G
Class A (Accumulation)	 G	 A	 G	 G	 G	 G	 G	 G
Class A (Income)	 G	 A	 G	 G	 G	 G	 G	 G

In taking all of these criteria into consideration the AFM concludes that in assessing whether the payments out of the scheme property as set out in the prospectus are justified in the context of the overall value delivered to shareholders, while it is too early to conclude if the objective will be met, the shareholders of VT Downing Unique Opportunities Fund are receiving good value, considering the period of time the Fund has been in operation.

27 September 2022

Statement by the Authorised Fund Manager (AFM) to the shareholders of VT Downing European Unconstrained Income Fund on the outcome of the AFM's assessment of the value provided to shareholders

For the year ended 30 June 2022

This assessment is to establish what VT Downing European Unconstrained Income Fund (the Fund) has delivered to you in return for the price you have had to pay.

Our assessment has been conducted against the seven factors outlined by the FCA and the Fund has been rated via a 'traffic light' system, where green (G) indicates good value: amber (A) room for improvement, and red (R) poor value. The dashboard below shows an overall summary of the assessment.

	Quality of Service	Performance	AFM costs - general	Economies of scale	Comparable market rates	Comparable services	Classes of units	Overall
VT Downing European Unconstrained Income Fund	G	A	G	G	G	G	G	G
Class A (Accumulation)	G	A	G	G	G	G	G	G
Class A (Income)	G	A	G	G	G	G	G	G
Class F (Accumulation)	G	A	G	G	G	G	G	G
Class F (Income)	G	A	G	G	G	G	G	G

Note the traffic light system was introduced in 2022 and there were no ratings in last year's assessment, the conclusion last year was while it is too early to conclude if the objective will be met, the shareholders of VT Downing European Unconstrained Income Fund were receiving good value, considering the period of time the Fund had been in operation.

VT Downing European Unconstrained Income Fund was launched on 05 November 2020.

The AFM is the Authorised Corporate Director (ACD) of the Fund, Valu-Trac Investment Management Limited (Valu-Trac). The Investment Manager is Downing LLP.

The investment objective of the Fund is to generate income with the potential for long term (5 years) capital growth.

The 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 Fund may also invest in emerging and frontier European markets including Turkey, Russia and Iceland.

The 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 ACD 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.

The Fund will be actively managed.

Save as noted above, the Fund will not have any particular industry or economic sector focus and as such weightings in these may vary as required.

Year ended 30 June 2022 **Period 05 November 2020 to 30 June 2021**

Value of Fund (Per Performance Record)

Class A (Accumulation) ¹	£397k	£338k
Class A (Income) ²	£33k	£17k
Class F (Accumulation) ³	£25,079k	£28,797k
Class F (Income) ⁴	£45,498k	£55,830k

Shares outstanding

Class A (Accumulation) ¹	405k	299k
Class A (Income) ²	37k	16k
Class F (Accumulation) ³	26,378k	26,378k
Class F (Income) ⁴	46,979k	48,359k

NAV per share

Class A (Accumulation) ¹	98.13p	112.90p
Class A (Income) ²	90.26p	107.81p
Class F (Accumulation) ³	95.08p	109.17p
Class F (Income) ⁴	96.85p	115.45p

Dividend per share

Class A (Accumulation) ¹	3.83p	1.77p
Class A (Income) ²	3.63p	1.69p
Class F (Accumulation) ³	3.72p	1.98p
Class F (Income) ⁴	3.90p	2.11p

Net (losses)/gains (before expenses)

Capital (losses)/gains	(£12,839k)	£10,062k
Total Net (losses)/gains	(£9,540k)	£11,574k

1 Share Class launched 17 November 2020

2 Share Class launched 30 November 2020

3 Share Class launched 11 December 2020

4 Share Class launched 05 November 2020

Source of all data Valu-Trac Administration Services unless stated otherwise

In carrying out the assessment of value the following criteria were considered:

1. Quality of service

The AFM considers that a good level of service was provided to shareholders by all parties involved commensurate to the amount paid by the Fund for those services. The AFM monitors the following operational services:

Depository – NatWest Trustee and Depository Services Limited

Custodian – RBC Investor Services Trust, UK branch (RBC)

The external audit is conducted by Johnston Carmichael LLP.

These services are essential in ensuring that the Fund operated efficiently and in the case of the Depository and Custodian the service is supervised on an on-going daily basis by the AFM. As a shareholder this means that you can be certain that your requests such as investment and redemption of the Fund's units will always be carried out exactly as set out in the documentation.

Valu-Trac does not delegate any of the core functions of the Fund such as fund administration, fund accounting and transfer agency. This means that the AFM directly employs and supervises the individuals who are carrying out this work and that those undertaking the work are appropriately qualified and experienced. Due to this high level of supervision and control of these functions the AFM

believes that the shareholders can be certain that their instructions will be carried out efficiently and that the reporting they receive is timely and focused. The AFM works closely with Downing LLP to coordinate mailings such as annual letters with dividend vouchers and financial reports to avoid excessive correspondence whilst providing all required reporting on a timely and clear basis. This also has ensured that the AFM has responded to any enquiries from shareholders fully and promptly.

The AFM has also assessed the costing of each of these services to comparable providers and has concluded that the Fund is receiving good value for the services provided by each party (detailed analysis on how we have arrived at this conclusion can be provided on request).

2. Performance

The AFM has assessed the performance of the Fund net of all the charges that are outlined in its prospectus. The investment objective of the Fund to generate income with the potential for long term (5 years) capital growth. As the Fund has only been running for less than two years, the performance record of VT Downing European Unconstrained Income Fund is too short to determine whether value is being delivered on the investment performance criteria.

The Fund is not managed to or constrained by a benchmark, and nor does the ACD use a benchmark in order to assess performance. In order to assess the Fund's performance, investors may find it useful to compare the Fund against the performance of the IA Europe Excluding UK sector (the comparator).

To assess income, the below table shows the dividend yield for the period under review.

	Dividend Yield		
	Year ended 30 June 2022 Yield	Annualised yield since class inception	Comparator annualised yield
Class A (Accumulation) (since 17 November 2020)	3.39%	3.46%	1.21%
Class A (Income) (since 30 November 2020)	3.37%	3.36%	1.21%
Class F (Accumulation) (since 11 December 2020)	3.41%	3.67%	1.21%
Class F (Income) (since 05 November 2020)	3.38%	3.64%	1.21%

To show capital growth, the table below shows the movement in capital for the period under review and since inception.

	Year ended 30 June 2022 Capital Return	Capital Return Since Inception
Class A (Accumulation) (since 17 November 2020)	(16.48%)	(7.47%)
Class A (Income) (since 30 November 2020)	(16.28%)	(9.74%)
Class F (Accumulation) (since 11 December 2020)	(16.32%)	(10.62%)
Class F (Income) (since 05 November 2020)	(16.11%)	(3.15%)
<i>Excludes reinvested dividends</i>		

The total returns generated (Income + Capital) after operating costs are shown on the table below.

	Total Returns			
	Year ended 30 June 2022 Performance	Comparator Year ended 30 June 2022 Performance	Performance since class inception	Comparator Performance since class inception
Class A (Accumulation) (since 17 November 2020)	(13.09%)	(12.54%)	(1.87%)	1.37%
Class A (Income) (since 30 November 2020)	(12.91%)	(12.54%)	(4.42%)	(1.47%)
Class F (Accumulation) (since 11 December 2020)	(12.91%)	(12.54%)	(4.92%)	(2.97%)
Class F (Income) (since 05 November 2020)	(12.74%)	(12.54%)	2.86%	5.17%

The AFM has also assessed the risk taken to achieve the above performance and is satisfied no excessive risk was taken to achieve performance, (detailed analysis on how we have arrived at this conclusion can be provided on request). However, it is too early to assess the performance fully as to whether it is meeting the objectives of the Fund.

3. AFM costs

The costs incurred during the year ended 30 June 2022 were as follows:

	£	% of average fund value
Investment manager's fee	456,807	0.55%
ACD fee	30,988	0.04%
Depositary fee	30,039	0.04%
Audit fee	8,100	0.01%
Safe custody fee	7,942	0.01%
FCA fee	41	0.00%
Other fees	1,730	0.00%
Transaction fee (capital)	4,123	0.00%
Total costs	539,770	0.65%

Losses for the year (capital and revenue) were £10,479k, after overseas withholding taxation of £386k.

There were no preliminary charges, redemption charges or dilution levies paid by shareholders during the period.

It should be noted that the prospectus does not allow for redemption charges however, the ACD's policy is that it may require a dilution levy on the purchase and redemption of Shares if, in its opinion, the existing Shareholders (for purchases) or remaining Shareholders (for redemptions) might otherwise be adversely affected. For example, the dilution levy may be charged in the following circumstances: where the Scheme Property of a Sub-fund is in continual decline; on a Sub-fund experiencing large levels of net purchases relative to its size; on "large deals" (typically being a purchase or redemption of Shares to a size exceeding 3% of the Net Asset Value of the relevant Sub-fund); in any case where the ACD is of the opinion that the interests of existing or remaining Shareholders require the imposition of a dilution levy.

The AFM has considered the costs charged to the Fund by comparing the operating charges of the share classes to the average OCF of the largest 10 funds in the IA Europe Excluding UK sector, retail classes where available. This is shown below.

	Operating charges (excluding transaction fee (capital))
Class F	0.64%
Class A	0.84%
IA Europe Excluding UK (average of 10 largest funds)	0.97%

Source - Morningstar

The AFM has concluded the costs, and in particular the Investment Manager's fee are appropriate and justified for the Fund. Section 7 explains the reasoning for the differences in the share class charges.

4. Economies of scale

The AFM has assessed to what extent it has been able to achieve any savings as a result of economies of scale. Where any such savings have been made this has in every case been passed on to the shareholders. An example of this is the depositary fees charges being on a sliding scale so reduce in cost as the Fund exceeds certain thresholds. As the AFM grows its total assets across all schemes it uses this purchasing power to benefit all schemes.

5. Comparable market rates

The AFM has compared the charges of this Fund with that of comparable funds. The AFM selected funds that are classified in the IA Europe Excluding UK sector along with similar style funds that the AFM administer. The AFM believes that the shareholders of the Fund are achieving efficient market rates as a whole and are not excessive as discussed in section 3. As the AFM assets grow in total it continues to strive for extra efficiencies wherever this can be achieved for all of its schemes.

6. Comparable services

The services provided to this Fund and the costs are also comparable amongst other similar funds operated by the AFM, and are aligned with its normal operating model.

7. Classes of units

The annualised operating charges for the two classes of shares are as noted below.









































	At and for the period ended	
	30 June 2022	30 June 2021*
Class F	0.64%	0.67%
Class A	0.84%	0.87%

*Annualised

The Investment manager's fee is 0.55% per annum for the class F share classes while it is 0.75% per annum for the class A share classes. The minimum initial investment and holding in the Class F share classes is £1,000,000 compared to £1,000 for the Class A share classes and minimum top up is £1,000 for Class F compared to £100 for Class A which is why it attracts a lower fee.

CONCLUSION

As mentioned in the introduction, we have rated the Fund based on a ‘traffic light assessment system. This is shown in the table below, where green (G) indicates good value; amber (A) indicates room for improvement, and red (R) indicates poor value.

	Quality of Service	Performance	AFM costs - general	Economies of scale	Comparable market rates	Comparable services	Classes of units	Overall
VT Downing European Unconstrained Income Fund	 G	 A	 G	 G	 G	 G	 G	 G
Class A (Accumulation)	 G	 A	 G	 G	 G	 G	 G	 G
Class A (Income)	 G	 A	 G	 G	 G	 G	 G	 G
Class F (Accumulation)	 G	 A	 G	 G	 G	 G	 G	 G
Class F (Income)	 G	 A	 G	 G	 G	 G	 G	 G

In taking all of these criteria into consideration the AFM concludes that in assessing whether the payments out of the scheme property as set out in the prospectus are justified in the context of the overall value delivered to shareholders, while it is too early to conclude if the objective will be met, the shareholders of VT Downing European Unconstrained Income Fund are receiving good value, considering the period of time the Fund has been in operation.

27 September 2022

Statement by the Authorised Fund Manager (AFM) to the shareholders of VT Downing Listed Infrastructure Income Fund on the outcome of the AFM's assessment of the value provided to shareholders

For the period 01 March 2022 to 30 June 2022

This assessment is to establish what VT Downing Listed Infrastructure Income Fund (the Fund) has delivered to you in return for the price you have had to pay.

Our assessment has been conducted against the seven factors outlined by the FCA and the Fund has been rated via a 'traffic light' system, where green (G) indicates good value: amber (A) room for improvement, and red (R) poor value. The dashboard below shows an overall summary of the assessment.

	Quality of Service	Performance	AFM costs - general	Economies of scale	Comparable market rates	Comparable services	Classes of units	Overall
VT Downing Listed Infrastructure Income Fund	● G	N/A	● G	● G	● G	● G	● G	N/A
Class F	● G	N/A	● G	● G	● G	● G	● G	N/A
Class A	● G	N/A	● G	● G	● G	● G	● G	N/A
Class SI	● G	N/A	● G	● G	● G	● G	● G	N/A

VT Downing Listed Infrastructure Income Fund was launched on 01 March 2022.

The AFM is the Authorised Corporate Director (ACD) of the Fund, Valu-Trac Investment Management Limited (Valu-Trac). The Investment Manager is Downing LLP.

The investment objective of the Fund is to generate income and preserve capital with potential for capital growth, all over the long term (5 years).

The Fund's 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 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.

It is expected that the market capitalisation (i.e. value) of companies within the 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 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.

Period 01 March 2022 to 30 June 2022

Value of Fund (Per Performance Record)

Class A (Accumulation) ¹	£8,629k
Class A (Income) ²	£415k
Class B (Accumulation) ³	£171k
Class B (Income) ⁴	£1,421k
Class SI (Accumulation) ¹	£19,911k
Class SI (Income) ¹	£643k

Shares outstanding

Class A (Accumulation) ¹	8,702k
Class A (Income) ²	410k
Class B (Accumulation) ³	172k
Class B (Income) ⁴	1,485k
Class SI (Accumulation) ¹	20,070k
Class SI (Income) ¹	649k

NAV per share

Class A (Accumulation) ¹	99.15p
Class A (Income) ²	101.22p
Class B (Accumulation) ³	99.63p
Class B (Income) ⁴	95.67p
Class SI (Accumulation) ¹	99.21p
Class SI (Income) ¹	97.72p

Dividend per share

Class A (Accumulation) ¹	1.48p
Class A (Income) ²	1.54p
Class B (Accumulation) ³	1.31p
Class B (Income) ⁴	1.03p
Class SI (Accumulation) ¹	1.48p
Class SI (Income) ¹	1.48p

Net (losses) (before expenses)

Capital (losses)	(£608k)
Total Net (losses)	(£280k)

1 Share Class launched 01 March 2022

2 Share Class launched 04 March 2022

3 Share Class launched 17 March 2022

4 Share Class launched 11 April 2022

Source of all data Valu-Trac Administration Services unless stated otherwise

In carrying out the assessment of value the following criteria were considered:

1. Quality of service

The AFM considers that a good level of service was provided to shareholders by all parties involved commensurate to the amount paid by the Fund for those services. The AFM monitors the following operational services:

Depository – NatWest Trustee and Depositary Services Limited

Custodian – RBC Investor Services Trust, UK branch (RBC)

The external audit is conducted by Johnston Carmichael LLP.

These services are essential in ensuring that the Fund operated efficiently and in the case of the Depository and Custodian the service is supervised on an on-going daily basis by the AFM. As a shareholder this means that you can be certain that your requests such as investment and redemption of the Fund's units will always be carried out exactly as set out in the documentation.

Valu-Trac does not delegate any of the core functions of the Fund such as fund administration, fund accounting and transfer agency. This means that the AFM directly employs and supervises the individuals who are carrying out this work and that those undertaking the work are appropriately qualified and experienced. Due to this high level of supervision and control of these functions the AFM believes that the shareholders can be certain that their instructions will be carried out efficiently and that the reporting they receive is timely and focused. The AFM works closely with Downing LLP to coordinate mailings such as annual letters with dividend vouchers and financial reports to avoid excessive correspondence whilst providing all required reporting on a timely and clear basis. This also has ensured that the AFM has responded to any enquiries from shareholders fully and promptly.

The AFM has also assessed the costing of each of these services to comparable providers and has concluded that the Fund is receiving good value for the services provided by each party (detailed analysis on how we have arrived at this conclusion can be provided on request).

2. Performance

The AFM has assessed the performance of the Fund net of all the charges that are outlined in its prospectus. The investment objective of the Fund is to generate income and preserve capital with potential for capital growth, all over the long term (5 years).

The Fund is not managed to or constrained by a benchmark, and nor does the ACD use a benchmark in order to assess performance. In order to assess the Fund's performance, investors may find it useful to compare the Fund against the performance of the MSCI UK Index (the comparator). As the Fund has only been running for less than a year, the performance record of VT Downing Listed Infrastructure Income Fund is too short to determine whether value is being delivered on the investment performance criteria and compare to a comparator.

To assess income, the below table shows the dividend yield for the period under review.

	<u>Dividend Yield</u>
	Yield since
	class inception
Class A (Accumulation) (since 01 March 2022)	1.48%
Class A (Income) (since 04 March 2022)	1.54%
Class B (Accumulation) (since 17 March 2022)	1.31%
Class B (Income) (since 11 April 2022)	1.03%
Class SI (Accumulation) (since 01 March 2022)	1.48%
Class SI (Income) (since 01 March 2022)	1.48%

To show capital growth, the table below shows the movement in capital for the period under review.

Capital Return Since Inception	
Class A (Accumulation) (since 01 March 2022)	(2.33%)
Class A (Income) (since 04 March 2022)	1.22%
Class B (Accumulation) (since 17 March 2022)	(1.68%)
Class B (Income) (since 11 April 2022)	(4.33%)
Class SI (Accumulation) (since 01 March 2022)	(2.27%)
Class SI (Income) (since 01 March 2022)	(2.28%)

Excluding reinvested dividends

The total returns generated (Income + Capital) after operating costs are shown on the table below.

	Total Returns	
	Performance since class inception	Comparator Performance since class inception
Class A (Accumulation) (since 01 March 2022)	(0.85%)	(1.24%)
Class A (Income) (since 04 March 2022)	2.76%	3.64%
Class B (Accumulation) (since 17 March 2022)	(0.37%)	(2.64%)
Class B (Income) (since 11 April 2022)	(3.30%)	(5.88%)
Class SI (Accumulation) (since 01 March 2022)	(0.79%)	(1.24%)
Class SI (Income) (since 01 March 2022)	(0.79%)	(1.24%)

The AFM has also assessed the risk taken to achieve the above performance and is satisfied no excessive risk was taken to achieve performance, (detailed analysis on how we have arrived at this conclusion can be provided on request). However, it is too early to assess the performance fully as to whether it is meeting the objectives of the Fund.

3. AFM costs

The costs incurred during the period 01 March 2022 to 30 June 2022 were as follows:

	£	Annualised % of average fund value
Investment manager's fee	5,224	0.06%
Investment manager's rebate	(14,723)	(0.21%)
ACD fee	10,632	0.15%
Depository fee	6,016	0.09%
Audit fee	6,000	0.09%
Safe custody fee	162	0.00%
FCA fee	17	0.00%
Other fees	2,412	0.03%
Transaction fees (capital)	1,912	0.03%
Total costs	17,652	0.24%

Losses for the year (capital and revenue) were £299k, after taxation of £1k.

Note that the Investment manager pays a rebate to the fund such that the operating costs (excluding underlying fund holding charges and transaction fees (capital)) per share class do not exceed the Annual management charge for that share class (0.40% for the A shares, 0.30% for the B shares and 0.20% for the SI shares).

There were no preliminary charges, redemption charges or dilution levies paid by shareholders during the period.

It should be noted that the prospectus does not allow for redemption charges however, the ACD's policy is that it may require a dilution levy on the purchase and redemption of Shares if, in its opinion, the existing Shareholders (for purchases) or remaining Shareholders (for redemptions) might otherwise be adversely affected. For example, the dilution levy may be charged in the following circumstances: where the Scheme Property of a Sub-fund is in continual decline; on a Sub-fund experiencing large levels of net purchases relative to its size; on "large deals" (typically being a purchase or redemption of Shares to a size exceeding 3% of the Net Asset Value of the relevant Sub-fund); in any case where the ACD is of the opinion that the interests of existing or remaining Shareholders require the imposition of a dilution levy.

The AFM has considered the costs charged to the Fund by comparing the operating charges of the share classes to the average OCF of the largest 10 funds in the Morningstar Sector Equity Infrastructure, retail classes where available. This is shown below.

	Operating charges (excluding transaction fee (capital))
Class A	1.50%
Class B	1.40%
Class SI	1.30%
Morningstar Sector Equity Infrastructure (average of 10 largest funds)	1.34%

Source - Morningstar

The AFM has concluded the costs, and in particular the Investment Manager's fee are appropriate and justified for the Fund. It should be noted the majority of the Fund operating charges is the costs of underlying funds it holds at 1.10%, excluding this the operating charges would be: Class A 0.40%, Class B: 0.30% and Class SI 0.20%. Section 7 explains the reasoning for the differences in the share class charges.

4. Economies of scale

The AFM has assessed to what extent it has been able to achieve any savings as a result of economies of scale. Where any such savings have been made this has in every case been passed on to the shareholders. An example of this is the depositary fees charges being on a sliding scale so reduce in cost as the Fund exceeds certain thresholds. As the AFM grows its total assets across all schemes it uses this purchasing power to benefit all schemes.

5. Comparable market rates

The AFM has compared the charges of this Fund with that of comparable funds. The AFM selected funds that are classified in the Morningstar Sector Equity Infrastructure along with similar style funds that the AFM administer. The AFM believes that the shareholders of the Fund are achieving efficient market rates as a whole and are not excessive as discussed in section 3. As the AFM assets grow in total it continues to strive for extra efficiencies wherever this can be achieved for all of its schemes.

6. Comparable services

The services provided to this Fund and the costs are also comparable amongst other similar funds operated by the AFM, and are aligned with its normal operating model.

7. Classes of units

The annualised operating charges for the two classes of shares are as noted below.

At and for the period ended 30 June 2022*

Class A	1.50%
Class B	1.40%
Class SI	1.30%

*Annualised

The Annual management charge which pays both the Investment manager's fee and ACD fee is 0.40% per annum for the class A share classes while it is 0.30% per annum for the class B share classes and 0.20% per annum for the class SI share class.

The minimum initial investment in the Class A share classes £1,000 compared to £20,000,000 for the Class B share class and £30,000,000 for the Class SI share class while the minimum top up is £100 for Class A share classes, £1,000 for Class B share classes and £10,000 for Class SI share classes. The minimum holding is £1,000 for the Class A share classes, £1,000,000 for the Class B share classes and £10,000,000 for the Class SI share classes.

CONCLUSION

As mentioned in the introduction, we have rated the Fund based on a 'traffic light assessment system. This is shown in the table below, where green (G) indicates good value; amber (A) indicates room for improvement, and red (R) indicates poor value.

	Quality of Service	Performance	AFM costs - general	Economies of scale	Comparable market rates	Comparable services	Classes of units	Overall
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Class F	● G	N/A	● G	● G	● G	● G	● G	N/A
Class A	● G	N/A	● G	● G	● G	● G	● G	N/A
Class SI	● G	N/A	● G	● G	● G	● G	● G	N/A

In taking all of these criteria into consideration the AFM concludes that in assessing whether the payments out of the scheme property as set out in the prospectus are justified in the context of the overall value delivered to shareholders, it is too early to conclude if shareholders of VT Downing Listed Infrastructure Income Fund are receiving good value.

27 September 2022