Profit *hunters*

Artemis Global Growth *Fund*

Manager's Report and Financial Statements for the year ended 7 April 2014

Artemis
The Profit Hunter

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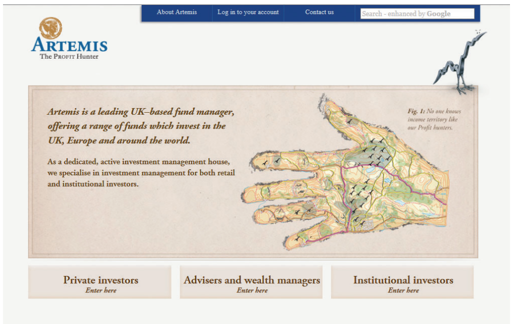


- Monthly fund commentaries and factsheets
- Artemis *Filmclub* videos by our fund managers
- Market and fund insights
- Fund briefings and research articles
- *The Hunters' Tails*, our weekly market newsletter
- Daily fund prices
- Fund literature

artemis.co.uk

General information

About Artemis …

Independent and owner-managed, Artemis opened for business in 1997. Its aim was, and still is, exemplary investment performance and client service. All Artemis' staff share these two precepts – and the same flair and enthusiasm for fund management.

The firm now manages some £18.1 billion* across a range of funds, two investment trusts, a hedge fund, a venture capital trust and both pooled and segregated institutional portfolios.

Artemis' fund managers invest in the funds that they and their colleagues manage. This has been a key tenet of Artemis' approach to investment since the firm started. It means that we 'eat our own cooking'. It means that our fund managers' interests are directly aligned with those of our investors.

*Source: Artemis as at 30 April 2014.

Fund status

Artemis Global Growth Fund was constituted by a Trust Deed dated 1 May 1990 and is an authorised unit trust scheme under the Financial Services and Markets Act 2000. The fund belongs to the category of UCITS schemes as defined in the Collective Investment Schemes Sourcebook of the Financial Conduct Authority.

Investment objective

The objective of the fund is to achieve long-term capital growth from a diversified portfolio investing in any economic sector in any part of the world.

Investment policy

The manager actively manages the portfolio in order to achieve the objective and will not be restricted in respect of choice of investments either by company size or industry, or in terms of the geographical split of the portfolio.

The fund may also invest in other transferable securities, units of collective investment schemes, money market instruments, warrants, cash and near cash, derivatives and forward transactions and other investments to the extent that each is permitted by the regulations.

Buying and selling

Units may be bought and sold by contacting the manager by telephone, at the address on page 2 or via the website **artemis.co.uk**. Valuation of the fund takes place each business day at 12 noon on a forward pricing basis. Investors are reminded that past performance is not a guarantee of performance in the future and that the price of units and the revenue from them can fall as well as rise.

Risk and reward profile

Typically lower rewards						Typically higher rewards
Lower risk						Higher risk
1	2	3	4	5	6	7

- This indicator is based on historical data and may not be a reliable indication of the future risk profile of the fund.
- The risk category shown is not guaranteed and may change over time.
- A risk indicator of "1" does not mean that the investment is "risk free".
- The indicator is not a measure of the possibility of losing your investment.

The risk indicator for the fund is as above because:

- The price of units, and the income from them, can fall and rise because of stockmarket and currency movements.
- Stock market prices, currencies and interest rates can move irrationally and can be affected unpredictably by diverse factors, including political and economic events.
- A portion of the fund's assets may be invested in a currency other than the fund's accounting currency (sterling). The value of these assets, and the income from them, may decrease if the currency falls in relation to sterling, in which the fund is valued and priced.
- A portion of the fund's assets may be invested in new, emerging markets. Investment in emerging markets can involve greater risk than that usually associated with more established markets. This means that above-average rises and falls in unit prices can be expected.

Prospectus

Copies of the most recent Prospectus are available free of charge from the manager at the address on page 2.

General information (continued)

Manager

Artemis Fund Managers Limited *
Cassini House
57 St James's Street
London SW1A 1LD

Dealing information:
Unit Trust Department
Artemis Fund Managers Limited
PO Box 9688
Chelmsford CM99 2AE
Telephone: 0800 092 2051
Website: artemis.co.uk

Investment adviser

Artemis Investment Management LLP *
Cassini House
57 St James's Street
London SW1A 1LD

Trustee

National Westminster Bank Plc †
Trustee & Depositary Services
Younger Building
1st Floor, 3 Redheughs Avenue
Edinburgh EH12 9RH

Registrar

International Financial Data Services (UK) Limited *
IFDS House
St Nicholas Lane
Basildon
Essex SS15 5FS

Auditor

Ernst & Young LLP
Ten George Street
Edinburgh EH2 2DZ

* Authorised and regulated by the Financial Conduct Authority (FCA), 25 The North Colonnade, Canary Wharf, London E14 5HS.

† Authorised by the Prudential Regulation Authority (PRA) and regulated by the PRA and the FCA.

Statement of the trustee's responsibilities

The trustee is responsible for the safekeeping of all the property of the fund (other than tangible moveable property) which is entrusted to it and for the collection of revenue that arises from that property.

It is the duty of the trustee to take reasonable care to ensure that the fund is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook ('COLL'), as amended, the fund's Trust Deed and Prospectus, in relation to the pricing of, and dealings in, units in the fund; the application of revenue of the fund; and the investment and borrowing powers of the fund.

Report of the trustee

Having carried out such procedures as we considered necessary to discharge our responsibilities as trustee of the fund, it is our opinion, based on the information available to us and the explanations provided, that, in all material respects, the manager:

(i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the fund's units and the application of the fund's revenue in accordance with COLL, the Trust Deed and Prospectus; and

(ii) has observed the investment and borrowing powers and restrictions applicable to the fund.

National Westminster Bank Plc
Trustee & Depositary Services

Edinburgh
22 May 2014

Statement of the manager's responsibilities

The Collective Investment Schemes Sourcebook ('COLL') of the Financial Conduct Authority requires the manager to prepare financial statements for each annual accounting period which give a true and fair view of the financial affairs of the fund and of its revenue and expenditure for the year. In preparing the financial statements the manager is required to:

(i) select suitable accounting policies and then apply them consistently;

(ii) comply with the disclosure requirements of the Statement of Recommended Practice for Authorised Funds issued by the Investment Management Association in October 2010;

(iii) follow applicable accounting standards;

(iv) keep proper accounting records which enable it to demonstrate that the financial statements as prepared comply with the above requirements;

(v) make judgements and estimates that are reasonable and prudent; and

(vi) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the fund will continue in operation.

The manager is responsible for the management of the fund in accordance with its Trust Deed, Prospectus and COLL requirements.

The manager is also responsible for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Report of the manager

This report has been prepared in accordance with the requirements of the Collective Investment Schemes Sourcebook as issued and amended by the Financial Conduct Authority.

R J Turpin
Director

M R J Tyndall
Director

22 May 2014

Independent auditor's report to the unitholders of the Artemis Global Growth Fund

We have audited the financial statements of Artemis Global Growth Fund (the "fund") for the year ended 7 April 2014 which comprise the statement of total return, the statement of change in net assets attributable to unitholders, balance sheet, the related notes 1 to 18 and the distribution table. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the unitholders of the fund, as a body, pursuant to paragraph 4.5.12 of the rules of the Collective Investment Schemes Sourcebook of the Financial Conduct Authority. Our audit work has been undertaken so that we might state to the unitholders those matters we are required to state to them in an independent 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 fund and the unitholders as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of the manager and auditor

As explained more fully in the manager's responsibilities statement set out on page 2, the manager is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the fund's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the manager; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the manager's report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the financial position of the fund as at 7 April 2014 and of the net revenue and the net gains on the scheme property of the fund for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

Opinion on other matters prescribed by the rules of the Collective Investment Schemes Sourcebook of the Financial Conduct Authority

In our opinion:

- the financial statements have been properly prepared in accordance with the Statement of Recommended Practice relating to Authorised Funds, the rules of the Collective Investment Schemes Sourcebook of the Financial Conduct Authority and the Trust Deed;
- the information given in the manager's report for the financial year for which the financial statements are prepared is consistent with the financial statements;
- there is nothing to indicate that proper accounting records have not been kept or that the financial statements are not in agreement with those records; and
- 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.

Ernst & Young LLP
Statutory Auditor

Edinburgh
22 May 2014

The maintenance and integrity of the Artemis Fund Managers Limited web site is the responsibility of the directors; the work carried out by the auditor does not involve consideration of these matters and, accordingly, the auditor accepts no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the web site. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Investment review

- The fund returns 11.4%* versus a rise of 8.4%* in its benchmark
- Strong returns are driven by stock selection
- Ten years after we first applied our evidence-based process to this fund, SmartGARP® is still going strong

SmartGARP – Evidence-based investing …

The Artemis Global Growth Fund is one of three Artemis funds that utilises SmartGARP, our proprietary stock-screening tool (the Artemis European Growth Fund and the Artemis Capital Fund are the other two). SmartGARP screens our investment universe of 6,000 global companies for stocks whose valuations don't reflect their growth prospects and where there is a trigger that might cause investors to re-appraise their views of the company. SmartGARP helps us by singling out potentially undervalued stocks and by monitoring whether the reasons we had for investing in a company are still valid. In the decade that we have been using SmartGARP to manage the fund, every year has had its share of surprises, shocks and panics. The last 12 months have been no different. Throughout this volatility, however, SmartGARP has continued to be an extremely useful tool, giving us an objective yardstick with which to measure the market.

Performance – solid in the near term; excellent over the long term …

The fund enjoyed a good year. Its net asset value rose by 11.4%* while its benchmark, the MSCI AC World index, rose by 8.4%*. Annualised returns since the end of 2003, when we began managing this fund using SmartGARP, Artemis' proprietary stock screening tool, stand at 9.7% (after fees) versus a 7.2% return from the benchmark index. Thanks to the power of compounding, total returns over the last decade look even healthier (see chart below).

Review – Stock selection offsets a drag from asset allocation …

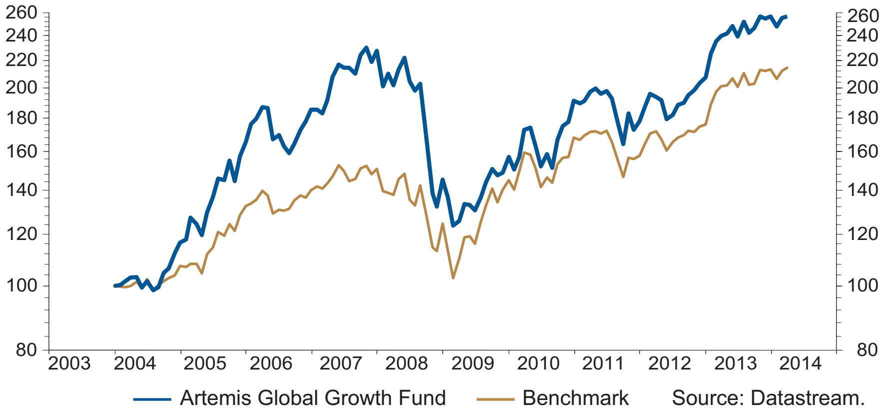
Last year was characterised by the threat of an imminent crisis in the eurozone. But even as worries about the eurozone faded, investors began to fret about what the sudden rise in long-term bond yields in the US might mean for emerging markets. The fear was that higher rates in the US would cause emerging market currencies to weaken. Policymakers in emerging markets would then be obliged to respond to currency weakness by raising interest rates, creating a vicious circle of slower economic activity and further currency weakness. By August 2013, these concerns had turned into panic. At their lowest ebbs, both the Indian and Indonesian rupees had fallen by 15-20%. Subsequently, however, an about-turn by the US Fed regarding the timing of 'tapering' (the expected scaling back of its monthly bond purchases) brought the rise in US bond yields to a sudden halt. Investors slowly returned their focus to the key facts about the global economy: the United States is continuing to recover, albeit slowly; the risk of a break-up in the eurozone has receded and there are even signs of stabilisation; Chinese GDP, meanwhile, may not be growing by double-digit percentages any longer – but growth has not collapsed. Add to this mix low inflation and continued monetary stimulus and it is easy to understand why so many businesses have thrived – and why their share prices have risen.

The biggest contributors to the fund's solid performance over the year were companies that benefit from the reacceleration of the business cycle. They include a US-based semiconductor maker, a US aircraft leasing business, a Chinese SUV-maker, an Indian tyre maker, an Egyptian bank, a UK housebuilder and a French manufacturer of car parts.

Meanwhile, our significant overweight in emerging markets was a headwind – no fewer than nine of our ten least-successful investments resided there. That said, four of our most successful investments also came from emerging markets. Once again, this illustrates the importance of stock picking to the success of your fund.

In terms of the fund's positioning, the overarching theme was our shift away from financials (many of which had enjoyed a good run) towards companies whose fortunes are positively geared to the economic recovery. The three sectors to which we increased the fund's exposure most were technology, industrials and basic resources. In basic resources, new investments included

Artemis Global Growth Fund vs benchmark



* Source: Lipper Limited, R accumulation, bid to bid basis in sterling with net income reinvested to 7 April 2014. From 1 January 2011 the benchmark for the fund was changed to the MSCI AC World Index. Returns up to 1 January 2011 reflect those of the MSCI World Index.

Anglo-Australian miner Rio Tinto, Brazil's Vale and USA's Kapstone Paper & Packaging. In the industrials sector, we bought Swiss car parts maker Georg Fischer, US weapons maker Lockheed Martin and increased our holding in Taiwanese PC assembler Hon Hai Precision. In technology, we bought Microsoft, Sandisk and Chinese mobile handset maker TCL Communication Technology.

These purchases were funded by selling holdings in financials in general – and banks in particular. JP Morgan Chase, US Bancorp, Russia's Sberbank and Sweden's Swedbank all left the fund. We also took profits on a number of our retail holdings, by selling off US drug retailer CVS and reducing our holding in US supermarket chain Kroger.

We were, meanwhile, active in emerging markets. We have some sympathy with the view that companies that depend on domestic demand and that are located in emerging economies with current account deficits will be vulnerable as interest rates rise. But amid the general capital flight away from emerging markets, shares in companies active in countries with current account surpluses also weakened. This struck us as an opportunity. We therefore used the recent volatility in emerging markets to top up our holdings in these areas. Examples included Tech Manhindra in India, Vale and Cemig in Brazil and, in China, Anhui Conch Cement and Industrial & Commercial Bank of China.

On balance, these changes leave the fund's regional exposures little changed. It remains significantly overweight in emerging markets and is underweight in Europe and North America. Our biggest overweights are now in construction, basic resources and travel & leisure. Our biggest underweights continue to be in healthcare and food & beverages.

Outlook – Why stockpicking (still) reigns supreme …

Amid constructive economic developments (US, UK, China, much of continental Europe) and disconcerting political instability (Ukraine), we remain focused on our individual stock holdings. The fund has performed well despite a severe headwind from asset allocation. If and when this finally abates (or even turns into a tailwind) we feel there is significant potential for further outperformance.

This potential is reflected in the fund's attractive financial characteristics. It ended the year trading on a 2014 price-to-earnings ratio of 10.2x, some 32% below that of the global market. This is one of the widest valuation discounts at which the fund has traded in the last decade. Moreover, since the end of last year, consensus earnings forecasts for the fund's investments in 2015 have been raised by an average of 2% while consensus earnings forecasts for the market have been cut by 2%. We therefore remain very optimistic about the fund's future prospects.

Peter Saacke
Fund manager

Investment information

Five largest purchases and sales for the year ended 7 April 2014

Purchases	Cost £'000	Sales	Proceeds £'000
Norfolk Southern	3,997	Rio Tinto (GBP)	3,854
Apple	3,750	Apple	3,728
Rio Tinto	3,322	Kroger	3,039
Verizon Communications	2,522	China Mobile	3,036
Halliburton	2,228	JP Morgan Chase	2,849

Portfolio statement as at 7 April 2014

Investment	Holding	Valuation £'000	% of net assets
Argentina – 0.00% (0.00%)			
Agritech Inversora (B shares) +	40,000	–	–
		–	**–**
Australia – 3.82% (0.92%)			
Atlas Iron	1,091,000	589	0.31
Challenger	307,000	1,116	0.58
Flight Centre	40,236	1,184	0.62
Fortescue Metals Group	413,000	1,258	0.65
Rio Tinto	89,000	3,186	1.66
		7,333	**3.82**
Bermuda – 1.03% (0.00%)			
Golden Ocean	458,000	528	0.27
Johnson Electric Holdings	1,563,000	882	0.46
Yue Yuen Industrial Holdings	294,000	582	0.30
		1,992	**1.03**
Brazil – 1.62% (0.23%)			
CIA Energetica Minas Gerais-Cemig (ADR preference)	272,000	1,137	0.59
Vale (ADR preference)	250,200	1,975	1.03
		3,112	**1.62**
Canada – 5.22% (4.26%)			
Home Capital Group	76,548	1,859	0.97
Magna International	18,500	1,088	0.57
Methanex	68,200	2,744	1.43
National Bank of Canada	35,252	873	0.45
Open Text	29,600	824	0.43
Royal Bank of Canada	40,000	1,598	0.83
Ultra Petroleum	59,600	1,042	0.54
		10,028	**5.22**
Cayman Islands – 2.53% (2.85%)			
China Hongqiao Group	2,450,000	960	0.50
China Metal Recycling Holdings	1,040,800	282	0.15
China Resources Cement Holdings	3,130,000	1,516	0.79
Chow Tai Fook Jewellery Group	575,200	558	0.29
TCL Communication Technology Holdings	2,100,000	1,545	0.80
		4,861	**2.53**
China – 10.29% (6.51%)			
Agricultural Bank of China (H shares)	2,300,000	608	0.32

Investment	Holding	Valuation £'000	% of net assets
Anhui Conch Cement (H shares)	1,006,000	2,742	1.43
Bank of China (H shares)	2,200,000	583	0.30
Bank of Communications (H shares)	1,944,000	763	0.40
China Citic Bank (H shares)	1,650,000	582	0.30
China Construction Bank (H shares)	5,685,374	2,405	1.25
China Merchants Bank (H shares)	800,000	872	0.45
China Oilfield Services (H shares)	950,000	1,412	0.73
China Railway Construction (H shares)	2,181,000	1,211	0.63
China Railway Group (H shares)	3,617,088	1,072	0.56
Chongqing Rural Commercial Bank (H shares)	3,390,000	912	0.47
Huadian Power International (H shares)	2,000,000	602	0.31
Huaneng Power International (H shares)	1,841,000	1,111	0.58
Industrial & Commercial Bank of China (H shares)	5,371,600	1,997	1.04
Shenzhen Expressway (H shares)	3,334,000	894	0.46
Zhejiang Expressway (H shares)	2,101,000	1,166	0.61
Zhuzhou CSR Times Electric (H shares)	435,000	868	0.45
		19,800	**10.29**
Finland – 0.29% (1.35%)			
Stora Enso	86,000	566	0.29
		566	**0.29**
France – 0.72% (1.54%)			
EDF	25,600	622	0.32
Societe Generale	19,700	766	0.40
		1,388	**0.72**
Germany – 4.91% (5.95%)			
Allianz	13,200	1,332	0.69
BMW	12,600	964	0.50
Daimler	38,400	2,236	1.16
Deutsche Lufthansa	57,400	956	0.50
Freenet	101,882	2,163	1.12
Wincor Nixdorf	42,300	1,799	0.94
		9,450	**4.91**
Hong Kong – 1.46% (2.25%)			
China Resources Power Holdings	1,024,000	1,624	0.84
Galaxy Entertainment Group	225,000	1,189	0.62
		2,813	**1.46**
India – 6.35% (3.81%)			
Apollo Tyres (warrants 2017)	1,100,850	1,832	0.95
Cairn India (warrants 2018)	626,000	2,143	1.11
HCL (warrants 2015)	55,000	775	0.40
NMDC (warrants 2015)	622,000	896	0.47
Power Finance (warrants 2015)	532,000	993	0.52
Tata Motors (ADR)	91,723	1,992	1.04
Tech Mahindra (warrants 2016)	127,300	2,288	1.19
UPL (warrants 2018)	634,000	1,288	0.67
		12,207	**6.35**
Israel – 0.34% (0.31%)			
Bank Hapoalim	183,000	648	0.34

Investment information (continued)

Investment	Holding	Valuation £'000	% of net assets
		648	**0.34**
Italy – 0.36% (0.00%)			
Astaldi	108,000	701	0.36
		701	**0.36**
Japan – 6.10% (8.41%)			
Central Japan Railway	14,700	1,023	0.53
Ebara	232,000	875	0.45
Hitachi Kokusai Electric	69,000	514	0.27
Hitachi Metals	102,000	850	0.44
KDDI	47,200	1,540	0.80
Mitsui & Co.	98,800	846	0.44
Sekisui House	116,000	878	0.46
Stanley Electric	36,300	490	0.25
Tokai Rika	81,300	855	0.44
Tosoh	229,000	526	0.27
Toyota Motor	70,300	2,364	1.23
TS Tech	56,600	1,005	0.52
		11,766	6.10
Jersey – 1.42% (0.00%)			
Glencore Xstrata	303,000	962	0.50
Kentz	159,000	1,228	0.64
Shire	18,600	545	0.28
		2,735	**1.42**
Liberia – 1.03% (0.00%)			
Royal Caribbean	60,500	1,989	1.03
		1,989	**1.03**
Luxembourg – 0.45% (0.00%)			
SAF Holland	90,300	858	0.45
		858	**0.45**
Netherlands – 3.82% (2.53%)			
AerCap Holdings	44,000	1,082	0.56
Chicago Bridge and Iron (NYRS)	24,100	1,251	0.65
LyondellBasell Industries	31,725	1,703	0.89
NXP Semiconductors	95,459	3,300	1.72
		7,336	**3.82**
Norway – 2.92% (1.89%)			
DNB	163,240	1,670	0.87
Marine Harvest	118,600	801	0.42
Salmar	116,700	976	0.51
Statoil	93,600	1,557	0.81
TGS Nopec Geophysical	30,400	600	0.31
		5,604	**2.92**
Poland – 0.74% (0.39%)			
Polska Grupa Energetyczna	372,000	1,429	0.74
		1,429	**0.74**
Russia – 1.19% (2.14%)			
Gazprom (ADR)	179,000	807	0.42

Investment	Holding	Valuation £'000	% of net assets
Lukoil (ADR)	23,285	755	0.39
Rosneft (GDR)	188,500	731	0.38
		2,293	**1.19**
Singapore – 1.14% (0.00%)			
Flextronics International	99,000	553	0.29
Osim International	664,000	838	0.44
Yangzijiang Shipbuilding Holdings	1,500,000	792	0.41
		2,183	**1.14**
South Africa – 2.15% (0.83%)			
FirstRand	576,000	1,247	0.65
Kumba Iron Ore	14,971	333	0.17
Sasol	46,700	1,521	0.79
Vodacom Group	133,063	1,041	0.54
		4,142	**2.15**
South Korea – 1.12% (2.39%)			
Iljin Display	96,000	842	0.44
SK Hynix	62,400	1,317	0.68
		2,159	**1.12**
Sweden – 1.15% (1.25%)			
Betsson	26,900	583	0.30
Skandinaviska Enskilda Banken (A shares)	196,300	1,634	0.85
		2,217	**1.15**
Switzerland – 1.25% (0.53%)			
Georg Fischer	2,600	1,282	0.67
Rieter Holdings	3,995	550	0.29
Swiss Life Holding	3,700	560	0.29
		2,392	**1.25**
Taiwan – 3.27% (1.18%)			
Catcher Technology	359,400	1,620	0.84
Hon Hai Precision Industry	1,077,200	1,852	0.96
Largan Precision	62,300	1,858	0.97
Taiwan Semiconductor Manufacturing	411,000	959	0.50
		6,289	**3.27**
Thailand – 0.54% (2.90%)			
Delta Electronics Thailand (Foreign Market)	928,651	1,034	0.54
		1,034	**0.54**
Turkey – 0.73% (3.46%)			
Eregli Demir Celik	1,107,000	849	0.44
TAV Havalimanlari	118,259	557	0.29
		1,406	**0.73**
United Arab Emirates – 0.41% (0.92%)			
Abu Dhabi Commercial Bank	600,000	785	0.41
		785	**0.41**
United Kingdom – 3.91% (6.64%)			
Barratt Development	428,000	1,694	0.88
Bellway	82,000	1,323	0.69

Investment information (continued)

Investment	Holding	Valuation £'000	% of net assets
Man Group	540,000	576	0.30
Mondi	59,100	624	0.32
Moneysupermarket.com Group	311,000	567	0.29
Persimmon	89,000	1,175	0.61
Redrow	179,000	555	0.29
TUI Travel	231,000	1,010	0.53
		7,524	**3.91**
USA – 24.50% (27.85%)			
Aetna	21,100	944	0.49
Allstate	25,800	878	0.46
American Airlines Group	76,500	1,686	0.88
AT&T	44,400	952	0.49
Blackstone Group	125,800	2,488	1.29
Centene	38,300	1,366	0.71
D.R. Horton	39,200	528	0.27
Dana Holding	40,800	559	0.29
Delta Air Lines	28,900	603	0.31
Directv	19,500	910	0.47
Discover Financial Services	54,747	1,928	1.00
Domtar	14,000	930	0.48
Facebook (A shares)	28,600	978	0.51
Finish Line (A shares)	35,000	573	0.30
Foot Locker	33,400	933	0.49
Gentex	51,700	937	0.49
Gilead Sciences	19,800	862	0.45
Helmerich & Payne	18,300	1,184	0.62
Home Depot	19,700	935	0.49
Kapstone Paper & Packaging	69,900	1,154	0.60
Korn-Ferry International	53,000	926	0.48
Kroger	70,900	1,911	0.99
Las Vegas Sands	19,200	907	0.47
Lexmark International (A shares)	22,000	609	0.32
Lockheed Martin	13,000	1,251	0.65
Microchip Technology	48,400	1,377	0.72
Micron Technology	65,000	885	0.46
Microsoft	96,200	2,313	1.20
Mylan	27,600	843	0.44
Norfolk Southern	28,400	1,655	0.86
Och-Ziff Capital Management (A shares)	62,100	498	0.26
Oracle	39,700	958	0.50
Qualcomm	27,600	1,307	0.68
Raytheon	18,400	1,083	0.56
Sandisk	15,900	776	0.40
Spirit Airlines	28,200	1,001	0.52
United States Steel	43,800	733	0.38
Valero Energy	28,200	925	0.48
Verizon Communications	81,400	2,358	1.23

Investment	Holding	Valuation £'000	% of net assets
Westlake Chemical	40,400	1,643	0.85
Whirlpool	9,900	908	0.47
Yum Brands	20,800	946	0.49
		47,141	**24.50**
Portfolio of investments		186,181	96.78
Net other assets		6,188	3.22
Net assets attributable to unitholders		192,369	100.00

All holdings are listed ordinary shares unless otherwise stated.
The figures in brackets represent percentages as at 7 April 2013. At this date the portfolio included an exposure to Austria (0.51%), Belgium (0.45%), Denmark (0.45%), Egypt (0.32%), Hungary (0.44%), Indonesia (1.11%), the Isle of Man (0.62%) and Saudi Arabia (1.04%).
+ Unquoted investments: 0.00% (7 April 2013: 0.00%).
ADR represents American Depositary Receipts.
GDR represents Global Depositary Receipts.
NYRS represents New York Registry Shares.

Financial statements

Statement of total return for the year ended 7 April 2014

	Note	7 April 2014 £'000	7 April 2014 £'000	7 April 2013 £'000	7 April 2013 £'000
Income					
Net capital gains	4		16,150		22,163
Revenue	6	4,349		3,773	
Expenses	7	(2,688)		(1,935)	
Finance costs: interest	9	-		(4)	
Net revenue before taxation		1,661		1,834	
Taxation	8	(188)		(339)	
Net revenue after taxation			1,473		1,495
Total return before distribution			**17,623**		**23,658**
Finance costs: distribution	9		(1,468)		(1,511)
Change in net assets attributable to unitholders from investment activities			16,155		22,147

Statement of change in net assets attributable to unitholders for the year ended 7 April 2014

	7 April 2014 £'000	7 April 2014 £'000	7 April 2013 £'000	7 April 2013 £'000
Opening net assets attributable to unitholders		142,966		124,360
Amounts receivable on issue of units	41,775		10,642	
Amounts payable on cancellation of units	(10,286)		(15,616)	
		31,489		(4,974)
Stamp duty reserve tax		(7)		(3)
Change in net assets attributable to unitholders from investment activities		16,155		22,147
Retained distribution on accumulation units		1,766		1,436
Closing net assets attributable to unitholders		192,369		142,966

Balance sheet as at 7 April 2014

	Note	7 April 2014 £'000	7 April 2014 £'000	7 April 2013 £'000	7 April 2013 £'000
Assets					
Investment assets			186,181		140,441
Debtors	10	3,386		1,572	
Cash and bank balances	11	3,536		2,124	
Total other assets			6,922		3,696
Total assets			**193,103**		**144,137**
Liabilities					
Creditors	12	734		1,171	
Total liabilities			**734**		**1,171**
Net assets attributable to unitholders			192,369		142,966

1. Accounting policies

(a) Basis of accounting. The financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments, and in accordance with the Statement of Recommended Practice for Authorised Funds issued by the Investment Management Association in October 2010.

(b) Valuation of investments. All investments have been valued at 12 noon on the last working day of the accounting period. Listed investments are valued at fair value which is deemed to be the bid or SETS price. Unquoted investments are valued at fair value which is determined by the investment manager, with reference to the valuation guidelines issued by the International Private Equity and Venture Capital Valuation Guidelines Board.

(c) Foreign exchange rates. Assets and liabilities denominated in foreign currencies are translated into sterling at the exchange rates prevailing at 12 noon on the last working day of the accounting period. Revenue and expenditure transactions are translated at the rates of exchange ruling on the dates of the transactions. Exchange differences on such transactions follow the same treatment as the principal amounts.

(d) Derivatives. Where appropriate, certain permitted transactions such as derivatives or forward foreign currency transactions are used for efficient portfolio management and investment purposes. Derivatives are valued at 12 noon on the last working day of the accounting period. Exchange traded derivatives are priced at fair value, which is deemed to be the bid price. Over-the-counter derivatives are priced at fair values using valuation models or data sourced from market data providers. Gains and losses on derivative instruments are recognised as either revenue or capital depending on the nature and circumstances of each particular case. Any positions on such transactions open at the year end are reflected in the balance sheet at their marked to market value.

(e) Revenue. Dividends receivable from equity and non-equity shares, including Real Estate Investment Trusts ('REITs'), are credited to revenue, net of attributable tax credits, when the security is quoted ex-dividend. Dividends received as shares (scrip/stock dividends), to the extent that the value of such dividends is equal to the cash dividends, are treated as revenue. Dividends on unquoted stocks are credited to revenue when the dividend is declared. Special dividends are reviewed on a case by case basis when determining if the dividend is to be treated as revenue or capital. It is likely that where a special dividend results in a significant reduction in the capital value of a holding, then the dividend will generally be treated as capital, otherwise this will be recognised as revenue. Bank interest is recognised on an accruals basis. Underwriting commission is recognised when the issue underwritten takes place.

(f) Expenses. All expenses (other than those relating to the purchase and sale of investments) are charged against revenue on an accruals basis. Costs arising from the filing of European withholding tax reclaims are charged to revenue but deducted from capital for the purpose of calculating the distribution. On receipt of any withholding tax reclaims, relevant costs will be transferred back to revenue and deducted from the distribution.

(g) Taxation. Corporation tax is charged at a rate of 20% on the excess taxable revenue of the fund. In general, the tax accounting treatment follows that of the principal amount. Deferred tax is provided for all timing differences that have originated but not reversed at the balance sheet date other than those recorded as permanent differences. Deferred tax is provided for at the average rate of tax expected to apply. Deferred tax assets and liabilities are not discounted to reflect the time value of money.

2. Distribution policy

The distribution policy of the fund is to accumulate all available revenue, after deduction of expenses properly chargeable against revenue.
Gains and losses on investments, derivatives and currencies, whether realised or unrealised, if taken to capital are not available for distribution. The fund is not more than 60% invested in qualifying investments (as defined in Section 468L, Income and Corporation Taxes Act 1988) and where applicable will pay a dividend distribution. With the exception of the manager's annual management charge, which is directly attributable to each unit class, all income and expenses are apportioned to each unit class pro-rata to the value of the net assets of the relevant unit class on the day that the income or expense is recognised. Distributions which have remained unclaimed by unit holders for six years are credited to the capital property of the fund.

3. Risk management policies

The fund's financial instruments comprise equities, cash balances and liquid resources which include debtors and creditors. The fund holds such financial assets in accordance with its investment objective and policy which is provided on page 1. The fund is exposed to a number of risks that are associated with the financial instruments and markets in which it invests. The most significant risks which the fund is exposed to are market risk, credit and counterparty risk and liquidity risk.

(a) Market risk. Market risk, which includes interest rate risk, currency risk and other price risk, arises mainly from uncertainty about future values of financial instruments in the fund's investment portfolio. The fund, in order to meet its investment objective and policy, invests predominantly in equities and maintains an appropriate spread of investments in accordance with the Collective Investment Schemes Sourcebook, the Trust Deed and the Prospectus. The manager's investment strategy is to select investments for their fundamental value. Stock selection is therefore based on disciplined accounting,

Notes to the financial statements (continued)

market and sector analysis, with the emphasis on long-term investments. There is no material difference between the carrying values and the fair values of the financial assets and liabilities of the fund disclosed in the balance sheet.

(i) Interest rate risk. As the majority of the fund's financial assets are non-interest bearing, the fund is not significantly subject to exposure to fair value interest rate risk due to fluctuations in levels of market interest rates.

(ii) Currency risk. A portion of the net assets of the fund is denominated in currencies other than sterling, and therefore the balance sheet and total return can be affected by currency movements (see note 16). Therefore, the manager may decide that a proportion of the investments that are not priced in sterling, may be covered by forward foreign exchange contracts, so that the fund's exposure to currency risk is reduced. There were no open forward foreign exchange contracts as at 7 April 2014 or 7 April 2013.

Revenue received in foreign currencies is converted into sterling on or near the date of receipt. No hedging is undertaken with regard to managing the currency movement risk on accrued revenue.

(iii) Other price risk. Other price risk is the risk that the value of an instrument will fluctuate as a result of changes in market prices (other than those relating to interest rate risk, currency risk and credit risk), whether caused by factors specific to an investment or wider issues affecting the market generally. The value of equities is dependent on a number of factors, arising from the performance of the company itself and matters arising in the wider market (for example the state of the underlying economy and current government policy). The portfolio is invested in securities domiciled in a number of countries as detailed in the portfolio statement and will be exposed to market movements in the relevant country arising from changes in the local economy and government decisions. As part of the ongoing review of the portfolio, the manager monitors and reviews these factors.

(b) Credit and counterparty risk. Credit and counterparty risk is the risk that a party to a financial instrument will fail to discharge an obligation or commitment it has entered into with the fund, resulting in a financial loss. From time to time, the fund may be subject to short-term credit risk with counterparties pending settlement of investment transactions. The manager has a pre-approved list of counterparties it uses for investment transactions, which is reviewed on a regular basis. The largest counterparty risk is with JP Morgan, the fund's custodian and banker, who holds the fund's investments and maintains the bank accounts. Bankruptcy or insolvency of JP Morgan may cause the fund's rights with respect to securities and cash held by the custodian to be delayed or limited. The trustee receives and reviews an annual report on the internal controls in place at JP Morgan. The fund is also exposed to counterparty risk through holding specific financial instruments. Morgan Stanley is the counterparty for the warrants disclosed in page 7 of the portfolio statement. There were no significant concentrations of credit risk to counterparties other than to the custodian, or brokers where trades are pending settlement, at 7 April 2014 or 7 April 2013.

(c) Liquidity risk. Some of the fund's financial instruments can include securities that are traded on AIM or are not listed on a recognised stock exchange and which may not always be readily realisable. As a result, the fund may not be able to realise these investments quickly at their fair value to respond to specific events such as deterioration in the creditworthiness of any particular issuer. These holdings are disclosed in the portfolio statement on pages 6 to 11. In order to manage liquidity requirements, the fund seeks to maintain sufficient cash to pay creditors. The fund's overall liquidity risk is managed by the manager in accordance with the requirements stipulated in the Collective Investment Schemes Sourcebook and the Prospectus.

(d) Derivatives. The manager is currently empowered to enter into derivative transactions on behalf of the fund. Transactions will normally only be entered into when conventional stock selection is not the best way to either limit investment risk or maximise investment opportunities. There were no open derivative contracts as at 7 April 2014 or 7 April 2013.

4. Net capital gains

	7 April 2014 £'000	7 April 2013 £'000
Non-derivative securities	16,497	22,615
Forward foreign exchange contracts	(99)	(240)
Currency losses	(248)	(212)
Net capital gains	16,150	22,163

5. Portfolio transaction costs

	7 April 2014		7 April 2013	
	£'000	£'000	£'000	£'000
Analysis of total purchases costs				
Purchases before transaction costs		294,959		185,821
Commissions	179		145	
Taxes	116		95	
Total purchases costs		295		240
Gross purchases total		295,254		186,061
Analysis of total sales costs				
Gross sales before transaction costs		266,272		192,626
Commissions	(176)		(139)	
Taxes	(60)		(35)	
Total sales costs		(236)		(174)
Total sales net of transaction costs		266,036		192,452

6. Revenue

	7 April 2014 £'000	7 April 2013 £'000
Overseas dividends	4,003	3,572
UK dividends	257	170
Interest on Denkavit tax reclaims	39	-
Overseas stock dividends	35	-
Bank interest	15	14
Interest on debt securitites	-	17
Total revenue	4,349	3,773

Notes to the financial statements (continued)

7. Expenses

	7 April 2014 £'000	7 April 2013 £'000
Payable to the manager, associates of the manager and agents of either of them:		
Annual management charge	2,431	1,771
Payable to the trustee, associates of the trustee and agents of either of them:		
Trustee fee	26	20
Other expenses:		
Registration fee	93	50
Administration fee	68	22
Safe custody fee	32	18
Operational fee	30	26
Auditor's remuneration: audit fee*	8	9
Auditor's remuneration: non-audit fee (taxation)	-	16
Printing and postage fee	-	3
Total expenses	2,688	1,935

All expenditure stated above is inclusive of irrecoverable VAT where applicable.
* The amount disclosed above include VAT at the rate of 20%. The audit fee (excluding VAT) accrued during the period was £7,000 (2013: 7,000).

8. Taxation

	7 April 2014 £'000	7 April 2013 £'000
a) Analysis of the tax charge for the year		
Irrecoverable overseas tax	378	339
Denkavit tax reclaims	(190)	-
Total taxation (note 8b)	188	339
b) Factors affecting the tax charge for the year		
Net revenue before taxation	1,661	1,834
Corporation tax at 20% (2013: 20%)	332	367
Effects of:		
Unutilised management expenses	443	345
Irrecoverable overseas tax	378	339
Income taxable in different periods	(1)	-
Non-taxable stock dividends	(7)	-
Non-taxable UK dividends	(51)	(34)
Denkavit tax reclaims	(190)	-
Non-taxable overseas dividends	(716)	(678)
Tax charge for the year (note 8a)	188	339

c) Provision for deferred tax

No provision for deferred tax has been made in the current or prior accounting year.

d) Factors that may affect future tax charges

The fund has not recognised a deferred tax asset of £1,761,000 (2013: £1,318,000) arising as a result of having unutilised management expenses of £8,805,000 (2013: £6,590,000). It is unlikely that the fund will obtain relief for these in the future so no deferred tax asset has been recognised.

9. Finance costs: distribution and interest

	7 April 2014 £'000	7 April 2013 £'000
Final dividend distribution	1,766	1,436
Add: amounts deducted on cancellation of units	73	157
Deduct: amounts added on issue of units	(371)	(82)
Finance costs: distribution	**1,468**	**1,511**
Finance costs: interest	-	4
Total finance costs	1,468	1,515
Movement between net revenue and distribution		
Net revenue after taxation	1,473	1,495
Expenses paid from capital	14	16
Less: revenue paid on conversion of units	(19)	-
	1,468	1,511

The distribution takes account of amounts added on the issue of units and amounts deducted on the cancellation of units. Details of the distribution per unit are set out in the distribution table on page 20.

10. Debtors

	7 April 2014 £'000	7 April 2013 £'000
Sales awaiting settlement	2,104	396
Amounts receivable for issue of units	797	667
Accrued revenue	383	403
Overseas withholding tax recoverable	101	104
Prepaid expenses	1	2
Total debtors	3,386	1,572

11. Cash and bank balances

	7 April 2014 £'000	7 April 2013 £'000
Amounts held in JP Morgan Liquidity Fund	3,536	1,590
Cash and bank balances	-	534
Total cash and bank balances	3,536	2,124

12. Creditors

	7 April 2014 £'000	7 April 2013 £'000
Purchases awaiting settlement	401	905
Accrued annual management charge	265	205
Accrued other expenses	65	59
Accrued trustee fee	3	2
Total creditors	734	1,171

13. Contingent liabilities and commitments

There were no contingent liabilities or outstanding commitments at the current or prior year end.

Notes to the financial statements (continued)

14. Contingent assets

Following the ruling on Denkavit's case with the European Court of Justice regarding taxation withheld on overseas dividends, the manager has taken steps to make claims with certain European tax authorities for repayment of taxation suffered by the fund on dividend revenue. During the year, the fund received repayments from the French Tax Authority which have been recognised in the statement of total return and also in notes 6 and 8. These amounts have been included within the net revenue available for distribution.

Due to uncertainty regarding the likely success of claims made in other countries, it is not possible to estimate the potential amount of overseas tax that may be received by the fund, if any. Therefore, the financial statements presented for the year ended 7 April 2014 do not reflect any further amounts that may be received.

15. Related party transactions

The manager and trustee are deemed to be related parties. All transactions and balances associated with the manager and trustee are disclosed within the statement of total return, statement of change in net assets attributable to unitholders and the balance sheet on page 12 and notes 7, 10 and 12 on pages 16 and 17 including all issues and cancellations where the manager acted as principal. The balance due from the manager as at 7 April 2014 in respect of these transactions was £532,000 (2013: £462,000). The balance due to the trustee as at 7 April 2014 in respect of these transactions was £3,000 (2013: £2,000).

16. Risk disclosures – currency risk

Currency	Investments £'000	Net other assets £'000	Total £'000
7 April 2014			
US Dollar	77,585	28	77,613
Hong Kong Dollar	28,938	(2)	28,936
Euro	12,963	50	13,013
Japanese Yen	11,766	114	11,880
Australian Dollar	7,333	70	7,403
Canadian Dollar	7,074	8	7,082
Taiwan Dollar	6,289	21	6,310
Norwegian Krone	6,132	3	6,135
South African Rand	4,142	21	4,163
Swiss Franc	2,392	4	2,396
Swedish Krona	2,217	4	2,221
Korean Won	2,159	56	2,215
Singapore Dollar	1,630	7	1,637
Polish Zloty	1,429	-	1,429
Turkish Lira	1,406	-	1,406
Thai Baht	1,034	42	1,076
United Arab Emirates Dirham	785	30	815
Israeli New Shekels	648	2	650
Indonesian Rupiah	-	3	3

Currency	Investments £'000	Net other assets £'000	Total £'000
7 April 2013			
US Dollar	54,193	444	54,637
Euro	15,120	155	15,275
Hong Kong Dollar	14,693	-	14,693
Japanese Yen	12,027	88	12,115
Canadian Dollar	5,394	16	5,410
Turkish Lira	4,946	-	4,946
Thai Baht	4,138	82	4,220
Taiwan Dollar	3,049	2	3,051
Korean Won	2,802	9	2,811
Norwegian Krone	2,695	6	2,701
Swedish Krona	1,794	-	1,794
Indonesian Rupiah	1,580	1	1,581
United Arab Emirates Dirham	1,322	87	1,409
Australian Dollar	1,319	19	1,338
South African Rand	1,182	-	1,182
Swiss Franc	755	7	762
Danish Krone	643	3	646
Hungarian Forint	630	-	630
Polish Zloty	552	-	552
Egyptian Pound	459	20	479
Israeli New Shekels	438	-	438
Brazilian Real	335	7	342

17. Unit classes

The fund currently has two unit classes: R accumulation and I accumulation. The annual management charge on each unit class is as follows:

R accumulation: 1.50%
I accumulation: 0.75%

The net asset value per unit and the number of units in each class are given in the comparative tables on page 21. The distribution per unit class is given in the distribution table on page 20. All classes have the same rights.

18. Post balance sheet event

Since 7 April 2014, the net asset values per unit, on a bid basis, have changed as follows:

	Net asset value per unit (p)		
	21 May 2014	7 April 2014	Movement
R accumulation	147.40	149.29	(1.3)%
I accumulation	154.35	156.19	(1.2)%

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Distribution table

Final dividend distribution for the year ended 7 April 2014.

Group 1 – Units purchased prior to 8 April 2013.
Group 2 – Units purchased from 8 April 2013 to 7 April 2014.

	Net revenue per unit (p)	Equalisation per unit (p)	Distribution per unit (p) 6 June 2014	Distribution per unit (p) 7 June 2013
R accumulation				
Group 1	1.2233	-	1.2233	1.3064
Group 2	0.3577	0.8656	1.2233	1.3064
I accumulation				
Group 1	2.3680	-	2.3680	2.2451
Group 2	0.6488	1.7192	2.3680	2.2451

Corporate unitholders should note that:

1. 100.00% of the revenue distribution together with the tax credit is received as franked investment income.

2. 0.00% of the revenue distribution is received as an annual payment received after deduction of income tax at the lower rate and may be liable to corporation tax. It is not franked investment income.

Equalisation applies only to units purchased during the distribution period (group 2 units). It is the average amount of revenue included in the purchase price of group 2 units and is refunded to the holders of these units as a return of capital. Being capital it is not liable to income tax but must be deducted from the cost of units for capital gains tax purposes.

Comparative tables

Fund sizes & net asset values

Date	Net asset value of fund (£)	Net asset value per unit (p)	Units in issue
7 April 2012	124,359,910		
R accumulation		110.42	104,135,310
I accumulation		113.82	8,238,094
7 April 2013	142,966,300		
R accumulation		134.03	101,664,620
I accumulation		139.19	4,816,885
7 April 2014	192,369,044		
R accumulation		149.29	110,620,887
I accumulation		156.19	17,430,673

Ongoing charges

Expense	7 April 2014
R accumulation	
Annual management charge	1.50%
Other expenses	0.16%
Ongoing charges	1.66%
I accumulation	
Annual management charge	0.75%
Other expenses	0.16%
Ongoing charges	0.91%

Ongoing charges shows the annual operating expenses of each unit class as a percentage of the average net assets of that class for the preceding 12 months.

Net revenue distribution & unit price range

Year	Net revenue per unit (p)	Highest offer price (p)	Lowest bid price (p)
R accumulation			
2009	0.7967	96.44	66.20
2010	0.6104	116.03	84.95
2011	0.1135	122.69	89.12
2012	1.0362	126.00	100.17
2013	1.3064	156.25	120.37
2014 *	1.2233	159.18	139.56
I accumulation			
2009	1.5191	93.79	66.68
2010	1.2528	113.68	86.15
2011	0.8809	120.69	91.52
2012	1.8759	125.32	103.35
2013	2.2451	156.43	124.76
2014 *	2.3680	159.81	145.83

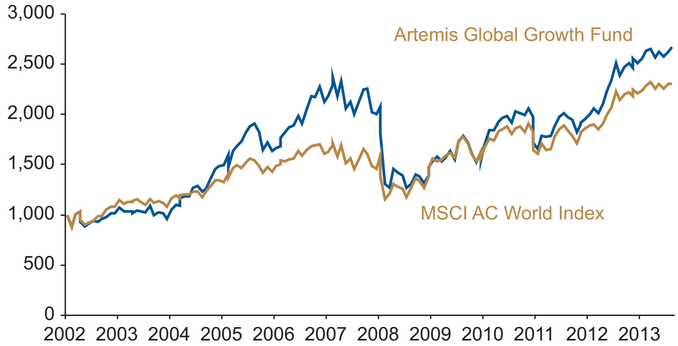
Net revenue includes all amounts paid and payable in each calendar year.
* To 7 April 2014.

Fund performance

	Since launch *	5 years	3 years	1 year	6 months
Artemis Global Growth Fund	167.1	103.4	31.3	11.4	4.7
MSCI AC World Index	130.5	87.9	23.5	8.4	4.6
Sector average	133.6	83.1	21.4	9.3	5.2
Position in sector	31/90	30/149	30/165	61/188	119/191
Quartile	2	1	1	2	3

* Data from 9 September 2002 when Artemis took over management of the fund. Source: Lipper Limited, R accumulation, bid to bid in sterling with net income reinvested to 7 April 2014. All performance figures show total return percentage growth. From 1 January 2011 the benchmark for the fund was changed to the MSCI AC World Index. Returns up to 1 January 2011 reflect those of the MSCI World Index. Sector is IMA Global Growth, universe of funds is those reporting net of taxes.

Value of £1,000 invested at launch to 7 April 2014



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