

**VT GARRAWAY INVESTMENT FUNDS ICVC  
(Sub-Funds VT Garraway UK Equity Market Fund and  
VT Garraway Asian Centric Global Growth Fund)**

**Annual Report and Financial Statements  
for the year ended 30 June 2021**

**GARRAWAY**  
CAPITAL MANAGEMENT

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## COMPANY OVERVIEW

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**Launch date**

29 May 2012

**Type of Company**

VT Garraway Investment Funds ICVC is an investment company with variable capital incorporated in Great Britain, and having its head office in England, under registered number IC000935 and authorised and regulated by the Financial Conduct Authority ("FCA") with effect from 26 March 2012 (FCA Product Reference Number 573884).

The Company is a "UCITS scheme" (a type of scheme referred to in the FCA Rules).

The Company is structured as an umbrella comprising a number of Sub-funds. The assets of each Sub-fund will be treated as separate from those of every other Sub-fund and will be invested in accordance with the investment objective and investment policy applicable to that Sub-fund. New Funds may be established from time to time by the ACD with the approval of the FCA and the agreement of the Depositary. If a new Sub-fund is introduced, a new Prospectus will be prepared to set out the required information in relation to that Sub-fund. There are currently two Sub-funds which are available for investment:- VT Garraway UK Equity Market Fund and VT Garraway Asian Centric Global Growth Fund.

You as a shareholder are not liable for the debts of the Company.

**Authorised Corporate Director (ACD)**

Valu-Trac Investment Management Limited,

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

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The rules of the Financial Conduct Authority's Collective Investment Schemes Sourcebook require the Authorised Corporate Director to prepare financial statements for each accounting period which give a true and fair view of the financial position of the Company at the end of the financial period and its net revenue and net capital gains for the period. 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

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

David Fraser FCCA

David E Smith CA

Valu-Trac Investment Management Limited  
Authorised Corporate Director

Date

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

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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 July 2021

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF VT GARRAWAY INVESTMENT FUNDS ICVC (SUB-FUNDS VT GARRAWAY UK EQUITY MARKET FUND AND VT GARRAWAY ASIAN CENTRIC GLOBAL GROWTH FUND)**

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**Opinion**

We have audited the financial statements of VT Garraway Investment Funds ICVC ("the Company") for the year ended 30 June 2021 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 2021 and of the net revenue and the net capital gains 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 GARRAWAY INVESTMENT FUNDS ICVC (SUB-FUNDS VT GARRAWAY UK EQUITY MARKET FUND AND VT GARRAWAY ASIAN CENTRIC GLOBAL GROWTH FUND)  
(Continued)**

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**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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- > Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- > Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- > Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Authorised Corporate Director.
- > Conclude on the appropriateness of the Authorised Corporate Director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- > Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF VT GARRAWAY INVESTMENT FUNDS ICVC (SUB-FUNDS VT GARRAWAY UK EQUITY MARKET FUND AND VT GARRAWAY ASIAN CENTRIC GLOBAL GROWTH FUND)  
(Continued)**

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**Extent to which an 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 extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We assessed the risks of material misstatement of the financial statements, whether due to fraud or error, and then designed and performed audit procedures responsive to those risks, including obtaining audit evidence that is sufficient and appropriate to provide the basis for our opinion. We planned and conducted our audit so as to obtain reasonable assurance of detecting any material misstatements in the financial statements resulting from irregularities or fraud.

All engagement team members were briefed on relevant laws and regulations and potential fraud risks at the planning stage of the audit. However, the primary responsibility for the prevention and detection of fraud rest with the Authorised Corporate Director.

We evaluated management's incentives for fraudulent activity and determined the key risk of fraud to be management override of controls in order to manipulate the financial statements. We determined that the principal risks in this regard were in relation inappropriate journal entries to increase net revenue or to increase the net asset value.

We considered the principal risks of non-compliance with laws and regulations and we considered the extent to which non-compliance might have a material effect on the financial statements. The most significant risk in relation to non-compliance with laws and regulations was deemed to be compliance with the Collective Investment Schemes Sourcebook and the Company's Prospectus.

Audit procedures performed in response to these risks included:

- >Evaluating the control environment designed to prevent and detect irregularities which the Authorised Corporate Director has in place;
- >Enquiring of management and those charged with governance regarding any known or suspected instances of non-compliance with laws and regulations and fraud and where they think fraud would most likely to occur and the safeguards in place to mitigate these;
- >Assessing the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur around the key risks of valuation and ownership of investments, and revenue recognition;
- >Reviewing material journal entries during the year;
- >Reviewing a pre sign-off Net Asset Valuation (NAV) statement for any unexpected activity that may indicate management override in the Company's financial statements; and
- >Assessing the Company's compliance with the key requirements of the Collective Investment Schemes Sourcebook and its Prospectus.

There are inherent limitations in the audit procedures described above 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. Also 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 deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

**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

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<b>Sub-fund name</b>	VT Garraway UK Equity Market Fund	
<b>Size of Sub-fund</b>	£16,165,912	
<b>Launch date</b>	29 May 2012	
<b>Investment objective and policy</b>	<p>The aim of the Sub-fund is to provide a combination of capital growth and income.</p> <p>The Sub-fund will invest primarily in equity securities primarily of companies which are listed in the UK.</p> <p>The Sub-fund may also invest in other types of transferable securities and in companies which are not UK listed. At any one time, the Sub-fund may invest in a relatively small number of securities. The Sub-fund may invest in derivatives both for investment purposes and for efficient portfolio management. Derivatives may be used to create synthetic short positions in securities.</p> <p>The Sub-fund may also invest in money market instruments, collective investment schemes, deposits, cash and near cash.</p>	
<b>Use of Derivatives, impact on risk profile and volatility:</b>	<p>The Sub-fund may invest in derivatives both for investment purposes and for efficient portfolio management.</p> <p>A Sub-fund may employ more sophisticated derivatives longer term in the pursuit of its investment objectives. This means that the net asset value of the Sub-fund may at times be highly volatile (in the absence of compensating investment techniques). However, it is the intention that the Sub-fund owing to its portfolio composition, and/or the portfolio management techniques used, will not have volatility over and above the general market volatility of the markets of their underlying investments although this outcome is not guaranteed and the risk profile of the Sub-fund may be higher than it would otherwise have been as a consequence of the use of derivatives as described above.</p>	
<b>Benchmark:</b>	<p>The Sub-fund does not have a specific benchmark. However, the performance of the Sub-fund can be measured by considering whether the objective is achieved (i.e. whether there has been capital growth and income over at least a five year period) and as a broad comparison by looking at the return of the FTSE 350 (total return in Sterling).</p>	
<b>Ex-distribution dates</b>	30 June, 30 September, 31 December and 31 March	
<b>Distribution dates</b>	31 August, 30 November, last day of February, 31 May	
<b>Individual Savings Account (ISA)</b>	<p>It is intended that the Fund will be managed so as to ensure that Shares in the Fund constitute qualifying investments for the purposes of the HM Revenue &amp; Customs regulations governing Individual Savings Accounts as they apply from time to time.</p>	
<b>Share Classes</b>	Class R Sterling net accumulation Shares Class R Sterling net income Shares Class F Sterling net accumulation Shares Class F Sterling net income Shares	
<b>Minimum Initial Investment:</b>	Class R Sterling net accumulation Shares	£1,000
	Class R Sterling net income Shares	£1,000
	Class F Sterling net accumulation Shares	£1,000
	Class F Sterling net income Shares	£1,000
<b>Minimum Subsequent Investment:</b>	Class R Sterling net accumulation Shares	£500
	Class R Sterling net income Shares	£500
	Class F Sterling net accumulation Shares	£500
	Class F Sterling net income Shares	£500
<b>Minimum Holding:</b>	Class R Sterling net accumulation Shares	£500
	Class R Sterling net income Shares	£500
	Class F Sterling net accumulation Shares	£500
	Class F Sterling net income Shares	£500

**SUB-FUND OVERVIEW (Continued)**

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<b>Minimum Partial Redemption:</b>	Class R Sterling net accumulation Shares	£500
	Class R Sterling net income Shares	£500
	Class F Sterling net accumulation Shares	£500
	Class F Sterling net income Shares	£500
<b>Preliminary Charge:</b>	Class R Sterling net accumulation Shares	Nil
	Class R Sterling net income Shares	Nil
	Class F Sterling net accumulation Shares	Nil
	Class F Sterling net income Shares	Nil
<b>Annual Management Charge:</b>	Class R Sterling net accumulation Shares	1.75%
	Class R Sterling net income Shares	1.75%
	Class F Sterling net accumulation Shares	0.85%
	Class F Sterling net income Shares	0.85%

The annual management charge may be waived at the discretion of the ACD.

## INVESTMENT ADVISER'S REVIEW

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### Performance

Cumulative returns for the year ended 30 June 2021

	6 months	1 year	5 years
Class R Shares	11.49%	22.46%	20.06%
Class F Shares	11.99%	23.57%	25.81%
FTSE 350 Index TR*	10.81%	20.56%	35.32%

*Performance based on accumulation shares.*

*Note: Past performance is not a reliable indicator of future results. Investors are reminded that the price of shares and the revenue derived from them is not guaranteed and may go down as well as up.*

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### Market Commentary

Over the year ending June 2021, the Fund captured the equity market recovery rally in full, up 23.57% (F Accumulation), ahead of a market rise of 20.56%. Over the six months to the end of June, the Fund returned 11.99% against an index move of 10.81%, placing it in the second quartile of its peer group. While the general direction of the market was very positive, a repeat of November's 'value' rally at the expense of 'growth' in the early months of 2021 coloured the market. Despite sector rotation, sometimes extreme, our quality growth stocks held their own over the year as a whole.

The pressure of Covid remained a dominant global theme as further variants created regional lockdowns. This was offset by increasingly encouraging news on the vaccine roll out, which allowed investors to look much more positively on the economic outlook for the year ahead. With Joe Biden settled in the White House after a controversial election process, work towards a substantial infrastructure plan took centre stage, encouraging equity markets. Government and Central Bank financial support for Covid related pressures characterised the period, but increased concerns over higher inflation figures in a number of global economies dominated debate as we moved through the second half. While general expectations assumed pressures to be temporary, the impact on bond markets and equity markets became significant. Economic data remained very resilient, with all major economies, outside Japan, showing continued expansion. This fuelled hopes for a strong recovery in the second half of 2021 once the impact of the vaccine roll out was clearer. Global forecasts for growth have been raised materially. Corporate results have been robust, and a number of indices hit all time highs, such as the US and regional Asian markets. Oil rallied significantly on hopes for better growth in the year ahead, while material prices reflected optimism on global demand.

Much of this backdrop drove the direction of UK equities, while domestically, the agreement and implementation of the Brexit agreement has remained headline news. The issues around Northern Ireland linger. A number of key trade deals were agreed, such as Australia, and there are more in the pipeline. While Covid restrictions remained in place and the Delta variant thwarted a full opening up of the economy, vaccine news improved materially, while the Chancellor maintained support through both the furlough scheme and more directed measures. Public debt has risen substantially to fund broad financial support, to levels not seen since 1947, but there are signs that a quicker uptick in growth than expected has made year on year comparisons much more favourable. As with the US, economic data proved very resilient, with a raft of figures from manufacturing and service PMI's, to the housing market strength in pricing, volumes and mortgage applications a stand out. The employment market has shown some pressure, but not to the extent earlier forecast, and consumer confidence news has been much more favourable. Corporate results remained robust, and our holdings generally matched or beat expectations, providing us with encouragement that our portfolio is well positioned to weather current uncertainties.

Over the twelve months, significant positive attribution came from our holdings in Treatt, Ashtead Group, Draper Esprit, 3i Group, Diploma, Tristel and Fevertree Drinks. Not owning Vodafone Group and HSBC Holdings also added value. Less helpful over this period were our positions in Hargreaves Lansdown, Ashmore Group, RWS Holdings, Experian, and Applegreen (sold), and not owning domestic banks and material companies (both beneficiaries of the 'value' rally)

As described in the interim report, we sold GlaxoSmithKline, Anglo American, and Wizz Air Holdings. We used the proceeds to buy Genus, the specialist animal genetics group, with its global franchise in supporting selective breeding innovation in pigs and cattle. We added Hargreaves Lansdown, enjoying upgrades on strong business momentum, with accompanying cash generation.

There were no significant transactions over the second half. We reduced our holding in Reckitt Benckiser, where we remain concerned on underlying growth prospects outside the Covid bonus, in favour of London Stock Exchange Group, which had fallen on higher than expected integration costs of the Refinitiv deal. We regard these concerns as overdone.

**Outlook**

The backdrop for equity markets is little changed. Inflationary pressures remain dominant, and concern persists that the Fed is 'behind the curve'. While Covid outbreaks have hit Asia again, economies continue to expand, and global growth expectations are moving up quite materially. Reflecting this positive environment, several equity markets have again hit recent highs, but we believe another quarter of strong corporate earnings will help alleviate some concerns over valuations. The UK market, despite its rally, still looks relatively attractive against its global peers. Our portfolio is firmly in the 'growth camp'. We expect another set of strong quarterly results from our quality holdings to justify our current conviction.

Malcolm Schembri and Tim Hall  
Garraway Capital Management LLP  
Investment Adviser to the Fund

08 July 2021

## PERFORMANCE RECORD

### Financial Highlights (continued)

<b>Class R Sterling net income Shares</b>	<b>Year to 30 June 2021</b>	<b>Year to 30 June 2020</b>	<b>Year to 30 June 2019</b>
Changes in net assets per unit	GBp	GBp	GBp
Opening net asset value per unit	133.7651	168.6603	175.5556
Return before operating charges	32.6762	(26.7762)	3.1132
Operating charges (note 1)	(2.8915)	(2.8428)	(3.1580)
Return after operating charges*	29.7847	(29.6190)	(0.0448)
Distributions on income units	(2.7625)	(5.2762)	(6.8505)
Closing net asset value per unit	160.7873	133.7651	168.6603
*after direct transaction costs of:	0.0709	0.9073	0.2237
Performance			
Return after charges	22.27%	(17.27%)	(0.03%)
Other information			
Closing net asset value	£40,197	£79,742	£100,545
Closing number of units	25,000	59,614	59,614
Operating charges (note 2)	1.96%	1.88%	1.91%
Direct transaction costs	0.05%	0.60%	0.13%
Prices			
Highest unit price	162.96	178.14	177.00
Lowest unit price	132.78	102.53	148.62

<b>Class R Sterling net accumulation Shares</b>	<b>Year to 30 June 2021</b>	<b>Year to 30 June 2020</b>	<b>Year to 30 June 2019</b>
Changes in net assets per unit	GBp	GBp	GBp
Opening net asset value per unit	175.9771	214.1235	213.8601
Return before operating charges	43.3715	(34.4795)	4.1707
Operating charges (note 1)	(3.8430)	(3.6669)	(3.9073)
Return after operating charges*	39.5285	(38.1464)	0.2634
Closing net asset value per unit	215.5056	175.9771	214.1235
Retained distributions	3.6604	6.7523	8.4587
*after direct transaction costs of:	0.0943	1.1703	0.2782
Performance			
Return after charges	22.46%	(17.82%)	0.12%
Other information			
Closing net asset value	£112,670	£168,078	£929,829
Closing number of units	52,282	95,511	434,249
Operating charges (note 2)	1.96%	1.88%	1.91%
Direct transaction costs	0.05%	0.60%	0.13%
Prices			
Highest unit price	217.51	230.97	218.59
Lowest unit price	174.67	132.94	183.09

**PERFORMANCE RECORD (Continued)**

**Financial Highlights (continued)**

<b>Class F Sterling net income Shares</b>	<b>Year to 30 June 2021</b>	<b>Year to 30 June 2020</b>	<b>Year to 30 June 2019</b>
Changes in net assets per unit	GBP	GBP	GBP
Opening net asset value per unit	145.3335	181.5364	187.2624
Return before operating charges	35.6758	(28.9020)	3.2596
Operating charges (note 1)	(1.7099)	(1.6371)	(1.6475)
Return after operating charges*	33.9659	(30.5391)	1.6121
Distributions on income units	(3.0154)	(5.6638)	(7.3381)
Closing net asset value per unit	176.2840	145.3335	181.5364
*after direct transaction costs of:	0.0775	0.9806	0.2392
Performance			
Return after charges	23.37%	(16.51%)	0.86%
Other information			
Closing net asset value	£11,088,810	£10,296,692	£24,287,133
Closing number of units	6,290,309	7,084,870	13,378,660
Operating charges (note 2)	1.06%	0.98%	0.93%
Direct transaction costs	0.05%	0.60%	0.13%
Prices			
Highest unit price	178.66	192.71	188.99
Lowest unit price	144.26	111.09	159.24

<b>Class F Sterling net accumulation Shares</b>	<b>Year to 30 June 2021</b>	<b>Year to 30 June 2020</b>	<b>Year to 30 June 2019</b>
Changes in net assets per unit	GBP	GBP	GBP
Opening net asset value per unit	189.4219	228.3803	226.0110
Return before operating charges	46.8954	(36.8661)	4.3890
Operating charges (note 1)	(2.2515)	(2.0923)	(2.0197)
Return after operating charges*	44.6439	(38.9584)	2.3693
Closing net asset value per unit	234.0658	189.4219	228.3803
Retained distributions	3.95839	7.2296	9.0207
*after direct transaction costs of:	0.0778	1.2534	0.2954
Performance			
Return after charges	23.57%	(17.06%)	1.05%
Other information			
Closing net asset value	£4,951,406	£7,389,988	£21,984,188
Closing number of units	2,115,391	3,901,337	9,626,133
Operating charges (note 2)	1.06%	0.98%	0.93%
Direct transaction costs	0.05%	0.60%	0.13%
Prices			
Highest unit price	236.23	247.60	232.72
Lowest unit price	188.02	142.73	194.36

## PERFORMANCE RECORD (Continued)

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

### **Risk Profile**

Based on past data, the Sub-fund is ranked a '6' on the synthetic risk and reward indicator scale (of 1 to 7) as described fully in the Key Investor Information Document. The Sub-fund is ranked '6' because weekly historical performance data indicates that it has experienced significant rises and falls in market prices historically. Please note that even the lowest risk class can lose money and that extreme market circumstances can mean you suffer severe losses in all cases.

## PORTFOLIO STATEMENT

As at 30 June 2021

Holding	Value £	% of net assets
<b>BIOTECHNOLOGY 2.55% (30.06.20: 0.00%)</b>		
8,200 Genus PLC	412,255	2.55%
	<u>412,255</u>	<u>2.55%</u>
<b>BUSINESS SUPPORT SERVICES 9.79% (30.06.20: 6.98%)</b>		
46,598 FDM Group (Holdings) PLC	479,959	2.97%
14,102 Ashtead Group PLC	757,277	4.68%
62,104 RWS Holdings PLC	346,230	2.14%
	<u>1,583,466</u>	<u>9.79%</u>
<b>CONSUMER STAPLES 3.37% (30.06.20: 4.03%)</b>		
12,862 Unilever PLC	544,674	3.37%
	<u>544,674</u>	<u>3.37%</u>
<b>CHEMICALS 4.10% (30.06.20: 1.91%)</b>		
56,500 Treatt PLC	662,463	4.10%
	<u>662,463</u>	<u>4.10%</u>
<b>ELECTRONIC &amp; ELECTRICAL EQUIPMENT 7.08% (30.06.20: 7.44%)</b>		
24,334 Halma PLC	656,288	4.06%
15,019 Spectris PLC	489,394	3.03%
	<u>1,145,682</u>	<u>7.09%</u>
<b>FINANCIAL SERVICES 12.88% (30.06.20:12.60%)</b>		
47,629 3i Group PLC	560,117	3.46%
93,057 Ashmore	349,801	2.16%
62,216 Draper Esprit PLC	560,877	3.47%
21,800 Experian PLC	611,817	3.78%
	<u>2,082,612</u>	<u>12.87%</u>
<b>FOOD, BEVERAGE &amp; TOBACCO 13.44% (30.06.20: 12.27%)</b>		
8,985 Cranswick PLC	358,502	2.22%
19,484 Diageo PLC	678,920	4.20%
113,921 Dominos Pizza Group PLC	448,165	2.77%
26,813 Fevertree Drinks PLC	688,424	4.26%
	<u>2,174,011</u>	<u>13.45%</u>
<b>INDUSTRIAL GOODS &amp; SERVICES 8.96% (30.06.20: 12.75%)</b>		
10,000 CRH PLC	367,300	2.27%
25,934 Diploma PLC	759,348	4.70%
52,571 Redrow PLC	323,207	2.00%
	<u>1,449,855</u>	<u>8.97%</u>
<b>INVESTMENT SERVICES 6.26% (30.06.20: 3.19%)</b>		
8,282 London Stock Exchange Group PLC	663,719	4.11%
22,000 Hargreaves Lansdown PLC	348,095	2.15%
	<u>1,011,814</u>	<u>6.26%</u>
<b>PERSONAL &amp; HOUSEHOLD GOODS 2.42% (30.06.20: 3.27%)</b>		
36,163 Barratt Developments PLC	251,767	1.56%
2,169 Reckitt Benckiser Group PLC	139,358	0.86%
	<u>391,125</u>	<u>2.42%</u>

**PORTFOLIO STATEMENT (Continued)**

Holding	Value £	% of net assets
<b>PHARMACEUTICALS, BIOTECHNOLOGY 9.36% (30.06.20: 14.14%)</b>		
6,439 Astrazeneca PLC	559,646	3.46%
33,715 Smith & Nephew PLC	532,191	3.29%
67,030 Tristel PLC	422,289	2.61%
	<u>1,514,126</u>	<u>9.36%</u>
<b>REAL ESTATE 2.58% (30.06.20: 3.90%)</b>		
37,969 Segro PLC	416,995	2.58%
	<u>416,995</u>	<u>2.58%</u>
<b>SOFTWARE &amp; COMPUTER SERVICES 7.11% (30.06.20: 5.52%)</b>		
21,982 Computacenter PLC	569,334	3.52%
84,854 Sage Group PLC	581,250	3.60%
	<u>1,150,584</u>	<u>7.12%</u>
<b>TECHNOLOGY 5.34% (30.06.20: 4.07%)</b>		
70,000 Auto Trader Group PLC	442,050	2.73%
65,000 Rightmove PLC	421,980	2.61%
	<u>864,030</u>	<u>5.34%</u>
<b>TRAVEL &amp; LEISURE 4.57% (30.06.20: 5.25%)</b>		
80,741 JD Sports Fashion PLC	739,749	4.58%
	<u>739,749</u>	<u>4.58%</u>
<b>Portfolio of investments 99.81% (30.06.20: 99.74%)</b>	<b>16,143,441</b>	<b>99.85%</b>
<b>Net other assets 0.31% (30.06.20: 0.52%)</b>	40,657	0.26%
<b>Adjustment to revalue assets from Mid to Bid prices (0.11%) (30.06.20: (0.26%))</b>	(18,186)	(0.11%)
	<u><b>16,165,912</b></u>	<u><b>100.00%</b></u>

## SUMMARY OF MATERIAL PORTFOLIO CHANGES

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	£
<b>Total sales for the year (note 14)</b>	<b>6,095,987</b>
3i Group PLC	289,004
Anglo American PLC	442,480
Applegreen PLC	563,692
Ashtead Group PLC	103,277
AstraZeneca PLC	479,101
Barratt Developments PLC	472,463
Computacenter PLC	75,372
CRH PLC	212,283
Diploma PLC	129,967
Draper Esprit PLC	42,474
GlaxoSmithKline PLC	669,856
Morgan Advanced Materials PLC	262,262
OneSavings Bank PLC	306,392
Reckitt Benckiser Group PLC	366,185
Redrow PLC	85,968
SEGRO PLC	364,344
Spectris PLC	153,495
Travis Perkins PLC	356,620
Treatt PLC	120,839
Unilever PLC	148,500
Wizz Air Holdings PLC	451,413

	£
<b>Total purchases for the year (note 14)</b>	<b>1,124,482</b>
AstraZeneca PLC	61,075
Dominos Pizza Group PLC	50,197
Fevertree Drinks PLC	120,760
Genus PLC	322,909
Hargreaves Lansdown PLC	394,916
JD Sports Fashion PLC	69,909
London Stock Exchange Group PLC	104,716

The above analysis represents all of the sales and purchases of equities for the year.

## STATEMENT OF TOTAL RETURN

For the year ended 30 June 2021

		2021		2020	
	Notes	£	£	£	£
Income					
Net capital gains/(losses)	2		3,303,863		(6,877,343)
Revenue	3	295,130		1,226,389	
Expenses	4	(172,931)		(325,306)	
Finance costs: Interest	6	<u>(1,375)</u>		<u>-</u>	
Net revenue before taxation		120,824		901,083	
Taxation	5	<u>-</u>		<u>-</u>	
Net revenue after taxation			<u>120,824</u>		<u>901,083</u>
Total return before distributions			3,424,687		(5,976,260)
Finance costs: Distributions	6		<u>(302,742)</u>		<u>(1,226,389)</u>
<b>Changes in net assets attributable to shareholders from investment activities</b>			<u>3,121,945</u>		<u>(7,202,649)</u>

## STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the year ended 30 June 2021

	2021	2020
	£	£
<b>Opening net assets attributable to shareholders</b>	17,886,616	47,236,022
Amounts receivable on creation of shares	381,798	4,369,001
Amounts payable on cancellation of shares	(5,323,964)	(27,028,106)
Dilution levy	1,689	8,222
Retained distributions on accumulation shares	97,828	504,126
Changes in net assets attributable to shareholders from investment activities	3,121,945	(7,202,649)
<b>Closing net assets attributable to shareholders</b>	<u>16,165,912</u>	<u>17,886,616</u>

**BALANCE SHEET**

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As at 30 June 2021	Notes	30.06.21		30.06.20	
		£	£	£	£
<b>FIXED ASSETS</b>					
Investment assets			16,125,255		17,792,967
<b>Current Assets</b>					
Debtors	7	167,386		87,660	
Cash and bank balances	8	<u>16,528</u>		<u>182,484</u>	
<b>Total other assets</b>			<u>183,914</u>		<u>270,144</u>
<b>Total assets</b>			16,309,169		18,063,111
<b>Creditors</b>					
Distribution payable on income shares		(46,294)		(17,320)	
Bank overdrafts	8	(14,146)		(57,990)	
Other creditors	9	<u>(82,817)</u>		<u>(101,185)</u>	
<b>Total liabilities</b>			<u>(143,257)</u>		<u>(176,495)</u>
<b>Net assets attributable to shareholders</b>			<u>16,165,912</u>		<u>17,886,616</u>

## NOTES TO THE FINANCIAL STATEMENTS

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### 1 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 the amendments to the SORP issued by the IA in June 2017. The functional currency of the Sub-fund is Sterling.

(b) Dividends on holdings, net of any irrecoverable tax credits, are recognised when the underlying transferable security is quoted ex-dividend. Bank interest is accounted for on an accruals basis.

(c) Stock dividends are credited to the capital account when the stock is quoted ex-dividend. The cash equivalent is then transferred to the revenue account and forms part of the distributable revenue. The allocation of special dividends is considered on a case-by-case basis.

(d) All expenses, net of any associated tax effect, are charged to the capital account. Expenses are recognised on the accruals basis.

(e) Any assets or liabilities not attributable to a particular share class are allocated by the ACD in a manner which is considered fair to shareholders in general, usually pro-rata based on the net asset values of the relevant share classes.

(f) Corporation tax is provided for on taxable revenue, less deductible expenses, at a rate of 20.00%. 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.

(g) Revenue produced by the Sub-fund's investments accrues quarterly. At the end of each period, the net revenue plus an adjustment for expenses allocated to capital, is accumulated/distributed as per the Prospectus.

(h) All transactions in foreign currencies are converted into Sterling at the rates of exchange ruling at the date of such transactions. Foreign currency assets and liabilities at the end of the accounting period are translated at the exchange rates at the closing valuation point on 30 June 2021.

(i) The investments are valued at closing bid prices on the balance sheet date. If closing prices are not available, the latest available prices are used.

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

<b>2 Net capital gains/(losses)</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
The net capital gains/(losses) comprise:		
Non-derivative securities gains/(losses)	3,302,812	(7,007,137)
Derivative contract gains	-	131,077
Currency gains/(losses)	3	(1)
Transaction charges	1,048	(1,282)
Total net capital gains/(losses)	<u>3,303,863</u>	<u>(6,877,343)</u>

<b>3 Revenue</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
UK dividends	296,019	1,158,258
Overseas dividends	(917)	65,729
Bank interest	28	2,402
Total revenue	<u>295,130</u>	<u>1,226,389</u>

<b>4 Expenses</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director, and agents of either of them:</b>		
ACD fee	138,328	284,619
<b>Payable to the depositary, associates of the depositary, and agents of either of them:</b>		
Depositary fee	17,975	19,146
Safe custody fee	672	1,429
	<u>18,647</u>	<u>20,575</u>
<b>Other expenses:</b>		
Audit fee	6,214	8,452
FCA fee	127	93
Other fees and subscriptions	9,615	11,567
	<u>15,956</u>	<u>20,112</u>
Total expenses	<u>172,931</u>	<u>325,306</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

**5 Taxation**

	2021	2020
	£	£

**(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% (2020: 20.00%) The differences are explained below:

Net revenue before UK corporation tax	120,824	901,083
Corporation tax at 20.00% (2020: 20.00%)	24,165	180,217
<u>Effects of:</u>		
Revenue not subject to UK corporation tax	(59,020)	(244,797)
Excess management expenses	34,855	64,580
Total tax charge for year (note 5a)	-	-

**(c) Provision for deferred taxation**

At 30 June 2021 there is a potential deferred tax asset of £585,244 (30 June 2020: £550,388) 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**

	2021	2020
	£	£

Interim dividend distributions

September	86,040	514,957
December	51,782	283,034
March	90,460	227,013
Final dividend distribution (June)	67,277	30,928
	295,559	1,055,932

Add: Revenue deducted on cancellation of shares	8,096	176,464
Deduct: Revenue received on issue of shares	(913)	(6,007)

<b>Net distribution for the year</b>	302,742	1,226,389
Interest payable and similar charges	1,375	-
<b>Total finance costs</b>	304,117	1,226,389

**Reconciliation of distributions**

Net revenue after taxation	120,824	901,083
Expenses paid from capital	172,931	325,306
<b>Net distribution for the year</b>	293,755	1,226,389

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

<b>7 Debtors</b>	<b>30.06.21</b>	<b>30.06.20</b>
	<b>£</b>	<b>£</b>
Amounts receivable for issue of shares	247	68
Amounts receivable on sale of securities	96,121	60
Dividends receivable	25,959	28,840
Income tax recoverable	45,009	58,483
Prepayments	50	209
<b>Total debtors</b>	<b>167,386</b>	<b>87,660</b>

  

<b>8 Cash and bank balances</b>	<b>30.06.21</b>	<b>30.06.20</b>
	<b>£</b>	<b>£</b>
Cash and bank balances	16,528	182,484
Bank overdraft	(14,146)	(57,990)

  

<b>9 Creditors</b>	<b>30.06.21</b>	<b>30.06.20</b>
	<b>£</b>	<b>£</b>
Amounts payable on cancellation of shares	55,016	55,172
Amounts payable on purchases of securities	133	133
<b>Amounts payable to the ACD, associates of the ACD and agents of either of them:</b>		
ACD's periodic charge	18,146	30,937
<b>Payable to the depositary, associates of the depositary and agents of either of them:</b>		
Transaction charges	130	2,130
Safe custody and other bank charges	262	1,044
	392	3,174
Other accrued expenses	9,130	11,769
	<b>82,817</b>	<b>101,185</b>

**10 Shares held**

**Class R Sterling net income Shares**

<b>Opening Shares at 30.06.20</b>	<b>59,614</b>
Shares issued during the year	-
Shares cancelled during the year	(34,614)
Shares converted during the year	-
<b>Closing Shares as at 30.06.21</b>	<b>25,000</b>

**Class F Sterling net income Shares**

<b>Opening Shares at 30.06.2020</b>	<b>7,084,870</b>
Shares issued during the year	14,804
Shares cancelled during the year	(809,365)
Shares converted during the year	-
<b>Closing Shares as at 30.06.21</b>	<b>6,290,309</b>

**Class R Sterling net accumulation Shares**

<b>Opening Shares at 30.06.2020</b>	<b>95,511</b>
Shares issued during the year	5,931
Shares cancelled during the year	(49,160)
Shares converted during the year	-
<b>Closing Shares as at 30.06.21</b>	<b>52,282</b>

**Class F Sterling net accumulation Shares**

<b>Opening Shares at 30.06.2020</b>	<b>3,901,337</b>
Shares issued during the year	170,013
Shares cancelled during the year	(1,955,959)
Shares converted during the year	-
<b>Closing Shares as at 30.06.21</b>	<b>2,115,391</b>

**11 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 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, and managed by the diversification of the portfolio.

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 2021 would have increased/decreased by £1,612,526 (2020: £1,779,297).

NOTES TO THE FINANCIAL STATEMENTS (Continued)

11 Risk management policies (continued)

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.

During the year the Sub-fund's direct exposure to interest rates consisted of cash and bank balances.

The amount of revenue receivable from bank balances or payable on bank overdrafts will be affected by fluctuations in interest rates.

The Sub-fund would not in normal market conditions hold significant cash balances and would have limited borrowing capabilities as stipulated in the COLL rules. However the risk is not actively managed.

Derivative contracts are not used to hedge against the exposure to interest rate risk.

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

<b>30.06.21</b>			
<b>Currency</b>	<b>Floating rate financial assets</b>	<b>Financial assets not carrying interest</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Sterling	16,528	16,292,641	16,309,169
Total	16,528	16,292,641	16,309,169
	<b>Floating rate financial liabilities</b>	<b>Financial liabilities not carrying interest</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Sterling	(14,146)	(128,882)	(143,028)
USD	-	(229)	(229)
Total	(14,146)	(129,111)	(143,257)

<b>30.06.20</b>			
<b>Currency</b>	<b>Floating rate financial assets</b>	<b>Financial assets not carrying interest</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Sterling	182,484	17,880,627	18,063,111
Total	182,484	17,880,627	18,063,111
	<b>Floating rate financial liabilities</b>	<b>Financial liabilities not carrying interest</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Sterling	(57,990)	(118,505)	(176,495)
Total	(57,990)	(118,505)	(176,495)

**11 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 Sub-fund's investment portfolio is invested in equities, some of which can be registered overseas and the balance sheet can be affected by movements in foreign exchange rates. The ACD may seek to manage exposure to currency movements for equities and any bank accounts held in foreign currencies 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	
	£		£		£	
	30.06.21	30.06.20	30.06.21	30.06.20	30.06.21	30.06.20
Sterling	40,886	93,649	16,125,255	17,792,967	16,166,141	17,886,616
USD	(229)	-	-	-	(229)	17,886,616
Total	40,657	93,649	16,125,255	17,792,967	16,165,912	35,773,233

**Maturity of financial liabilities**

The financial liabilities of the Sub-fund as at 30 June 2021 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.

## NOTES TO THE FINANCIAL STATEMENTS (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:

A Fair value based on a quoted price for an identical instrument in an active market.

B Fair value based on the price of a recent transaction for an identical instrument.

C1 Fair value based on a valuation technique using observable market data.

C2 Fair value based on a valuation technique that relies significantly on non-observable market data.

### 2021

Valuation Technique	Assets (£000's)	Liabilities (£000's)
A Quoted prices for identical instruments in active	16,125	-
Total	16,125	-

### 12 Contingent assets and liabilities

At 30 June 2021, the Sub-fund had no contingent liabilities or commitments (30 June 2020: £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 2021. Since that date, the Sub-fund's quoted price has moved as follows for each share class:

Share class	Price at 30 June 2021	Price at 29 October 2021
Class R Sterling net income Shares	160.7873p	164.2185p
Class R Sterling net accumulation Shares	215.5056p	221.2704p
Class F Sterling net income Shares	176.2840p	180.5794p
Class F Sterling net accumulation Shares	234.0658p	241.0407p

### 14 Direct transaction costs

	2021		2020	
	£	% of total purchases	£	% of total purchases
<b>Analysis of total purchase costs</b>				
Purchases in the year before transaction costs	1,119,077		18,124,061	
Commissions	404	0.04%	6,062	0.03%
Taxes	4,992	0.44%	84,484	0.46%
Levies	9	0.00%	57	0.00%
Total purchase costs	5,405	0.48%	90,603	0.49%
Total purchases including transaction costs	<u>1,124,482</u>		<u>18,214,664</u>	

14 Direct transaction costs (Continued)

	£	% of total sales	£	% of total sales
<b>Analysis of total sale costs</b>				
Sales in the year before transaction costs	6,098,342		39,465,034	
Commissions	(2,313)	(0.04%)	(14,603)	(0.04%)
Taxes	(3)	(0.00%)	-	(0.00%)
Levies	(39)	(0.00%)	(210)	(0.00%)
Total sale costs	<u>(2,355)</u>	<u>(0.04%)</u>	<u>(14,813)</u>	<u>(0.04%)</u>
Total sales net of transaction costs	<u>6,095,987</u>		<u>39,450,221</u>	

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

	2021 £	% of average net asset value	2020 £	% of average net asset value
Commissions	2,717	0.02%	20,665	0.12%
Taxes	4,995	0.03%	84,484	0.47%
Levies	48	0.00%	267	0.00%
	<u>7,760</u>	<u>0.05%</u>	<u>105,416</u>	<u>0.59%</u>

## DISTRIBUTION TABLES

### First Interim distribution

Group 1: Shares purchased on or prior to 1 July 2020

Group 2: Shares purchased on or after 01 July 2020 and on or before 30 September 2020

01 July 2020 to 30 September 2020

	Net revenue (pence)	Equalisation (pence)	Paid/Accumulated 30.11.20 (pence)	Paid/Accumulated 30.11.19 (pence)
<b>Class R Sterling net income Shares</b>				
Group 1	0.7462	0.0000	<b>0.7462</b>	<b>2.0926</b>
Group 2	0.7462	0.0000	<b>0.7462</b>	<b>2.0926</b>
<b>Class F Sterling net income Shares</b>				
Group 1	0.8118	0.0000	<b>0.8118</b>	<b>2.2549</b>
Group 2	0.5106	0.3012	<b>0.8118</b>	<b>2.2549</b>
<b>Class R Sterling net accumulation Shares</b>				
Group 1	0.9817	0.0000	<b>0.9817</b>	<b>2.6564</b>
Group 2	0.7755	0.2062	<b>0.9817</b>	<b>2.6564</b>
<b>Class F Sterling net accumulation Shares</b>				
Group 1	1.0580	0.0000	<b>1.0580</b>	<b>2.8367</b>
Group 2	0.5971	0.4609	<b>1.0580</b>	<b>2.8367</b>

### Second Interim distribution

Group 1: Shares purchased on or prior to 1 October 2020

Group 2: Shares purchased on or after 01 October 2020 and on or before 31 December 2020

01 October 2020 to 30 December 2020

	Net revenue (pence)	Equalisation (pence)	Paid/Accumulated 28.02.21 (pence)	Paid/Accumulated 28.02.20 (pence)
<b>Class R Sterling net income Shares</b>				
Group 1	0.4638	0.0000	<b>0.4638</b>	<b>1.4538</b>
Group 2	0.4638	0.0000	<b>0.4638</b>	<b>1.4538</b>
<b>Class F Sterling net income Shares</b>				
Group 1	0.5055	0.0000	<b>0.5055</b>	<b>1.5697</b>
Group 2	0.1321	0.3734	<b>0.5055</b>	<b>1.5697</b>
<b>Class R Sterling net accumulation Shares</b>				
Group 1	0.6136	0.0000	<b>0.6136</b>	<b>1.8693</b>
Group 2	0.2044	0.4092	<b>0.6136</b>	<b>1.8693</b>
<b>Class F Sterling net accumulation Shares</b>				
Group 1	0.6624	0.0000	<b>0.6624</b>	<b>2.0001</b>
Group 2	0.1743	0.4881	<b>0.6624</b>	<b>2.0001</b>

**DISTRIBUTION TABLES (Continued)**

**Third Interim distribution**

Group 1: Shares purchased on or prior to 1 January 2021

Group 2: Shares purchased on or after 01 January 2021 and on or before 31 March 2021

01 January 2021 to 31 March 2021

	<b>Net revenue (pence)</b>	<b>Equalisation (pence)</b>	<b>Paid/Accumulated 28.05.21 (pence)</b>	<b>Paid/Accumulated 29.05.20 (pence)</b>
<b>Class R Sterling net income Shares</b>				
Group 1	0.8827	0.0000	<b>0.8827</b>	<b>1.4748</b>
Group 2	0.8827	0.0000	<b>0.8827</b>	<b>1.4748</b>
<b>Class F Sterling net income Shares</b>				
Group 1	0.9648	0.0000	<b>0.9648</b>	<b>1.5969</b>
Group 2	0.7817	0.1831	<b>0.9648</b>	<b>1.5969</b>
<b>Class R Sterling net accumulation Shares</b>				
Group 1	1.1712	0.0000	<b>1.1712</b>	<b>1.9122</b>
Group 2	0.2885	0.8827	<b>1.1712</b>	<b>1.9122</b>
<b>Class F Sterling net accumulation Shares</b>				
Group 1	1.2682	0.0000	<b>1.2682</b>	<b>2.0517</b>
Group 2	0.7328	0.5354	<b>1.2682</b>	<b>2.0517</b>

**Final distribution**

Group 1: Shares purchased on or prior to 1 April 2021

Group 2: Shares purchased on or after 01 April 2021 and on or before 30 June 2021

01 April 2021 to 30 June 2021

	<b>Net revenue (pence)</b>	<b>Equalisation (pence)</b>	<b>Paid/Accumulated 31.08.21 (pence)</b>	<b>Paid/Accumulated 31.08.20 (pence)</b>
<b>Class R Sterling net income Shares</b>				
Group 1	0.6697	0.0000	<b>0.6697</b>	<b>0.2550</b>
Group 2	0.6697	0.0000	<b>0.6697</b>	<b>0.2550</b>
<b>Class F Sterling net income Shares</b>				
Group 1	0.7333	0.0000	<b>0.7333</b>	<b>0.2423</b>
Group 2	0.3136	0.4197	<b>0.7333</b>	<b>0.2423</b>
<b>Class R Sterling net accumulation Shares</b>				
Group 1	0.8939	0.0000	<b>0.8939</b>	<b>0.3144</b>
Group 2	0.1846	0.7093	<b>0.8939</b>	<b>0.3144</b>
<b>Class F Sterling net accumulation Shares</b>				
Group 1	0.9698	0.0000	<b>0.9698</b>	<b>0.3411</b>
Group 2	0.6471	0.3227	<b>0.9698</b>	<b>0.3411</b>

## **DISTRIBUTION TABLES (Continued)**

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### **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) 99.99% of the total dividend allocation together with the tax credit is received as franked investment income.
- ii) 0.01% 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

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<b>Sub-fund name</b>	VT Garraway Asian Centric Global Growth Fund	
<b>Size of Sub-Fund</b>	£11,946,096	
<b>Launch date</b>	19 July 2019	
<b>Investment objective and policy</b>	<p>The aim of the Sub-fund is to provide a combination of capital growth and income over the longer term (5 years).</p> <p>The Sub-fund will invest primarily (at least 70%) in international equity securities with a focus (c.40%) on companies which are listed in Asia. The Sub-fund may also invest in other types of transferable securities (including ETFs), bonds, precious metal exchange traded funds and indirectly via collective investment schemes (including those managed and/or operated by the ACD or Investment Manager). Investment in collective investment schemes will also provide the Sub-fund with indirect exposure to other asset classes such as commodities. The Sub-fund may also invest in money market instruments, deposits, cash and near cash. Save as noted above in respect of a focus on Asia, the Fund will not have any particular geographic or industry or economic sector focus and as such weightings in these may vary as required.</p>	
<b>Use of Derivatives, impact on risk profile and volatility:</b>	<p>The Sub-fund may hold derivatives only for efficient portfolio management purposes. It is not intended that the use of derivatives for efficient portfolio management purposes will increase the risk profile of the Sub-fund.</p>	
<b>Benchmark:</b>	<p>The Sub-fund does not have a specific benchmark. The performance of the Sub-fund can be measured by considering whether the objective is achieved (i.e. whether there has been capital growth and income over at least a five year period).</p>	
<b>ISA:</b>	<p>It is intended that the Sub-fund will be managed so as to ensure that Shares in the Sub-Fund constitute qualifying investments for the purposes of the HM Revenue &amp; Customs regulations governing Individual Savings Accounts as they apply from time to time.</p>	
<b>Ex-distribution dates</b>	30 June, 30 September, 31 December and 31 March	
<b>Distribution dates</b>	31 August, 30 November, last day of February, 31 May	
<b>Share Classes</b>	Class R Sterling net income Shares	
<b>Minimum Initial Investment:</b>	Class R Sterling net income Shares	£100
<b>Minimum Subsequent Investment:</b>	Class R Sterling net income Shares	£100
<b>Minimum Holding:</b>	Class R Sterling net income Shares	£100
<b>Minimum Partial Redemption:</b>	Class R Sterling net income Shares	£100
<b>Preliminary Charge:</b>	Class R Sterling net income Shares	Nil
<b>Annual Management Charge:</b>	Class R Sterling net income Shares	0.70%

The annual management charge may be waived at the discretion of the ACD.

## INVESTMENT ADVISER'S REVIEW

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During the period under review the net asset value rose 26.3%. For comparative purposes the MSCI AC World Index rose 24.9% over the same period.

Global and Asian equities continued to rally throughout the period under review although this masks a significant change in market leadership in November 2020 when Pfizer and BioNTech announced the successful development of their vaccine against COVID-19. Prior to this announcement, growth stocks had trounced value stocks, since an obvious consequence of the pandemic had been the accelerated adoption of new technologies such as digital payments, online shopping, video conferencing and other themes relating to remote working. Conversely 'old economy' stocks had languished and, with the prospect of a vaccine roll out and a broad economic recovery, investors turned their attention to these laggards. Towards the end of the period under review growth stocks returned to favour.

In terms of contribution to returns PayPal (+49.7%), Taiwan Semiconductor Manufacturing Company (+83.7%), eMemory (Taiwan, a leading developer of logic non-volatile memory +160.3%) and MOMO.COM (Taiwan, the leading online retailer +149.7%) each generated over 200bps to overall portfolio returns. This reflects your manager's overwhelming preference for high quality growth stocks although, interestingly, the next three largest contributors to returns (each generating over 100bps to returns) were JD Sports Fashion (+47.9%), China Merchants Bank (+72.0%) and JNBY (Chinese apparel designer and offline retailer +73.9%). It is wonderful when a growth, or 'best in class', stock trading as a value stock can be identified!

The increasingly successful roll out of vaccines across the developed world as 2021 unfolds, which implies a faster return to economic normalcy, has been one significant factor helping developed equity markets outperform their Asian and Emerging peers thus far this year. The other factor, we would argue, is due to the effective tightening of monetary policy in China earlier this year. The People's Bank of China continues to follow an orthodox monetary policy where policy is tightened when either or both markets and/or the economy overheat. This consequences of this recent tightening can be seen in recent softer service sector PMI releases (the Caixin China Services PMI Business Activity Index declined from 56.3 in April to 50.3 in June) and is further evidenced by the poor relative performance of both the consumer staple and consumer discretionary sectors thus far this year. While continued strength in exports offsets this weaker domestic demand profile to some extent, we were not surprised that the PBOC announced a 50bps cut in the reverse ratio requirement in early July which, all other things being equal, should benefit sentiment to equities in China and across the region.

Portfolio activity in developed markets has been relatively light. Roche (Switzerland, Health Care) was sold in 4Q20 and Reckitt Benckiser (United Kingdom, Consumer Staples) in 2Q21 while the only addition was Adyen (Netherlands, Information Technology) in 4Q20. Portfolio activity in Asia has been rather higher. We reduced our exposure to ASEAN markets (disposing of Megawide, Siam City Cement and Land and Houses) where the relatively high dependence on the tourist industry coupled with the slow roll out of vaccinations and a sharp rise in infection rates continue to blight the economic and market outlook. We switched from Indian private sector bank HDFC into the public sector unit State Bank of India in late 2020 and also opened positions in Larsen & Toubro and Reliance Industries. We opened positions in China's A share market, purchasing Sany Heavy Industries and China Yangtse Power Co while disposing of positions in China Overseas Land and China Mobile. More recent purchases include Hong Kong listed Meituan and Taiwan's Richwave and Century Iron and Steel Company.

Considering the 'risk on' nature of equity markets in the period under review it is unsurprising that our measured exposure to alternative investments did not contribute to returns. Garraway Financial Trends (+3.8%) inched higher while Gold Bullion Securities (-11.9%) appears to your manager to be consolidating the substantial gains registered between mid-2019 and mid-2020. The running yield of the Fund remains roughly 1%, lower than we had originally hoped but your manager believes it is the total return to shareholders that matters most. While inflationary pressures and fears of a second 'taper tantrum' cannot be dismissed out of hand, we are hopeful of making further progress over the next twelve months.

Henry Thornton, Malcolm Schembri & Tim Hall  
Garraway Capital Management LLP  
Investment Adviser to the Fund

08 July 2021

## PERFORMANCE RECORD

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### Financial Highlights

Class R Sterling net income Shares	Period from 19 July	
	Year to 30 June 2021	2019 to 30 June 2020 <sup>^</sup>
Changes in net assets per unit	GBP	GBP
Opening net asset value per unit	104.8309	100.0000
Return before operating charges	28.7488	7.0808
Operating charges (note 1)	(1.1914)	(1.0472)
Return after operating charges*	27.5574	6.0336
Distributions on income units	(1.3003)	(1.2027)
Closing net asset value per unit	131.0880	104.8309
*after direct transaction costs of:	0.087	0.297
Performance		
Return after charges	26.29%	(6.03%)
Other information		
Closing net asset value	£11,956,363	£9,633,549
Closing number of units	9,120,870	9,189,611
Operating charges (note 2)	1.01%	1.06%
Direct transaction costs	0.07%	0.29%
Prices		
Highest unit price	131.39	105.57
Lowest unit price	104.77	85.21

<sup>^</sup>Sub-fund launched 19 July 2019

1. The operating charges per unit 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 together with the ongoing charges included within the underlying Open Ended Investment Companies held within the Sub-fund's holdings.

### Risk and reward 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 it has experienced relatively high rises and falls in market prices historically. Please note that even the lowest risk class can lose money and that extreme market circumstances can mean you suffer severe losses in all cases.

## PORTFOLIO STATEMENT

As at 30 June 2021

Holding	Equities	Value £	% of net assets
10,600	Alibaba Group Holding Ltd (HKD)	216,708	1.81%
10,400	AIA Group Ltd	93,341	0.78%
798	Adobe Systems Inc	340,004	2.85%
1,277	Amadeus IT Group SA	64,807	0.54%
107	Amazon.com Inc	266,196	2.23%
243,900	Ayala Land Inc	129,888	1.09%
48	Adyen NV	84,963	0.71%
833	Becton Dickinson and Co	148,354	1.24%
32,000	China Merchants Bank Co Ltd	196,844	1.65%
40,900	China Yangtze Power Co Ltd	94,323	0.79%
28,000	Century Iron And Steel Industrial Co Ltd	97,156	0.81%
153,000	CNOOC Ltd	125,630	1.05%
1,895	Coloplast A/S	228,353	1.91%
3,419	Diageo PLC	119,135	1.00%
1,188	Edwards Lifesciences Corp	88,780	0.74%
670	Estee Lauder Companies Inc	153,470	1.28%
7,000	eMemory Technology Inc	241,534	2.02%
1,150	Facebook Inc	291,891	2.44%
792	Garraway Financial Trends A-GBP	797,079	6.67%
3,982	Gold Bullion Securities Ltd	470,228	3.94%
11,981	Hanon Systems	126,956	1.06%
2,200	Hong Kong Exchanges and Clearing Ltd	94,634	0.79%
399	IDEXX Laboratories Inc	183,320	1.53%
400	Illumina Inc	138,318	1.16%
451	Intuit Inc	159,847	1.34%
200	Intuitive Surgical Inc	132,870	1.11%
247,000	JNBY Design Ltd	315,693	2.64%
41,083	JD Sports Fashion PLC	376,402	3.15%
94,500	Johnson Electric Holdings Ltd	176,213	1.48%
1,723	Kone Oyj	101,953	0.85%
1,814	KT&G Corp	97,936	0.82%
539	Masimo Corp	96,050	0.80%
1,105	Mastercard Inc	293,334	2.46%
1,700	Meituan Dianping	50,577	0.42%
187	MSCI Inc	73,129	0.61%
322,500	My EG Services Bhd	100,064	0.84%
7,337	Larsen & Toubro Ltd	105,933	0.89%
167	LG Household & Healthcare Ltd	187,957	1.57%
488	LOreal SA (Loyalty Bonus 2023)	158,035	1.32%
58,000	Minth Group Ltd	198,525	1.66%
2,247	Microsoft Corp	439,901	3.68%
6,000	Momo Com Inc	295,423	2.47%
1,880	Novo Nordisk A/S	114,514	0.96%
5,000	Parade Technologies Ltd	178,986	1.50%
2,716	PayPal Holdings Inc	573,539	4.80%
1,055	PepsiCo Inc	111,843	0.94%
2,022	Philip Morris International Inc	142,856	1.20%
2,190	Reliance Industries Ltd	90,641	0.76%
8,000	RichWave Technology Corp	100,129	0.84%
573	Roper Technologies Inc	193,348	1.62%
709	Salesforce.Com Inc	125,723	1.05%
5,011	Samsung Electronics Co Ltd	258,687	2.17%
23,600	Sany Heavy Industry Co Ltd	76,650	0.64%
3,221	State Bank of India	130,118	1.09%
1,599	Starbucks Corp	129,512	1.08%
633	Stryker Corp	118,938	1.00%

**PORTFOLIO STATEMENT (Continued)**

	Value £	% of net assets
10,000 Sunny Optical Technology Group Co Ltd	227,849	1.91%
16,000 Taiwan Semiconductor Manufacturing Co Ltd	245,850	2.06%
4,000 Tencent Holdings Ltd	217,074	1.82%
2,886 Unilever PLC	122,215	1.02%
1,029 Veeva Systems Inc	237,577	1.99%
1,736 Visa Inc	295,486	2.47%
<b>Portfolio of investments 99.14% (30.06.20: 98.53%)</b>	<b>11,843,289</b>	<b>99.14%</b>
<b>Net other assets 0.95% (30.06.20: 1.53%)</b>	113,072	0.95%
<b>Adjustment to revalue assets from Mid to Bid prices (0.09%) (30.06.20: 0.06%)</b>	(10,265)	(0.09%)
	<b>11,946,096</b>	<b>100.00%</b>

## SUMMARY OF MATERIAL PORTFOLIO CHANGES

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	£
<b>Total sales for the year (note 14)</b>	<b>2,259,607</b>
Alibaba Group Holding Ltd	267,569
Amadeus IT Group SA	36,033
Astra International Tbk PT	67,878
Ayala Corp	125,630
China Merchants Bank Co Ltd	90,961
China Mobile Ltd	55,914
China Overseas Land & Investment Ltd	73,934
eMemory Technology Inc	162,270
Estee Lauder Companies Inc	79,724
Haier Electronics Group Co Ltd	90,101
Hanon Systems	38,373
HDFC Bank Ltd	202,403
Land and Houses PCL	93,640
Megawide Construction Corp	46,332
Minth Group Ltd	19,382
Momo Com Inc	150,156
MSCI Inc	26,644
Philip Morris International Inc	46,355
Reckitt Benckiser Group PLC	123,669
Roche Holding AG	41,216
Siam City Cement PCL	117,325
Taiwan Semiconductor Manufacturing Co Ltd	198,418
Tencent Holdings Ltd	105,680

The above analysis represents all of the sales of investments for the period.

**SUMMARY OF MATERIAL PORTFOLIO CHANGES (Continued)**

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	£
<b>Total purchases for the year (note 14)</b>	<b>2,106,903</b>
Adobe Systems Inc	32,680
Adyen NV	67,842
AIA Group Ltd	79,481
Alibaba Group Holding Ltd (HKD)	269,167
Amazon.com Inc	76,255
Ayala Land Inc	127,328
Century Iron And Steel Industrial Co Ltd	97,568
China Yangtze Power Co Ltd	91,536
CNOOC Ltd	68,211
Facebook Inc	138,495
Garraway Financial Trends A-GBP	110,944
Hong Kong Exchanges and Clearing Ltd	79,270
JD Sports Fashion PLC	30,115
Johnson Electric Holdings Ltd	31,168
KT&G Corp	101,784
Larsen & Toubro Ltd	83,740
Meituan Dianping	49,658
Novo Nordisk A/S	30,294
Reliance Industries Ltd	94,835
RichWave Technology Corp	93,499
Roper Technologies Inc	83,638
Sany Heavy Industry Co Ltd	90,753
Siam City Cement PCL	58,783
State Bank of India	84,419
Veeva Systems Inc	35,440

The above analysis represents all of the Purchases of investments for the period.

## STATEMENT OF TOTAL RETURN

For the year to 30 June 2021

	Notes	2021 £	2020 £
Income			
Net capital gains	2	2,498,584	538,991
Revenue	3	136,071	110,926
Expenses	4	(106,523)	(92,691)
Finance costs: Interest	6	(480)	-
Net revenue before taxation		<u>29,068</u>	<u>18,235</u>
Taxation	5	<u>(16,807)</u>	<u>(9,885)</u>
Net revenue after taxation		<u>12,261</u>	<u>8,350</u>
Total return before distributions		2,510,845	547,341
Finance costs: Distributions	6	<u>(118,784)</u>	<u>(110,926)</u>
<b>Changes in net assets attributable to shareholders from investment activities</b>		<u>2,392,061</u>	<u>436,415</u>

## STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the year to 30 June 2021

	2021 £	2020 £
<b>Opening net assets attributable to shareholders</b>	9,627,638	-
Amounts receivable on creation of shares	2,996	9,271,672
Amounts payable on cancellation of shares	(76,599)	(80,449)
Changes in net assets attributable to shareholders from investment activities	2,392,061	436,415
<b>Closing net assets attributable to shareholders</b>	<u>11,946,096</u>	<u>9,627,638</u>

## BALANCE SHEET

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As at 30 June 2021		30.06.21		30.06.20	
	Notes	£	£	£	£
<b>FIXED ASSETS</b>					
Investment assets			11,833,024		9,479,963
<b>Current Assets</b>					
Debtors	7	243,852		80,549	
Cash and bank balances	8	59,721		128,602	
<b>Total other assets</b>			<u>303,573</u>		<u>209,151</u>
<b>Total assets</b>			<u>12,136,597</u>		<u>9,689,114</u>
<b>LIABILITIES</b>					
<b>Creditors</b>					
Distribution payable on income shares		(38,992)		(45,735)	
Other creditors	9	(48,649)		(15,741)	
Bank overdraft	8	(102,860)		-	
<b>Total liabilities</b>			<u>(190,501)</u>		<u>(61,476)</u>
<b>Net assets attributable to shareholders</b>			<u>11,946,096</u>		<u>9,627,638</u>

## NOTES TO THE FINANCIAL STATEMENTS

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### 1 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 the amendments to the SORP issued by the IA in June 2017. The functional currency of the Sub-fund is Sterling.

(b) Dividends on holdings, net of any irrecoverable tax credits, are recognised when the underlying transferable security is quoted ex-dividend. Bank interest is accounted for on an accruals basis.

(c) Stock dividends are credited to the capital account when the stock is quoted ex-dividend. The cash equivalent is then transferred to the revenue account and forms part of the distributable revenue. The allocation of special dividends is considered on a case-by-case basis.

(d) All expenses, net of any associated tax effect, are charged to the capital account. Expenses are recognised on the accruals basis.

(e) Any assets or liabilities not attributable to a particular share class are allocated by the ACD in a manner which is considered fair to shareholders in general, usually pro-rata based on the net asset values of the relevant share classes.

(f) Corporation tax is provided for on taxable revenue, less deductible expenses, at a rate of 20.00%. 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.

(g) Revenue produced by the Sub-fund's investments accrues quarterly. At the end of each period, the net revenue plus an adjustment for expenses allocated to capital, is accumulated/distributed as per the Prospectus.

(h) All transactions in foreign currencies are converted into Sterling at the rates of exchange ruling at the date of such transactions. Foreign currency assets and liabilities at the end of the accounting period are translated at the exchange rates at the closing valuation point on 30 June 2021.

(i) The investments are valued at closing bid prices on the balance sheet date. If closing prices are not available, the latest available prices are used.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

<b>2 Net capital gains</b>	<b>2021</b>	<b>Period from 19.07.19 to 30.06.20</b>
	<b>£</b>	<b>£</b>
The net capital gains comprise:		
Non-derivative securities gains	2,505,257	588,950
Currency losses	(15,053)	(47,547)
Transaction charges	(1,338)	(2,412)
Rebates from underlying holdings	9,718	-
<b>Total net capital gains</b>	<b>2,498,584</b>	<b>538,991</b>
<b>3 Revenue</b>	<b>2021</b>	<b>Period from 19.07.19 to 30.06.20</b>
	<b>£</b>	<b>£</b>
UK dividends	8,648	10,207
Overseas dividends	127,422	100,210
Bank interest	1	509
<b>Total revenue</b>	<b>136,071</b>	<b>110,926</b>
<b>4 Expenses</b>	<b>2021</b>	<b>Period from 19.07.19 to 30.06.20</b>
	<b>£</b>	<b>£</b>
<b>Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director, and agents of either of them:</b>		
ACD fee	74,021	60,093
<b>Payable to the depositary, associates of the depositary, and agents of either of them:</b>		
Depositary fee	18,074	16,989
Safe custody fee	2,600	1,590
	<u>20,674</u>	<u>18,579</u>
<b>Other expenses:</b>		
Audit fee	6,669	8,171
FCA fee	58	71
Other fees and subscriptions	5,100	5,777
	<u>11,827</u>	<u>14,019</u>
<b>Total expenses</b>	<b>106,523</b>	<b>92,691</b>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5 Taxation	2021 £	Period from 19.07.19 to 30.06.20 £
<b>(a) Analysis of charge in the period</b>		
Irrecoverable overseas withholding tax	16,807	9,885
Total tax charge for the period (note 5b)	16,807	9,885
<b>(b) Factors affecting current tax charge for the period</b>		
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% (2019: 20.00%) The differences are explained below:		
Net revenue before UK corporation tax	29,068	18,235
Corporation tax at 20.00% (2020: 20.00%)	5,814	3,647
<u>Effects of:</u>		
Revenue not subject to UK corporation tax	(27,214)	(22,083)
Tax effect of rebates in capital	1,944	-
Excess management expenses	19,456	18,436
Irrecoverable overseas withholding tax	16,807	9,885
Total tax charge for period (note 5a)	16,807	9,885
<b>(c) Provision for deferred taxation</b>		
At 30 June 2021 there is a potential deferred tax asset of £37,893 (30 June 2020: £18,436) 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.		
<b>6 Finance costs</b>		
	2021 £	Period from 19.07.19 to 30.06.20 £
<u>Interim dividend distributions</u>		
September	28,082	19,867
December	33,575	27,460
March	17,940	17,858
Final dividend distribution (June)	38,992	45,735
	118,589	110,920
Add: Revenue deducted on cancellation of shares	200	6
Deduct: Revenue received on issue of shares	(5)	-
<b>Net distribution for the period</b>	118,784	110,926
Interest payable and similar charges	480	-
<b>Total finance costs</b>	119,264	110,926
<b>Reconciliation of distributions</b>		
Net revenue after taxation	12,261	8,350
Expenses paid from capital	106,523	102,576
<b>Net distribution for the period</b>	118,784	110,926
<b>7 Debtors</b>		
	30.06.21 £	30.06.20 £
Amounts receivable on sale of securities	231,576	59,120
Dividends receivable	10,297	21,021
Income tax recoverable	-	388
Prepayments	42	20
Rebates	1,937	-
Total debtors	243,852	80,549

NOTES TO THE FINANCIAL STATEMENTS (Continued)

<b>8 Cash and bank balances</b>	<b>30.06.21</b>	<b>30.06.20</b>
	£	£
Cash and bank balances	59,721	128,602
Bank overdraft	<u>(102,860)</u>	<u>-</u>
<b>9 Creditors</b>	<b>30.06.21</b>	<b>30.06.20</b>
	£	£
Amounts payable on purchase of securities	30,294	-
<b>Amounts payable to the ACD, associates of the ACD and agents of either of them:</b>		
ACD's periodic charge	7,304	5,775
<b>Payable to the depositary, associates of the depositary and agents of either of them:</b>		
Depositary fee	1,627	1,475
Transaction charges	-	8
Safe custody and other bank charges	<u>1,017</u>	<u>180</u>
	2,644	1,663
Other accrued expenses	<u>8,407</u>	<u>8,303</u>
	<u>48,649</u>	<u>15,741</u>

**10 Shares held**

**Class R Sterling net income Shares**

**Opening Shares at 30.06.20**

**9,189,611**

Shares issued during the period

2,480

Shares cancelled during the period

(71,222)

Shares converted during the period

-

**Closing Shares as at 30.06.21**

**9,120,870**

**11 Risk management policies**

In pursuing its investment objective as stated on page 31, 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, and managed by the diversification of the portfolio.

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 2021 would have increased/decreased by £1,183,302 (2020: £947,996).

NOTES TO THE FINANCIAL STATEMENTS (Continued)

11 Risk management policies (continued)

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.

During the year the Sub-fund's direct exposure to interest rates consisted of cash and bank balances.

The amount of revenue receivable from bank balances or payable on bank overdrafts will be affected by fluctuations in interest rates.

The Sub-fund would not in normal market conditions hold significant cash balances and would have limited borrowing capabilities as stipulated in the COLL rules. However the risk is not actively managed.

Derivative contracts are not used to hedge against the exposure to interest rate risk.

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

<b>30.06.21</b>			
<b>Currency</b>	<b>Floating rate financial assets</b>	<b>Financial assets not carrying interest</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Sterling	28,180	1,658,575	1,686,755
US Dollar	-	5,530,101	5,530,101
Euro	-	409,689	409,689
Indonesian Rupiah	31,537	-	31,537
Philippine Peso	-	129,708	129,708
Hong Kong Dollar	-	1,910,984	1,910,984
Danish Krone	-	342,791	342,791
New Taiwan Dollar	-	1,153,340	1,153,340
Korean Won	-	670,967	670,967
Chinese Yuan	-	170,937	170,937
Malaysian Ringgit	-	99,784	99,784
Swiss Franc	-	-	-
Indian Rupee	4	-	4
<b>Total</b>	<b>59,721</b>	<b>12,076,876</b>	<b>12,136,597</b>
	<b>Floating rate financial liabilities</b>	<b>Financial liabilities not carrying interest</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Sterling	(102,860)	(87,641)	(190,501)
<b>Total</b>	<b>(102,860)</b>	<b>(87,641)</b>	<b>(190,501)</b>
<b>30.06.20</b>			
<b>Currency</b>	<b>Floating rate financial assets</b>	<b>Financial assets not carrying interest</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Sterling	128,602	1,325,419	1,454,021
US Dollar	-	4,483,801	4,483,801
Euro	-	308,636	308,636
Indonesian Rupiah	-	74,866	74,866
Philippine Peso	-	193,944	193,944
Hong Kong Dollar	-	1,387,636	1,387,636
Danish Krone	-	308,843	308,843
New Taiwan Dollar	-	766,509	766,509
Korean Won	-	429,002	429,002
Thai Baht	-	151,015	151,015
Malaysian Ringgit	-	86,500	86,500
Swiss Franc	-	44,341	44,341
<b>Total</b>	<b>128,602</b>	<b>9,560,512</b>	<b>9,689,114</b>
	<b>Floating rate financial liabilities</b>	<b>Financial liabilities not carrying interest</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Sterling	-	(61,476)	(61,476)
<b>Total</b>	<b>-</b>	<b>(61,476)</b>	<b>(61,476)</b>

**NOTES TO THE FINANCIAL STATEMENTS (Continued)**

**11 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 Sub-fund's investment portfolio is invested in equities, some of which can be registered overseas and the balance sheet can be affected by movements in foreign exchange rates. The ACD may seek to manage exposure to currency movements for equities and any bank accounts held in foreign currencies 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.

Net currency assets and liabilities consist of:

	<b>Net monetary assets and liabilities</b>	<b>Non - monetary assets</b>	<b>Total net assets</b>
	<b>£</b>	<b>£</b>	<b>£</b>
	<b>30.06.21</b>	<b>30.06.21</b>	<b>30.06.21</b>
Sterling	81,531	1,414,723	1,496,254
US Dollars	-	5,530,101	5,530,101
Euros	-	409,689	409,689
Indonesian Rupiah	31,537	-	31,537
Philippine Peso	-	129,708	129,708
Hong Kong Dollar	-	1,910,984	1,910,984
Danish Krone	-	342,791	342,791
New Taiwan Dollar	-	1,153,340	1,153,340
Korean Won	-	670,967	670,967
Chinese Yuan	-	170,937	170,937
Malaysian Ringgit	-	99,784	99,784
Swiss Francs	-	-	-
Indian Rupee	4	-	4
<b>Total</b>	<b>113,072</b>	<b>11,833,024</b>	<b>11,946,096</b>

	<b>Net monetary assets and</b>	<b>Non - monetary assets</b>	<b>Total net assets</b>
	<b>£</b>	<b>£</b>	<b>£</b>
	<b>30.06.20</b>	<b>30.06.20</b>	<b>30.06.20</b>
Sterling	147,675	1,244,870	1,392,545
US Dollars	-	4,483,801	4,483,801
Euros	-	308,636	308,636
Indonesian Rupiah	-	74,866	74,866
Philippine Peso	-	193,944	193,944
Hong Kong Dollar	-	1,387,636	1,387,636
Danish Krone	-	308,843	308,843
New Taiwan Dollar	-	766,509	766,509
Korean Won	-	429,002	429,002
Thai Baht	-	151,015	151,015
Malaysian Ringgit	-	86,500	86,500
Swiss Francs	-	44,341	44,341
<b>Total</b>	<b>147,675</b>	<b>9,479,963</b>	<b>9,627,638</b>

**11 Risk management policies (continued)**

**Maturity of financial liabilities**

The financial liabilities of the Sub-fund as at 30 June 2021 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:

- A Fair value based on a quoted price for an identical instrument in an active market.
- B Fair value based on the price of a recent transaction for an identical instrument.
- C1 Fair value based on a valuation technique using observable market data.
- C2 Fair value based on a valuation technique that relies significantly on non-observable market data.

**2021**

Valuation Technique	Assets (£000's)	Liabilities (£000's)
A Quoted prices for identical instruments in active markets	11,833	-
Total	11,833	-

**12 Contingent assets and liabilities**

At 30 June 2021, 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 2021. Since that date, the Sub-fund's quoted price has moved as follows for each share class:

Share class	Price at 30 June 2021	Price at 29 October 2021
Class R Sterling net income Shares	131.0880p	133.0873p

NOTES TO THE FINANCIAL STATEMENTS (Continued)

14 Direct transaction costs

	2021		2020	
	£	% of total purchases	£	% of total purchases
<b>Analysis of total purchase costs</b>				
Purchases in the period before transaction costs	2,103,985		9,932,680	
Commissions	1,827	0.09%	17,639	0.18%
Taxes	742	0.04%	4,450	0.04%
Levies	349	0.02%	1,077	0.01%
Total purchase costs	<u>2,918</u>	<u>0.14%</u>	<u>23,166</u>	<u>0.23%</u>
Total purchases	<u>2,106,903</u>		<u>9,955,846</u>	-

**Analysis of total sale**

	2021		2020	
	£	% of total sales	£	% of total sales
Sales in the year before transaction costs	2,264,462		10,272,576	
Commissions	(1,493)	(0.07%)	(1,794)	(0.02%)
Taxes	(1,700)	(0.08%)	(1,444)	(0.01%)
Levies	(1,662)	(0.07%)	(1,651)	(0.02%)
Total sale costs	<u>(4,855)</u>	<u>(0.21%)</u>	<u>(4,889)</u>	<u>(0.05%)</u>
Total sales net of	<u>2,259,607</u>		<u>10,267,687</u>	

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

	2021	% of average net	2020	% of average net
	£		£	
Commissions	3,320	0.03%	19,433	0.20%
Taxes	2,442	0.02%	5,894	0.06%
Levies	2,011	0.02%	2,728	0.03%
	<u>7,773</u>	<u>0.07%</u>	<u>28,055</u>	<u>0.29%</u>

## DISTRIBUTION TABLES

### First Interim distribution

Group 1: Shares purchased on or prior to 1 July 2020

Group 2: Shares purchased on or after 01 July 2020 and on or before 30 September 2020

01 July 2020 to 30 September 2020

Shares	Net revenue (pence)	Equalisation (pence)	Paid 30.11.20 (pence)	Paid 30.11.19 (pence)
<b>Class R Sterling net income Shares</b>				
Group 1	0.3079	-	<b>0.3079</b>	<b>0.2144</b>
Group 2	0.3079	-	<b>0.3079</b>	<b>0.2144</b>

### Second Interim distribution

Group 1: Shares purchased on or prior to 1 October 2020

Group 2: Shares purchased on or after 01 October 2020 and on or before 31 December 2020

01 October 2020 to 31 December 2020

Shares	Net revenue (pence)	Equalisation (pence)	Paid 28.02.21 (pence)	Paid 28.02.20 (pence)
<b>Class R Sterling net income Shares</b>				
Group 1	0.3682	-	<b>0.3682</b>	<b>0.2963</b>
Group 2	0.3682	-	<b>0.3682</b>	<b>0.2963</b>

### Third Interim distribution

Group 1: Shares purchased on or prior to 1 January 2021

Group 2: Shares purchased on or after 01 January 2021 and on or before 31 March 2021

01 January 2021 to 31 March 2021

Shares	Net revenue (pence)	Equalisation (pence)	Paid 31.05.21 (pence)	Paid 29.05.20 (pence)
<b>Class R Sterling net income Shares</b>				
Group 1	0.1967	-	<b>0.1967</b>	<b>0.1943</b>
Group 2	0.1967	-	<b>0.1967</b>	<b>0.1943</b>

### Final distribution

Group 1: Shares purchased on or prior to 1 April 2021

Group 2: Shares purchased on or after 01 April 2021 and on or before 30 June 2021

01 April 2021 to 30 June 2021

Shares	Net revenue (pence)	Equalisation (pence)	Paid 31.08.21 (pence)	Paid 31.08.20 (pence)
<b>Class R Sterling net income Shares</b>				
Group 1	0.4275	-	<b>0.4275</b>	<b>0.4977</b>
Group 2	0.2267	0.2008	<b>0.4275</b>	<b>0.4977</b>

## 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:

- 100.00% of the total dividend allocation together with the tax credit is received as franked investment income.
- 0.00% 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

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### Distribution

Distributions of the revenue of the Company will be made to shareholders on or before 31 August each year and interim allocations of revenue on or before 30 November, 28 February and 31 May.

### Taxation

The Company will pay no corporation tax on its profits for the year to 30 June 2021 and capital gains within the Company will not be taxed.

### Individual shareholders

HM Revenue & Customs changed the taxation of dividends on 6 April 2016. Dividend tax credits were abolished and replaced by a tax-free annual dividend allowance now standing at £2,000 (2021/22). UK resident shareholders are now subject to new, higher rates of tax on dividend income in excess of the annual allowance. The actual rate depends on the individual's tax rate band.

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. The first £12,300 (tax year 2021/22) 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.

### Debts of the ICVC fund

Unit holders of the ICVC are not liable for the debts of the ICVC.

### Issue and redemption of shares

Valu-Trac Investment Management Limited is the ACD and Registrar. Valu-Trac Investment Management Limited will receive requests for the purchase or sale of shares at any time during normal business hours. Instructions may be given by email to: garraway@Valu-Trac.com or by sending an application form to the Registrar. Application forms are available from the Registrar.

The price of shares will be determined by reference to a valuation of the Company's net assets at 12:00 noon every business day.

The ACD 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 ACD will return any money sent, or the balance of such monies, at the risk of the applicant. In addition the ACD may reject any application previously accepted in circumstances where the applicant has paid by cheque and that cheque subsequently fails to be cleared.

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

A contract note giving details of the shares purchased and the price used will be issued by the Registrar by the end of the business day following the valuation point by reference to which the purchase price is determined. Settlement is due four business days after the trade date shown on the contract note and should be made to the ACD's dealing account.

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 holding 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 ACD of a request for redemption. The ACD may at its discretion accept redemptions lower than the minimum amount.

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

## INFORMATION FOR INVESTORS (continued)

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### 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 price of shares are published daily on the Investment Association website at [www.investmentuk.org](http://www.investmentuk.org). 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 fund, so there are no quantitative disclosures in this report.

**CORPORATE DIRECTORY**

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<b>Authorised Corporate Director, Administrator &amp; Registrar</b>	Valu-Trac Investment Management Limited Orton Moray IV32 7QE  Telephone: 01343 880344 Fax: 01343 880267 Email: (garraway@Valu-Trac.com)  Authorised and regulated by the Financial Conduct Authority Registered in England No 2428648
<b>Director</b>	Valu-Trac Investment Management Limited as ACD
<b>Investment Adviser</b>	Garraway Capital Management LLP 6th Floor Becket House 36 Old Jewry London EC2R 8DD  Authorised and regulated by the Financial Conduct Authority
<b>Depositary</b>	NatWest Trustee and Depositary Services Limited House A Floor 0, 175 Glasgow Road Gogarburn Edinburgh EH12 1HQ  Authorised and regulated by the Financial Conduct Authority
<b>Auditor</b>	Johnston Carmichael LLP Chartered Accountants Commerce House South Street Elgin IV30 1JE

**Statement by the Authorised Fund Manager (AFM) to the shareholders of VT Garraway UK Equity Market Fund on the outcome of the AFM's assessment of the value provided to shareholders**

For the year ended 30 June 2021

This assessment is to establish what VT Garraway UK Equity Market Fund (the Fund) has delivered to you in return for the price you have had to pay.

The AFM is the Authorised Corporate Director of the Fund, Valu-Trac Investment Management Limited (Valu-Trac). The Investment Adviser is Garraway Capital Management LLP.

The Fund was launched on 29 May 2012.

The aim of the Fund is to provide a combination of capital growth and income.

The Fund will invest primarily in equity securities primarily of companies which are listed in the UK.

The Fund may also invest in other types of transferable securities and in companies which are not UK listed. At any one time, the Fund may invest in a relatively small number of securities. The Fund may invest in derivatives both for investment purposes and for efficient portfolio management. Derivatives may be used to create synthetic short positions in securities.

The Fund may also invest in money market instruments, collective investment schemes, deposits, cash and near cash.

	<b>At and for the year ended</b>				
	<b>30 June 2021<sup>1</sup></b>	<b>30 June 2020<sup>1</sup></b>	<b>30 June 2019<sup>1</sup></b>	<b>30 June 2018<sup>1</sup></b>	<b>30 June 2017<sup>1</sup></b>
<b>Value of Fund (per Performance record)</b>					
Class R Sterling net income Shares	£40k	£80k	£101k	£105k	£52k
Class R Sterling net accumulation Shares	£113k	£168k	£930k	£1,392k	£1,432k
Class F Sterling net income Shares	£11,089k	£10,297k	£24,287k	£30,785k	£36,283k
Class F Sterling net accumulation Shares	£4,951k	£7,390k	£21,984k	£21,657k	£24,568k
<b>Shares outstanding</b>					
Class R Sterling net income Shares	25k	60k	60k	60k	32k
Class R Sterling net accumulation Shares	52k	96k	434k	651k	746k
Class F Sterling net income Shares	6,290k	7,085k	13,379k	16,439k	21,031k
Class F Sterling net accumulation Shares	2,115k	3,901k	9,626k	9,582k	12,227k
<b>NAV per share</b>					
Class R Sterling net income Shares	160.79p	133.77p	168.66p	175.56p	163.33p
Class R Sterling net accumulation Shares	215.51p	175.98p	214.12p	213.86p	192.09p
Class F Sterling net income Shares	176.28p	145.33p	181.54p	187.26p	172.52p
Class F Sterling net accumulation Shares	234.07p	189.42p	228.38p	226.01p	200.93p

**Net gains/(losses) before expenses**

Capital gains/(losses)	£3,303k	(£6,876k)	(£1,620k)	£5,619k	£2,052k
Total Net gains/(losses)	£3,598k	(£5,650k)	£354k	£7,702k	£4,431k

*1 Sources of data is Valu-Trac Administration Services*

<b>Capital growth per share class</b>	<b>To 30 June 2021</b>	
	<b>1 year</b>	<b>5 years</b>
<b>Increase in NAV per share</b>		
Class R Sterling net income Shares	20.20%	0.08%
Class R Sterling net accumulation Shares	22.46%	17.86%
Class F Sterling net income Shares	21.30%	4.90%
Class F Sterling net accumulation Shares	23.57%	23.56%

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.

## 2. Performance

The AFM has assessed performance of the Fund net of all the charges that are outlined in its prospectus. The objective of the Fund is to provide a combination of capital growth and income.

The Fund does not have a specific benchmark. However, the performance of the Sub-fund can be measured by considering whether the objective is achieved (and as a broad comparison by looking at the total return of the FTSE 350).

Total returns, which encompass capital growth and dividend income, are shown in the table below for both the fund and the FTSE 350; this is after operating costs, including the fee paid to the investment manager, and transaction costs.

	<b>2021 performance</b>	<b>2021 Comparator Performance</b>	<b>5-year performance</b>	<b>5-year comparator performance</b>
Class R Sterling net income Shares	22.27%	16.81%	16.56%	12.76%
Class R Sterling net accumulation Shares	22.46%	16.81%	17.86%	12.76%
Class F Sterling net income Shares	23.37%	16.81%	21.74%	12.76%
Class F Sterling net accumulation Shares	23.57%	16.81%	23.56%	12.76%

*Total return basis has distributions added back in for the Income share class.*

The table below shows the Fund delivering income in each share class over the past five years. It should be noted that dividends fell in 2021 and 2020 compared to 2019, partly as a result of dividends being cut by the underlying holdings as a result of the Covid-19 pandemic.

<b>Dividend per share</b>	<b>30 June 2021</b>	<b>30 June 2020</b>	<b>30 June 2019</b>	<b>30 June 2018</b>	<b>30 June 2017</b>
Class R Sterling net income Shares	2.76p	5.27p	6.85p	6.06p	5.54p
Class R Sterling net accumulation Shares	3.66p	6.75p	8.46p	7.22p	6.38p
Class F Sterling net income Shares	3.02p	5.67p	7.34p	6.43p	5.83p
Class F Sterling net accumulation Shares	3.96p	7.23p	9.02p	7.69p	6.61p

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).

## 3. AFM costs - general

The costs charged during the year ended 30 June 2021 were as follows:

	<b>£</b>	<b>% of average fund value</b>
Investment manager's fee	108,842	0.68%
ACD fee	29,486	0.18%
Depositary fee	17,975	0.11%
Audit fee	6,214	0.04%
FCA fee	127	0.00%

Safe custody fee	672	0.00%
Transaction charges (custodian)	(1,048)	(0.01%)
Other expenses	9,615	0.06%
<b>Total costs</b>	<b>171,883</b>	<b>1.06%</b>

The gain for the year (capital and revenue) less costs was £3,425k; there was no taxation.

There were no preliminary charges or redemption charges. There was a dilution levy charge of £1,689 paid by shareholders during the year.

The ACD may require a dilution levy on the sale and redemption of Shares if, in its opinion, the existing Shareholders (for sales) or remaining Shareholders (for redemptions) might otherwise be adversely affected. In particular, the dilution levy may be charged in the following circumstances:

where the Scheme Property is in continual decline; on “large deals” (where the net issues or net redemptions of shares in a Fund at a particular dealing point exceed £500,000 or 5% of the size of the Fund, whichever is higher); in any case where the ACD is of the opinion that the interests of 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 UK All Companies sector, retail classes where available. This is shown below

	<b>Operating charges</b>
Class R	1.96%
Class F	1.06%
IA UK All Companies sector (average of 10 largest funds)	0.83%

Source – Morningstar

The AFM has concluded the costs, and in particular the Investment Manager’s fee is appropriate and justified for the Fund due to the skills and expertise of the investment manager to deliver the above results. 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 charged 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, excluding the Investment manager’s fee, 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 is aligned with its normal operating model.

## 7. Classes of units

As detailed below there are 4 share classes (income and accumulation for the Class R and Class F shares), available figures are given below. Each class of shares has its own rate for annual management charges which pays the Investment manager's fee and ACD fee, as detailed below,

	<b>At and for the year ended</b>				
	<b>30 June 2021</b>	<b>30 June 2020</b>	<b>30 June 2019</b>	<b>30 June 2018</b>	<b>30 June 2017</b>
<b>Operating charges</b>					
R Class	1.96%	1.88%	1.91%	1.91%	1.88%
F Class	1.06%	0.98%	0.93%	0.93%	0.88%

The R class shares have a 1.75% annual management charge. The R class is a class that rebates are paid on (predominantly offshore bond holdings through Old Mutual IOM policies). The net effect is that both classes pay the same annual management charge. F class shares have an annual management charge of 0.85% of the net asset value of those share classes but receive no rebates.

### CONCLUSION

In taking all of these criteria into consideration the AFM has assessed 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 concluded that the shareholders of VT Garraway UK Equity Market Fund have received good value.

29 October 2021

**Statement by the Authorised Fund Manager (AFM) to the shareholders of VT Garraway Asian Centric Global Growth Fund on the outcome of the AFM's assessment of the value provided to shareholders**

For the year ended 30 June 2021

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This assessment is to establish what VT Garraway Asian Centric Global Growth Fund (the Fund) has delivered to you in return for the price you have had to pay.

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

The Fund was launched on 19 July 2019

The investment objective of the Fund is to provide a combination of capital growth and income over the longer term (5 years).

The Fund will invest primarily (at least 70%) in international equity securities with a focus (c.40%) on companies which are listed in Asia.

The Fund may also invest in other types of transferable securities (including ETFs), bonds, precious metal exchange traded funds and indirectly via collective investment schemes (including those managed and/or operated by the ACD or Investment Manager). Investment in collective investment schemes will also provide the Fund with indirect exposure to other asset classes such as commodities.

The Fund may also invest in money market instruments, deposits, cash and near cash.

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

The Fund may hold derivatives only for efficient portfolio management purposes. It is not intended that the use of derivatives for efficient portfolio management purposes will increase the risk profile of the Fund.

	<b>At and for the year ended<sup>1</sup></b>	
<b>Class R Sterling Net Income Shares</b>	<b>30 June 2021</b>	<b>30 June 2020<sup>2</sup></b>
Value of Fund (per Performance record)	£11,956k	£9,634k
Shares outstanding	9,121k	9,190k
NAV per share	131.09p	104.83p
Dividend per share	1.30p	1.20p
<b>Net gains before expenses</b>		
Capital gains	£2,500k	£541k
Total net gains	£2,636k	£652k

*1 Sources of data is Valu-Trac Administration Services*

*2 Period from 19 July 2019 to 30 June 2020*

**Increase in NAV per share**

Class R Sterling net income Shares	31.09%
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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.

**2. Performance**

The AFM has assessed performance of the Fund net of all the charges that are outlined in its prospectus. The objective of the Fund is to provide a combination of capital growth and income over the longer term (5 years).

The Fund does not have a specific benchmark. The performance of the Fund can be measured by considering whether the objective is achieved. To aid this the Fund performance is compared to the performance of the IA Asia Pacific Excluding Japan sector (the comparator). As the fund has been running for only two years it is too early to fully conclude if the objective will be fully achieved.

The below table shows the total returns of the Fund for both the period under review and since inception. This is after operating costs, including the fee paid to the investment manager, and transaction costs.

	2021 performance	2021 Comparator performance	Performance since inception	Comparator performance since inception
Class R Sterling net income Shares	26.29%	25.81%	33.59%	25.00%

To show income is being delivered, the below table shows the dividends paid in the two years since inception.

<b>Class R Sterling net income Shares</b>	<b>30 June 2021</b>	<b>30 June 2020<sup>2</sup></b>
Dividend per share	1.30p	1.20p

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).

### **3. AFM costs - general**

The costs charged for the year ended 30 June 2021 were as follows:

	<b>£</b>	<b>% of average fund value</b>
Investment manager's fee	44,152	0.42%
ACD fee	29,869	0.28%
Depository fee	18,074	0.17%
Audit fee	6,669	0.06%
FCA fee	58	0.00%
Safe custody fee	2,600	0.02%
Transaction charges (custodian)	1,338	0.01%
Other expenses	5,100	0.05%
<b>Total costs</b>	<b>107,860</b>	<b>1.01%</b>

The gain for the year (capital and revenue) less costs was £2,511k; there was taxation of £17k.

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

The ACD may require a dilution levy on the sale and redemption of Shares if, in its opinion, the existing Shareholders (for sales) or remaining Shareholders (for redemptions) might otherwise be adversely affected. In particular, the dilution levy may be charged in the following circumstances:

where the Scheme Property is in continual decline; on "large deals" (where the net issues or net redemptions of shares in a Fund at a particular dealing point exceed £500,000 or 5% of the size of the Fund, whichever is higher); in any case where the ACD is of the opinion that the interests of 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 Asia Pacific Excluding Japan sector, retail classes where available. This is shown below

	<b>Operating charges</b>
Class R Sterling net income Shares	1.01%
IA Asia Pacific Excluding Japan sector (average of 10 largest funds)	1.14%

Source - Morningstar

The AFM has concluded the costs, and in particular the Investment Manager’s fee is 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 charged 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 Asia Pacific Excluding Japan 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 is aligned with its normal operating model.

#### **7. Classes of units**

The annualised operating charge for the share class since inception are:

				<b>At and for the year ended</b>	
				<b>30 June 2021</b>	<b>30 June 2020</b>
				<b>(annualised)</b>	
Class	R	Sterling	net		
income Shares				1.01%	1.06%

The Annual Management Charge which pays both the Investment manager’s fee and the ACD fee is currently at 0.70%.

### **CONCLUSION**

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 fully met, it is considered that holders of VT Garraway Asian Centric Global Growth Fund are receiving good value considering the period of time the fund has been in operation.

28 October 2021