

VT DOWNING INVESTMENT FUNDS ICVC
(Sub-fund VT Downing Small & Mid-Cap Income Fund)

Annual Report and Financial Statements
For the year ended 31 March 2025

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COMPANY OVERVIEW

Type of Company: VT Downing Investment Funds ICVC is an investment company with variable capital incorporated in England and Wales under registered number IC000824, with Product Reference Number 521374, and authorised by the Financial Conduct Authority with effect from 04 June 2010. The Company has an unlimited duration.

Shareholders are not liable for the debts of the Company. A Shareholder is not liable to make any further payment to the Company after they have paid the price on purchase of the Shares.

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

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

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

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

AUTHORISED FUND MANAGER'S STATEMENT

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

Jonathan M. Child CA

Jonathan W. Sim MA CA

On behalf of Valu-Trac Investment Management Limited
Authorised Fund Manager

Date:

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

For the year ended 31 March 2025

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"), and 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 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 April 2025

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF VT DOWNING INVESTMENT FUNDS ICVC (SUB-FUND VT DOWNING SMALL & MID-CAP INCOME FUND)

Opinion

We have audited the financial statements of VT Downing Investment Funds ICVC ("the Company") for the year ended 31 March 2025, which comprise the Statement of Total Return, Statement of Changes in Net Assets Attributable to Shareholders, Balance Sheet, 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 Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- > Give a true and fair view of the financial position of the Company as at 31 March 2025 and of the net revenue and the net capital gains on the scheme property of the Company for the year then ended;
- > Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- > Have been prepared in accordance with the Investment Association Statement of Recommended Practice for Authorised Funds, the rules of the Collective Investment Schemes Sourcebook (COLL Rules) 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 further described in the Auditor responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the COLL Rules

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

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

Responsibilities of the Authorised Fund Manager

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

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

Auditor responsibilities for the audit of the Financial Statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Extent to which the audit was 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 extent to which our procedures 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 and the sector in which it operates, focusing on those provisions 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 COLL Rules; and
- > the Company's Prospectus.

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

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

- > Management override of controls; and
- > the completeness and classification of special dividends between revenue and capital.

Auditor responsibilities for the audit of the Financial Statements (Continued)

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

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

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

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

Use of our report

This report is made solely to the Company's shareholders, as a body, in accordance with Rule 4.5.12 of the 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 members 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, United Kingdom

Date:

SUB-FUND OVERVIEW

Name of Sub-fund	VT Downing Small & Mid-Cap Income Fund
Size of Sub-fund	£32,491,055
Sub-fund objective and policy	The investment objective of the Sub-fund is to achieve a quarterly income, together with capital growth over the long term (5 years). The Sub-fund aims to meet its objective by investing at least 80% in shares of small (those with a market capitalisation of less than £1 billion) and medium sized (those with a market capitalisation of less than £5 billion) companies which are domiciled in, have their head office located in, or (which if not established in the UK) exercise the significant part of their business in the UK and which the Manager considers to have the ability to increase returns over time. The Sub-fund may also invest in other transferable securities (for example, without limitation, of non-small and medium sized companies and/or international equities) (including investment trusts), collective investment schemes, money market instruments, deposits, cash and near cash. The Sub-fund is actively managed. No more than 10% of the Scheme Property of the Sub-fund will be invested in other collective investment schemes (although such collective investment schemes could include those managed and/or operated by the AFM or Investment Manager). The Sub-fund will not have any particular industry or economic sector focus and as such weightings in these may vary as required.
Use of derivatives	Derivatives may be used for the purposes of efficient portfolio management. The use of derivatives for efficient portfolio management will generally not increase the risk profile of the Sub-fund.
ESG to 22 August 2024:	The Manager considers environmental, social and governance ("ESG") factors in determining whether a company or government is an appropriate investment for the Sub-fund at the time of purchase. The Manager's ESG guidelines are reviewed and applied on an ongoing basis by the Manager. However, the Manager has full discretion to invest in companies, regardless of any ESG considerations. Where an investment has ceased to be suitable (for example, due to a change or deterioration in its ESG characteristics in the opinion of the Manager), the Sub-fund may continue to hold such investment until such time it is possible and practicable in the Manager's view to liquidate the position in the interests of investors. The Manager's ESG criteria may change over time. As part of the investment process, the Manager considers ESG factors. The Manager conducts extensive analysis for each company against ESG components such as carbon emissions, water use, board composition, audit practises and executive remuneration, as well as examining a company's impact on consumers, employees and the wider society. The Manager utilises ESG research provided by Sustainalytics or for those companies with no Sustainalytics rating the Manager conducts their own research based on a proprietary questionnaire. The Managers Responsible Investment Policy is available to view at https://www.downing.co.uk/responsible-investing.

SUB-FUND OVERVIEW (Continued)

Performance assessment	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. The Sub-fund is not managed to or constrained by a benchmark. The AFM does, however, assess the performance of the Sub-fund against the IA UK Equity Income Sector, which includes a selection of funds which have broadly similar characteristics, particularly in terms of investment objective and time horizons. Some independent data providers prepare and publish performance data on the funds in this sector and investors can use this to assess the Sub-fund's performance. This information can be found on the IA website or Morningstar website.
Authorised Fund Manager (AFM)	Valu-Trac Investment Management Limited
Ex-distribution dates	31 March (final), 30 June, 30 September and 31 December
Distribution dates	31 May (final), 31 August, 30 November and the last day of February (interim)
Individual Savings Account (ISA)	The Sub-fund is a qualifying investment for inclusion in an ISA.
Treatment of income	The AFM may even out the payments of income within an accounting period by carrying forward income otherwise distributable with a view to augmenting amounts to be paid out at a later date.
Redemption charge	None
Switching charge	Please refer to section 3.4 of the Company prospectus

Share class information*

Share class	Minimum initial subscription	Minimum subsequent investment	Minimum holding	Monthly savings available	Minimum redemption	Initial charge
Income shares	£1,000	£500	£1,000	£100	N/A	0%
Z Income shares	£10,000,000	£500	£10,000,000	£100	N/A	0%
Accumulation Shares	£1,000	£500	£1,000	£100	N/A	0%
Z Accumulation Shares	£10,000,000	£500	£10,000,000	£100	N/A	0%

*The AFM may waive the minimum levels at its discretion.

Annual management charges

£63,269.53[^] per annum plus

(a) 0.75% per annum of the Net Asset Value of the Sub-fund attributable to the Income Share Class or Accumulation Share Class; or

(b) 0.35% per annum of the Net Asset Value of the Sub-fund attributable to the Z Income Share Class or Z Accumulation Share Class, plus (for the Z Income Share Class and Z Accumulation Share Class):

- up to £100 million Net Asset Value – 0.015% per annum;
 - £100 million to £250 million Net Asset Value – 0.0075% per annum;
 - £250 million to £500 million Net Asset Value – 0.005% per annum;
 - above £500 million Net Asset Value – 0.0025% per annum;
- (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 2025). In the event of negative inflation, this fee will remain unchanged.

INVESTMENT MANAGER'S REVIEW

Performance overview

Over the 12 months to 31 March 2025, the Fund generated a total shareholder return of +4.31% (Accumulation). This compares to +7.40% returned by the IA UK Equity Income Sector.

This period was certainly a period of two halves. In the first six months, the Fund delivered +13.19% compared to +7.55% for the IA Equity Income sector. However, in the second six months of the period, the Fund delivered -7.84% compared to -0.14% for the IA UK Equity Income sector. The Fund was penalised in the second half of the year due to its exposure to UK small and mid-cap companies, which came under increasing pressure following the Autumn Budget in October 2024. This relative underperformance accelerated in the final quarter of the period, with UK small and mid-cap indices underperforming UK large-cap indices by >10%. To put this into context, this was a larger quarterly underperformance than in 2020 as the world entered the unknowns of pandemic-led lockdowns and comparable to the last quarter of 2008 during the Global Financial Crisis.

Investment Review

Over the period, the Fund exited 21 positions in full (six due to takeovers or disposals) and took on 22 new positions. The key contributors to portfolio performance over the period were Zegona Communications (+192.22%) and XPS Pensions Group (+64.59%), while Conduit Holdings (-31.63%) and Kitwave Group (-30.17%) were the most significant detractors.

Zegona Communications engages in a strategy of acquiring and improving European telecommunication companies. In the period, the company completed the acquisition of Vodafone Spain for €5bn. This was followed by the creation of a separate fibre company with MasOrange to develop a fibre-to-the-home network that services over 4.5 million customers in Spain. The joint entity is expected to sell a 40% stake to a third-party financial investor by the end of the first half of 2025, with Zegona retaining 10% and MasOrange 50%. The proceeds of this would create substantial value for Zegona equity holders.

XPS Pensions, a provider of pension actuarial, investment advice and administration services to large corporate and defined benefit pension schemes, issued multiple upgrades to trading over the period. The latest of the upgrades noted that full revenues would grow 15-16% compared to the previous year, along with good cost control contributing to profits materially ahead of expectations. The company also announced the acquisition of Polaris Actuaries and Consultants, which will help accelerate the company's move into the insurance consulting market. The acquisition is expected to be immediately earnings-enhancing.

Conduit Holdings, a pure-play reinsurance company, issued strong interim results, with the business delivering an annualised return on equity of 20%. However, full-year results were weaker following an elevated year for natural catastrophes and, more specifically, an elevated hurricane season in the US, resulting in a full-year return on equity of 13%. Returns for 2025 are going to be dampened due to the LA wildfires early in the year, and the company has taken retrocession action to help reduce earnings volatility connected to large natural catastrophe events. We believe these actions will help close the discount that Conduit currently trades on compared to other European reinsurers.

Kitwave, a wholesaler of ambient and frozen goods and foodservice company, issued results that were in line with expectations in the period. The company also completed the acquisitions of Total Foodservice Solutions and Creed Catering Supplies. Both acquisitions are strategically important in terms of building out national coverage in Kitwave's food service division. Creed Catering Supplies was the most important of the two and Kitwave's largest deal to date. However, given the timing of the acquisition, it only contributed to one month in the reporting period. The shares had seen a strong rally prior to this reporting period, so we believe there was a degree of profit-taking combined with concern over the UK economic outlook, which weighed on the shares. We still have confidence in the outlook for the company.

Investment Outlook

The outlook for global markets remains uncertain, and the ultimate impact of the proposed tariffs by the US on all trading partners will take a while to fully emerge. Therefore, we take comfort that the starting point of our investable universe in UK smaller companies is already trading on low valuations, both relative to other markets and historic levels. The Fund will continue to focus on those opportunities that can continue to deliver compelling levels of both income and capital growth. In uncertain times, the ability to be able to compound dividend growth can often help overall long-term returns compared to solely relying on capital growth. Therefore, we believe the Fund is well placed to continue to offer investors a total return proposition even in more challenging macro conditions.

Downing LLP
Investment Manager to the Fund
27 May 2025

PERFORMANCE RECORD

Financial Highlights

		Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2023
Income Shares				
Changes in net assets per share		GBP	GBP	GBP
	Opening net asset value per share	107.0492	108.3454	121.4517
	Return before operating charges	5.9499	4.7638	(7.3023)
	Operating charges (note 1)	(1.1014)	(1.0231)	(1.0800)
	Return after operating charges *	4.8485	3.7407	(8.3823)
	Distributions on income shares	(5.0914)	(5.0369)	(4.7240)
	Closing net asset value per share	106.8063	107.0492	108.3454
	*after direct transactions costs of:	0.2459	0.1723	0.3217
Performance				
	Return after charges	4.53%	3.45%	(6.90%)
Other information				
	Closing net asset value	£27,017,069	£33,225,605	£41,219,573
	Closing number of shares	25,295,389	31,037,696	38,044,595
	Operating charges (note 2)	1.03%	0.95%	0.94%
	Direct transaction costs	0.23%	0.16%	0.28%
Prices				
	Highest share price	123.5633	111.4631	124.6385
	Lowest share price	106.2960	97.1441	100.7996

		Year ended 31 March 2025	Year ended 31 March 2024	Year ended 31 March 2023
Accumulation Shares				
Changes in net assets per share		GBP	GBP	GBP
	Opening net asset value per share	204.5966	197.4952	212.1266
	Return before operating charges	10.9806	9.0113	(12.7062)
	Operating charges (note 1)	(2.1528)	(1.9099)	(1.9252)
	Return after operating charges *	8.8278	7.1014	(14.6314)
	Closing net asset value per share	213.4244	204.5966	197.4952
	Distributions on accumulation shares	9.8913	9.3455	8.3832
	*after direct transactions costs of:	0.4807	0.3217	0.5735
Performance				
	Return after charges	4.31%	3.60%	(6.90%)
Other information				
	Closing net asset value	£1,304,378	£1,048,148	£1,073,925
	Closing number of shares	611,166	512,300	543,773
	Operating charges (note 2)	1.03%	0.95%	0.94%
	Direct transaction costs	0.23%	0.16%	0.28%
Prices				
	Highest share price	238.5623	204.7492	217.6936
	Lowest share price	203.1571	181.6479	180.0431

PERFORMANCE RECORD (Continued)**Financial Highlights (Continued)**

		Period 08	
		Year ended 31 March 2025	February 2024 to 31 March 2024^
Z Income Shares			
Changes in net assets per share		GBp	GBp
	Opening net asset value per share	102.8835	100.0000
	Return before operating charges	5.7362	3.5176
	Operating charges (note 1)	(0.6487)	(0.0793)
	Return after operating charges *	5.0875	3.4383
	Distributions on income shares	(4.9036)	(0.5548)
	Closing net asset value per share	103.0674	102.8835
	*after direct transactions costs of:	0.2368	0.1623
Performance			
	Return after charges	4.94%	3.44%
Other information			
	Closing net asset value	£4,307,941	£4,300,254
	Closing number of shares	4,179,732	4,179,732
	Operating charges (note 2)	0.63%	0.55%
	Direct transaction costs	0.23%	0.16%
Prices			
	Highest share price	118.9540	103.5075
	Lowest share price	102.1685	99.5056

^Share class launched on 08 February 2024.

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. Note, the 2023 operating charges percentage also includes the underlying costs of investment trusts as per regulatory and Industry guidance issued in 2020, this was later changed to exclude underlying costs of investment trusts in December 2023.

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 (31 March 2024: ranked 6). The Sub-fund is ranked '6' because weekly historical performance data indicates that significant rises and falls in market prices would have occurred historically.

PORTFOLIO STATEMENT

As at 31 March 2025

Holding	Value £	% of net assets
Equities (31.03.2024: 94.63%)		
60,000 A.G.Barr PLC	366,600	1.13%
155,000 Bloomsbury Publishing PLC	902,100	2.78%
164,000 Breedon Group PLC	736,360	2.27%
35,000 Brooks Macdonald Group PLC	523,250	1.61%
943,000 Coats Group PLC	744,970	2.29%
254,000 Conduit Holdings Ltd	834,390	2.57%
68,000 Discoverie Group PLC	363,120	1.12%
65,000 Dunelm Group PLC	581,750	1.79%
531,000 Fonix PLC	971,730	2.99%
377,000 Forterra PLC	646,178	1.99%
961,000 FRP Advisory Group PLC	1,268,520	3.90%
380,000 Galliford Try PLC	1,330,000	4.09%
29,000 Greggs PLC	504,890	1.55%
104,000 Hilton Food Group PLC	859,040	2.64%
425,000 Hollywood Bowl Group PLC	1,139,000	3.51%
410,000 Hostelworld Group PLC	508,400	1.56%
73,000 JTC PLC	664,300	2.04%
97,000 Kainos Group PLC	646,990	1.99%
453,709 Kitwave Group PLC	1,113,856	3.43%
115,000 Lancashire Holdings Ltd	668,150	2.06%
238,000 LSL Property Services PLC	644,980	1.99%
525,000 Macfarlane Group PLC	543,375	1.67%
602,000 Mony Group PLC	1,213,632	3.74%
90,000 Pollen Street Group Ltd	669,600	2.06%
192,892 Property Franchise Group PLC	810,146	2.49%
155,000 Quartix Technologies PLC	310,000	0.95%
40,000 Rathbones Group PLC	619,200	1.91%
361,173 Real Good Food PLC^	-	-
1,074,873 Record PLC	537,437	1.65%
850,700 Redcentric PLC	1,046,361	3.22%
444,500 Restore PLC	1,022,350	3.15%
766,653 Sabre Insurance Group PLC	962,916	2.96%
43,000 Secure Trust Bank PLC	251,120	0.77%
1,850,000 Speedy Hire PLC	353,350	1.09%
261,500 Supreme PLC	387,020	1.19%
83,000 Telecom Plus PLC	1,447,520	4.46%
421,000 TP ICAP PLC	1,100,915	3.39%
570,000 Victorian Plumbing Group PLC	570,000	1.76%
116,000 WH Smith PLC	1,177,400	3.63%
155,555 XPS Pensions Group PLC	573,998	1.77%
204,551 Zegona Communications PLC	1,339,809	4.12%
	30,954,723	95.28%
Investment Trusts (31.03.2024: 0.00%)		
87,000 Safestore Holdings PLC	531,135	1.63%
	531,135	1.63%
Portfolio of investments (31.03.2024: 94.63%)	31,485,858	96.91%
Net other assets (31.03.2024: 5.37%)	1,005,197	3.09%
	32,491,055	100.00%

^Company in administration, see note 10 on page 22 for further information.

SUMMARY OF MATERIAL PORTFOLIO CHANGES

	£
Total purchases for the year (note 14)	16,288,134
Kainos Group PLC	776,873
Dunelm Group PLC	769,937
LSL Property Services PLC	747,990
Rathbones Group PLC	711,253
Easyjet PLC	695,100
Kitwave Group PLC	694,364
Natwest Group PLC	663,500
Forterra PLC	657,253
Breedon Group PLC	639,295
Coats Group PLC	617,307
Various other Purchases	9,315,262
	£
Total sales for the year (note 14)	21,681,530
XPS Pensions Group PLC	2,280,898
Britvic PLC	1,851,897
Lokn Store Group PLC	1,328,200
Foresight Group Holdings Ltd	1,068,253
Intermediate Capital Group PLC	1,059,442
Integrafin Holding	1,024,580
Tate & Lyle PLC	919,142
Volex PLC	848,484
Computacenter PLC	791,971
Alpha Financial Markets Consulting PLC	788,472
Various other Sales	9,720,191

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

STATEMENT OF TOTAL RETURN

For the year ended 31 March

			2025		2024	
	Notes	£	£	£	£	£
Income						
Net capital gains/(losses)	2		780,267		(240,392)	
Revenue	3	1,674,308		1,931,469		
Expenses	4	(374,914)		(382,906)		
Interest payable and similar charges	6	(1)		-		
Net revenue before taxation		1,299,393		1,548,563		
Taxation	5	-		(13,888)		
Net revenue after taxation			1,299,393		1,534,675	
Total return before distributions			2,079,660		1,294,283	
Finance costs: distributions	6		(1,653,789)		(1,895,151)	
Changes in net assets attributable to shareholders from investment activities			425,871		(600,868)	

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the year ended 31 March

	2025	2024
	£	£
Opening net assets attributable to shareholders	38,326,394	42,042,156
Amounts receivable on creation of shares	2,243,422	694,897
Amounts payable on cancellation of shares	(8,568,816)	(3,858,720)
Accumulation dividends retained	64,184	48,929
Dilution levies	-	-
Changes in net assets attributable to shareholders from investment activities (see above)	425,871	(600,868)
Closing net assets attributable to shareholders	32,491,055	38,326,394

BALANCE SHEET

As at		31.03.2025		31.03.2024	
	Notes	£	£	£	£
ASSETS					
Investment assets			31,485,858		36,269,906
Current assets					
Debtors	7	254,738		175,162	
Cash and bank balances	8	1,200,860		3,219,201	
Total current assets			<u>1,455,598</u>	<u>3,394,363</u>	
Total assets			32,941,456		39,664,269
LIABILITIES					
Current liabilities					
Creditors	9	(54,270)		(1,010,111)	
Distribution payable on income shares		(396,131)		(327,055)	
Bank overdrafts	8	-		(709)	
Total current liabilities			<u>(450,401)</u>	<u>(1,337,875)</u>	
Net assets attributable to shareholders			32,491,055		38,326,394

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2025

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

1 Accounting policies

- (a) The financial statements have been prepared in accordance with FRS 102, the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Association (IA) in May 2014 and the amendments to the SORP issued by the IA in June 2017. The functional currency is Sterling.
- (b) There are no material events that have been identified that may cast significant doubt about the Company's ability to continue as a going concern for at least the next twelve months from the date these financial statements are authorised for issue. The AFM believes that the Company has adequate resources to continue in operational existence for the foreseeable future and they continue to adopt the going concern basis in preparing the financial statements.
- (c) All expenses, other than those relating to the purchase and sale of investments, are charged to revenue on an accruals basis. All expenses are then reallocated to capital, net of any tax effect for distribution purposes.
- (d) Distributions on equities and trusts are recognised when the security is quoted ex-dividend. Interest on deposits is accounted for on an accruals basis. Revenue on debt securities is accounted for on an effective yield basis. Rebates are recognised on an accruals basis and are then reallocated to capital, net of any tax effect for distribution purposes.
- (e) The ordinary element of stocks received in lieu of cash dividends is recognised as revenue of the Sub-fund, and where applicable is included in the distribution. In the case of an enhanced stock dividend the value of the enhancement is treated as capital.
- (f) Special dividends are treated as either revenue or a repayment of capital depending on the facts of each particular case. Where the receipt of a special dividend results in a significant reduction in the capital value or where the distribution arises from an underlying capital event such as a merger or disposal these would typically be deemed as capital so as to ensure that the matching principle is applied to gains and losses. Otherwise, the special dividend would typically be recognised as revenue. Where special dividends are treated as revenue, they are included in the amount available for distribution. The tax accounting treatment follows the principal amount.
- (g) Investments are stated at their fair value at the balance sheet date. In determining fair value, the valuation point is 12 noon on 31 March 2025 with reference to quoted bid prices from reliable external sources. Unlisted or suspended investments are valued by the AFM taking into account where appropriate, latest dealing prices, valuations from reliable sources, financial performance and other relevant factors.
- (h) All transactions in foreign currencies are converted into Sterling at the rate of exchange ruling at the dates of such transactions. Foreign currency assets and liabilities at the end of the accounting period are translated at the exchange rates at 12 noon on 31 March 2025.
- (i) Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay less or receive more tax.

Deferred tax assets are recognised only to the extent that the AFM considers that it is more likely than not there will be taxable profits from which underlying timing differences can be deducted.
- (j) Tax is provided using tax rates and laws which have been enacted or substantively enacted at the balance sheet date.
- (k) In certain circumstances the AFM may charge a dilution levy on the sale or repurchase of shares. The levy, which is paid into the Sub-funds, is intended to cover dealing spread on assets bought and sold and certain charges such as applicable dealing taxes and brokers commission not included in the mid-market value of the Sub-funds used for Net Asset Value (NAV) calculations, which could have a diluting effect on the performance of the Sub-funds.
- (l) The Sub-fund currently issues Accumulation and Income shares. The Sub-fund goes ex dividend quarterly and pays any income available to the shareholder two months in arrears, as a dividend distribution. Any revenue deficit at the year end is funded from capital.

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

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

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It represents the accrued net 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.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

2 Net capital gains/(losses)

	2025	2024
	£	£
The net capital gains/(losses) comprise:		
Non-derivative securities gains/(losses)	781,665	(236,855)
Transaction charges	(1,398)	(3,537)
Total net capital gains/(losses)	<u>780,267</u>	<u>(240,392)</u>

3 Revenue

	2025	2024
	£	£
Non-taxable dividends	1,593,826	1,756,942
Interest on non-derivative securities	-	25,695
Bank interest received	80,482	148,832
Total revenue	<u>1,674,308</u>	<u>1,931,469</u>

4 Expenses

	2025	2024
	£	£
Payable to the Authorised Fund Manager, associates of the Authorised Fund Manager, and agents of either of them:		
Annual management charge	334,886	336,670
Payable to the depositary, associates of the depositary, and agents of either of them:		
Depositary fee	18,110	17,889
Safe custody fee	1,362	1,558
	<u>19,472</u>	<u>19,447</u>
Audit fee	12,506	12,246
Legal fees	1,800	8,100
Other expenses	6,250	6,443
	<u>20,556</u>	<u>26,789</u>
Total expenses	<u>374,914</u>	<u>382,906</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5 Taxation

	2025 £	2024 £
(a) Analysis of charge in the year		
Irrecoverable overseas withholding tax	-	13,888
Total tax charge for the year (note 5b)	-	13,888

(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% (2024: 20.00%) The differences are explained below:

Net revenue before UK corporation tax	1,299,393	1,548,563
Corporation tax at 20.00% (2024: 20.00%)	259,879	309,713
<u>Effects of:</u>		
Revenue not subject to UK corporation tax	(318,766)	(351,389)
Current year expenses not utilised	58,887	41,676
Irrecoverable overseas withholding tax	-	13,888
Total tax charge for the year (note 5a)	-	13,888

(c) Provision for deferred taxation

At 31 March 2025 there is a potential deferred tax asset of £464,235 (31 March 2024: £405,347) in relation to surplus management expenses.

6 Finance costs

	2025 £	2024 £
Interim dividend distributions	1,211,082	1,537,272
Final dividend distribution	412,421	336,554
	1,623,503	1,873,826
Add: Revenue deducted on cancellation of shares	40,019	26,269
Deduct: Revenue received on issue of shares	(9,733)	(4,944)
Net distribution for the year	1,653,789	1,895,151
Interest payable and similar charges	1	-
Total finance costs	1,653,790	1,895,151
Reconciliation of distributions		
Net revenue after taxation	1,299,393	1,534,675
Expenses paid from capital	374,914	382,906
Relief on expenses allocated to capital	(16,096)	(34,905)
Balance brought forward	(34,905)	(22,430)
Balance carried forward	30,483	34,905
Net distribution for the year	1,653,789	1,895,151

NOTES TO THE FINANCIAL STATEMENTS (Continued)

7 Debtors	31.03.2025	31.03.2024
	£	£
Amounts receivable on creation of shares	32,166	4,659
Amounts receivable on outstanding settlements	28	-
Accrued revenue:		
Non-taxable dividends receivable	222,529	170,466
Prepayments	15	37
Total debtors	254,738	175,162

8 Cash and bank balances	31.03.2025	31.03.2024
	£	£
Cash and bank balances	1,200,860	3,219,201
Bank overdrafts	-	(709)

9 Creditors	31.03.2025	31.03.2024
	£	£
Amounts payable on cancellation of shares	9,744	29,467
Amounts payable on unsettled trades	-	917,801
Amounts payable to the AFM, associates of the AFM and agents of either of them:		
Annual management charge	25,714	47,486
Amounts payable to the depositary, associates of the depositary and agents of either of them;		
Depositary fee	1,529	1,377
Safe custody and other custodian charges	2,921	1,414
	4,450	2,791
Audit fee	12,000	10,414
Other accrued expenses	2,362	2,152
Total creditors	54,270	1,010,111

10 Risk management policies

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 AFM's policies for managing these risks are summarised below. These policies have been applied throughout the year.

Market price risk

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

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

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

If market prices at the balance sheet date had been 10% higher or lower while all other variables remained constant, the return attributable to ordinary shareholders and equity for the year ended 31 March 2025 would have increased/decreased by £3,148,586 (31 March 2024: £3,626,991).

10 Risk management policies (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 AFM may seek to manage exposure to currency movements by using forward exchange contracts or by hedging the Sterling value of investments that are priced in other currencies. Revenue received in other currencies is converted to Sterling on or near the date of receipt.

Net currency assets and liabilities consist of:

	Net monetary assets and liabilities		Non-monetary assets		Total net assets	
	31.03.2025	31.03.2024	31.03.2025	31.03.2024	31.03.2025	31.03.2024
Sterling	1,005,197	2,056,488	31,485,858	36,269,906	32,491,055	38,326,394
Total	1,005,197	2,056,488	31,485,858	36,269,906	32,491,055	38,326,394

Interest rate risk

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

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

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

	31.03.2025 £	31.03.2024 £
Financial assets floating rate	1,200,860	3,219,201
Financial assets interest bearing instruments	-	-
Financial assets non-interest bearing instruments	31,740,596	36,445,068
Financial liabilities non-interest bearing instruments	(450,401)	(1,337,166)
Financial liabilities floating rate	-	(709)
	32,491,055	38,326,394

At 31 March 2025, if interest rates increased or decreased by 0.25%, with all other variables remaining constant, then the net assets attributable to shareholders of the Sub-fund would increase or decrease by approximately £3,002 (31 March 2024: £8,046)

Maturity of financial liabilities

The financial liabilities of the Sub-fund as at 31 March 2025 are payable either within one year or on demand.

Liquidity risk

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

Credit risk

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

Credit risk also arises on cash held within financial institutions and debt securities. 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 policies (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.

	31.03.2025		31.03.2024	
Valuation Technique	Assets (£000's)	Liabilities (£000's)	Assets (£000's)	Liabilities (£000's)
Level 1: Unadjusted quoted price in an active market for an identical instrument	31,486	-	36,270	-
Level 3: Valuation techniques using unobservable inputs	-	-	-	-
Total	31,486	-	36,270	-

On 29 November 2023 Real Good Food PLC shares were suspended on the AIM market of the London Stock Exchange. On 04 December 2023 Real Good Food PLC appointed administrators and its shares were cancelled from trading. Given the circumstances, the capital structure of the Company and the options open to it, the AFM believes that there will be no return to shareholders or loan note holders whether via a solvent sale or any procedure in an Administration. Therefore at the year end the AFM valued both the equity holding and the loan notes at £Nil.

11 Shares held

Shares held - Income Shares

Opening shares at 01.04.2024	31,037,696
Shares issued during the year	635,765
Shares cancelled during the year	(6,378,072)
Shares converted during the year	-
Closing shares as at 31.03.2025	25,295,389

Shares held - Accumulation Shares

Opening shares at 01.04.2024	512,300
Shares issued during the year	656,419
Shares cancelled during the year	(557,553)
Shares converted during the year	-
Closing shares as at 31.03.2025	611,166

Shares held - Z Income Shares

Opening shares at 01.04.2024	4,179,732
Shares issued during the year	-
Shares cancelled during the year	-
Shares converted during the year	-
Closing shares as at 31.03.2025	4,179,732

12 Contingent assets and liabilities

At 31 March 2025, the Sub-fund had no contingent liabilities or commitments (31 March 2024: £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 31 March 2025. Since that date, the Sub-fund's quoted price has moved as follows for each share class:

	Price (GBp) at 31 March 2025	Price (GBp) at 24 July 2025
Income Shares	106.8063	116.7065
Accumulation Shares	213.4244	236.1934
Z Income	103.0674	112.7642

NOTES TO THE FINANCIAL STATEMENTS (Continued)

14 Direct transaction costs

	2025	%	2024	%
	£		£	
Analysis of total purchase costs				
Purchases in the year before transaction costs	16,210,723		16,689,522	
Commissions	11,712	0.07%	11,816	0.07%
Taxes & levies	65,698	0.40%	39,816	0.24%
Total purchase costs	77,411	0.48%	51,632	0.31%
Total purchases including transaction costs	16,288,134		16,741,154	

	2025	%	2024	%
	£		£	
Analysis of total sale costs				
Sales in the year before transaction costs	21,696,131		19,095,053	
Commissions	(14,507)	(0.07%)	(13,418)	(0.07%)
Taxes & levies	(94)	(0.00%)	(35)	(0.00%)
Total sales costs	(14,601)	(0.07%)	(13,453)	(0.07%)
Total sales net of transaction costs	21,681,530		19,081,600	

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:

	2025	% of average net	2024	% of average net
	£	asset value	£	asset value
Commissions	26,219	0.07%	25,234	0.06%
Taxes & levies	65,792	0.16%	39,851	0.10%
	92,011	0.23%	65,085	0.16%

15 Portfolio Dealing Spread

The average portfolio dealing spread at 31 March 2025 is 0.68% (31 March 2024: 1.36%).

16 Related Party Transactions

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

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

DISTRIBUTION TABLES

Q1 Interim distribution in pence per share

Group 1: Shares purchased prior to 01 April 2024

Group 2 : Shares purchased on or after 01 April 2024 and on or before 28 June 2024

Accumulation	Net Revenue 30.08.2024	Equalisation	Distribution 30.08.2024	Distribution 31.08.2023
Group 1	2.2401p	-	2.2401p	2.1240p
Group 2	1.2376p	1.0025p	2.2401p	2.1240p

Income	Net Revenue 30.08.2024	Equalisation	Distribution 30.08.2024	Distribution 31.08.2023
Group 1	1.1720p	-	1.1720p	1.1652p
Group 2	0.9340p	0.2380p	1.1720p	1.1652p

Z Income	Net Revenue 30.08.2024	Equalisation	Distribution 30.08.2024
Group 1	1.1270p	-	1.1270p
Group 2	1.1270p	-	1.1270p

Q2 Interim distribution in pence per share

Group 1: Shares purchased prior to 01 July 2024

Group 2 : Shares purchased on or after 01 July 2024 and on or before 30 September 2024

Accumulation	Net Revenue 29.11.2024	Equalisation	Distribution 29.11.2024	Distribution 30.11.2023
Group 1	2.7796p	-	2.7796p	2.7835p
Group 2	1.5127p	1.2669p	2.7796p	2.7835p

Income	Net Revenue 29.11.2024	Equalisation	Distribution 29.11.2024	Distribution 30.11.2023
Group 1	1.4397p	-	1.4397p	1.5106p
Group 2	0.7324p	0.7073p	1.4397p	1.5106p

Z Income	Net Revenue 29.11.2024	Equalisation	Distribution 29.11.2024
Group 1	1.3859p	-	1.3859p
Group 2	1.3859p	-	1.3859p

Q3 Interim distribution in pence per share

Group 1: Shares purchased prior to 01 October 2024

Group 2 : Shares purchased on or after 01 October 2024 and on or before 31 December 2024

Accumulation	Net Revenue 28.02.2025	Equalisation	Distribution 28.02.2025	Distribution 29.02.2024
Group 1	2.2062p	-	2.2062p	2.5838p
Group 2	0.9262p	1.2800p	2.2062p	2.5838p

Income	Net Revenue 28.02.2025	Equalisation	Distribution 28.02.2025	Distribution 29.02.2024
Group 1	1.1290p	-	1.1290p	1.3821p
Group 2	0.6723p	0.4567p	1.1290p	1.3821p

Z Income	Net Revenue 28.02.2025	Equalisation	Distribution 28.02.2025
Group 1	1.0878p	-	1.0878p
Group 2	1.0878p	-	1.0878p

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

Group 1: Shares purchased prior to 01 January 2025

Group 2 : Shares purchased on or after 01 January 2025 and on or before 31 March 2025

Accumulation	Net Revenue 30.05.2025	Equalisation	Distribution 30.05.2025	Distribution 31.05.2024
Group 1	2.6654p	-	2.6654p	1.8542p
Group 2	0.9693p	1.6961p	2.6654p	1.8542p

Income	Net Revenue 30.05.2025	Equalisation	Distribution 30.05.2025	Distribution 31.05.2024
Group 1	1.3507p	-	1.3507p	0.9790p
Group 2	0.8163p	0.5344p	1.3507p	0.9790p

Z Income	Net Revenue 30.05.2025	Equalisation	Distribution 30.05.2025	Distribution 31.05.2024
Group 1	1.3029p	-	1.3029p	0.5548p
Group 2	1.3029p	-	1.3029p	0.5548p

INFORMATION FOR INVESTORS

Individual shareholders

Income tax: Tax-free annual dividend allowance now standing at £500 (2024/25). 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 £3,000 (2024/25) 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.

Taxation

The Company will pay no corporation tax on its profits for the year ended 31 March 2025. Capital gains within the Company will not be taxed.

Corporate shareholders

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

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

Issue and redemption of shares

Valu-Trac Investment Management Limited is the AFM and Registrar. Valu-Trac Investment Management Limited will receive requests for the purchase or sale of shares at any time during normal business hours between 9am and 5pm. Instructions may be given by email to the below email addresses or by sending an application form to the Registrar. Application forms are available from the Registrar. Email Downing@valu-trac.com

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

The AFM has the right to reject, on reasonable grounds relating to the circumstances of the applicant, any application for shares in whole or part, and in this event the AFM will return any money sent, or the balance of such monies, at the risk of the applicant.

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

A contract note giving details of the shares purchased and the price used will be issued by the Registrar by the end of the business day following the valuation point by reference to which the purchase price is determined. A contract note will be issued by close of business on the next business day after the dealing date to confirm the transaction.

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

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

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

Assessment of Value

The AFM conducts an assessment of value for the Sub-fund each year. The assessment of value report is available on the AFM's website.

Task Force on Climate-related Financial Disclosures ("TCFD") reports

The AFM is required to prepare and publish a product TCFD report for each Sub-fund along with an entity level TCFD report. The latest reports can be obtained from https://www.valu-trac.com/administration-services/tcfid_reports.

INFORMATION FOR INVESTORS (Continued)

Remuneration

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

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

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

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

Date: 28 May 2024	Number of staff	Fixed remuneration	Variable remuneration	Total remuneration
Senior Management and members of the governing body	9	753,640	-	753,640
Other material risk takers	4	312,684	-	312,684
All other staff	103	3,409,068	-	3,409,068
Total	116	4,475,392	-	4,475,391
Total severance payments		-	-	-

Further information is available in the AFM's Remuneration Policy document which can be obtained from www.valu-trac.com. A paper copy of the remuneration policy is available on request from the registered office of the Authorised Fund Manager free of charge.

CORPORATE DIRECTORY

Authorised Fund Manager & Registrar	Valu-Trac Investment Management Limited Orton Fochabers Moray IV32 7QE Telephone: 01343 880344 Fax: 01343 880267 Email: downing@valu-trac.com Authorised and regulated by the Financial Conduct Authority Registered in England No 2428648
Investment Manager	Downing LLP 6th Floor St Magnus House 3 Lower Thames Street London EC3R 6HD Authorised and regulated by the Financial Conduct Authority
Depository	NatWest Trustee and Depositary Services Limited House A Floor 0, 175 Glasgow Road Gogarburn Edinburgh EH12 1HQ Authorised regulated by the Financial Conduct Authority
Auditor	Johnston Carmichael LLP Strathlossie House Kirkhill Avenue Elgin IV30 8DE