PROFIT *hunters*

ARTEMIS Global Select *Fund*

Manager's Report
and Financial Statements
for the year ended 30 April 2014

ARTEMIS
The PROFIT Hunter

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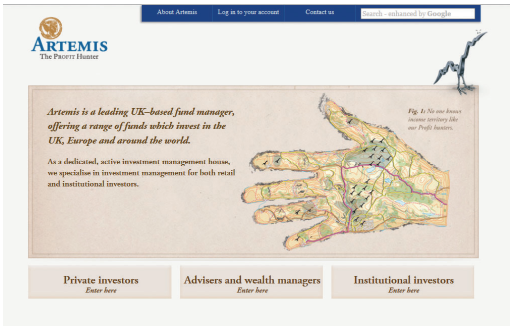

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- Fund literature

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 £18.6 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 31 May 2014.

Fund status

Artemis Global Select Fund was constituted by a Trust Deed dated 9 June 2011 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 primarily from a portfolio of global equities that the managers consider to demonstrate leading positions in their sector.

Investment policy

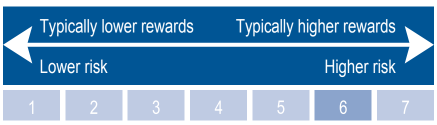
The manager actively manages the portfolio in order to achieve the objective. The manager will seek to identify long term trends that provide growth opportunities for particular geographic regions, industry sectors or individual companies. The manager will select individual companies based on their financial characteristics and growth potential. Emphasis will be placed on selecting companies with leading positions in their industry sector or geographic region, whether this is achieved by brand strength, market share, product innovation, technological advance, operating in sectors with high barriers to entry, or other relevant factors. The fund may have exposures to company shares, fixed interest securities and derivative instruments on a global scale, as appropriate. The manager 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, cash and near cash, derivatives and forward transactions for investment purposes. The fund may hold up to 20% of its net assets in cash.

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



- 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.
- Stockmarket 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.
- The fund may have a concentrated portfolio of investments, which can give rise to more risk than where investments are spread over a large number of companies. This may increase the potential gains, however, the concentration of exposure and lack of diversification may also substantially increase the risk of loss by this fund.
- 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.
- Investments in fixed interest securities are subject to market and credit risk and will be impacted by movements in interest rates. Interest rate movements are determined by a number of economic factors, in particular market expectations of future inflation.

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
16 June 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

16 June 2014

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

We have audited the financial statements of Artemis Global Select Fund (the "fund") for the year ended 30 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 17 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 30 April 2014 and of the net revenue and the net losses 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
16 June 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 returned -0.2%* versus 5.4%* from its benchmark.
- Our cautious approach to long-term investment was not rewarded.
- As valuations rose, we took profits.

Performance – Protecting capital and controlling volatility …

Shortly after the year under review began, Japan's Nikkei index fell, having previously spiked higher due to excitement over the potential impact of 'Abenomics' (a set of economic policies proposed by prime minister Abe to boost growth and end deflation). The year also saw emerging markets fall in response to reduced quantitative easing in the US. The fund was exposed to both events.

Although this had an impact on the fund's relative performance, strong returns from a large number of our US holdings went some way towards offsetting these two negatives. Even so, the fund returned -0.2%* versus a 5.4%* return from its benchmark. Our emphasis on capital protection, meanwhile, meant that the fund continued to be less volatile than the average fund in its peer group. Since inception, the fund has returned 26.1%* against an average return by its peer group of 24.0%*.

Review – From themes to stocks …

A comprehensive description of our investment process and philosophy can be found in the fund's Key Investor Information Document on the Artemis website (artemis.co.uk). The portfolio is a result of the consistent application of that process. It is based on:

- Identifying the longer-term growth trends that drive equity returns.
- Finding areas where barriers to entry can be established and where margins will be competed away less rapidly.
- Avoiding companies whose fortunes depend on the economic cycle.
- Selecting stocks using our 'ValueModel' approach to analysing company accounts. This gives the portfolio a bias towards high quality companies with strong cashflows and robust balance sheets.

During periods in which investors move from fearing recession to believing that good economic conditions are assured, this approach tends to meet with modest returns. And these were precisely the conditions we saw over the year period. With the benefit of hindsight, it is clear that were we were too swift to take profits in some areas. But we strongly believe this is preferable to selling too late. Over the market cycle, we believe that our approach allows us to make money in strong markets without giving all of those gains back when optimism wanes.

Energy in a gas glut

This was the fund's best performing theme over the year. Our basic thesis is that hydraulic fracturing ('fracking') is disrupting the economics of the conventional energy industry. The resulting 'glut' of unconventional gas is making new hydrocarbon discoveries – especially in deep water fields and the Arctic – less attractive. We are profiting from the resulting disruption by holding a small portfolio of the most successful US shale companies. Their production growth is in marked contrast to falling production from conventional oil majors such as Shell.

Allied to this, we also invest in those engineering companies that benefit from the changing requirements of the energy supply chain. Global demand for cheap liquefied natural gas (LNG) is growing rapidly. Like oil, LNG is now traded in a global 'spot' market. For many emerging economies, using imported LNG is a more attractive way of producing electricity than burning coal or installing nuclear reactors.

Retiree spending power

Companies that we have identified as being the beneficiaries of the vast spending power of older, affluent consumers in developed markets delivered strong returns again. VF Corporation, which owns the North Face clothing brand, continues to see increased demand for outdoor leisure wear. Shimano, the world leader in bicycle components (such as brakes and gears) has seen excellent growth.

Media content

Producers of high quality television programs and films had an exceptional year. Walt Disney's success with the animation Frozen followed yet another blockbuster, Iron Man 3. Its resorts enjoyed a record year – as did ESPN, its sports channel. Despite the excitement that will accompany the release of a new Star Wars film next year, we have taken profits. Sooner or later, Walt Disney will make an expensive film that flops.

Mobile data and e-commerce

Our investments here had an indifferent year. The growth in internet traffic generated by smartphones has not delivered as much revenue growth as expected for telecoms providers. And because they must manage the resulting increase in data volumes, it has pushed their costs up. Having observed this unhelpful dynamic in developed markets, we sold all of our holdings in emerging market mobile telecoms. We are instead focusing on companies that make money from analysing data in new ways, such as using 'NoSQL' technologies. This delivers new business opportunities for the small number of companies that command huge amounts of data. Google, for example, has been able to forecast the spread of influenza across America by tracking

* Source: Lipper Limited, R accumulation, bid to bid basis, in sterling with net income reinvested to 30 April 2014. Benchmark is the MSCI All Countries World Index.

searches for 'flu drug'. Experian, the UK-listed credit scoring agency, is a world leader in managing identity fraud. Because many of those US citizens who lack health insurance also lack easily checked identification, it has played a central role in the implementation of the Affordable Care Act ('Obamacare') in the US.

Business investment

We took profits in regional banks in the US which, as beneficiaries of the economic recovery, had performed well. We retained our holdings in Capital One Financial, the credit card company and in Wells Fargo, the largest bank in the US.

Asset growth

Returns from companies in this theme were muted. Hutchison Whampoa contributed well towards the end of the period as it began to appear that Li Ka-shing, its chairman, was simplifying his empire. Hutchison recently sold a stake in A.S.Watson, Asia's leading beautician chain, to Temasek, Singapore's sovereign wealth fund. This resulted in a welcome return to investors.

Healthcare

Investments in this theme began to work well towards the end of the year. We have shifted the focus of the portfolio towards companies that help healthcare providers to reduce costs. While it is easy to focus on the extraordinary advances that the major drug companies have delivered, it is equally important to monitor the consequent increase in treatment costs. The head of the US Society of Oncologists recently warned against rising drug costs; NICE has rejected Kadcyla, a new breast cancer drug, because of its price; and members of the US Congress have criticised Gilead's new hepatitis C treatment, which costs $1,000 per pill. Specialists seem to be becoming more aware of – and sensitive to – treatment costs.

So our portfolio includes generic drugmakers and pharmaceutical wholesalers who make more money from supplying generic drugs than they do from patented medicines. Wholesalers work with medical insurers and healthcare providers such as the NHS, helping them to reduce costs while maintaining standards of clinical care. Companies who focus on discovering new drugs may receive more modest rewards for their success in the future (while still absorbing losses when the drugs they develop prove ineffective or unpopular).

Distribution

Here we invest in companies that are building the infrastructure that will allow western consumer goods to be supplied to emerging markets. Some of these companies are also building automated warehouses to facilitate e-commerce. This was the fund's worst performing theme over the year. Many of these companies have suffered from worries about weaker economic growth, particularly in China.

Emerging markets

At the start of the year under review, on grounds of valuation, we took some profits on holdings with exposure to emerging markets. However, our remaining holdings in this theme struggled after the US Federal Reserve signalled that it would look to gradually withdraw quantitative easing. This resulted in emerging market currencies falling over the summer. Our investments in Indonesia were directly affected by the fall of the rupiah and we consequently sold out. Fortunately, we had no investments in Brazil, India, South Africa or Russia, all of which were badly affected by currency weaknesses. The main source of demand growth in emerging markets is demographic. These countries have young populations and growing workforces, and health and education levels are improving.

Although these trends have not changed, the purchasing power of this group of consumers has temporarily been reduced by the fall in emerging market currencies. Having reduced our exposures to this theme in summer 2013, we are now rebuilding our exposure here. Investors have become too negative, in our view.

We have been expecting China to slow for some time. Given the size of its economy, the combination of high growth without inflation always seemed unlikely to persist indefinitely. We believe the new government is taking sensible measures to moderate property speculation. Speculative bubbles were inevitable given that excess savings are trapped inside an economy with an under-developed savings market. We therefore view recent losses in the credit market as being part of the 'learning curve' that China is following as it adopts market disciplines. We do, however, suspect that the recent problems in the credit market will get worse before they get better.

Outlook – Harnessing the power of compound returns …

It is always disappointing when we fail to beat the market over the short term. We accept, however, that our preference for stocks with strong balance sheets and cashflows leads us away from companies that are sensitive to the economic cycle. And these have clearly been the companies that have led the market higher over the last 12 months.

Recently, investors have bought into mature companies in developed markets, driving these stocks to high valuation levels. Although the banking crisis of 2008 has passed, levels of government debt across the developed world remains high. Recent falls in bond yields might imply that investors believe that governments in southern Europe have suddenly become reliable creditors. But they might also reflect the growing threat of

Investment review (continued)

deflation. Remember that Japanese government bond yields fell from 4% in the mid 1990s to 1% by 2003. Clearly, this did not prove to be a 'buy' signal for Japanese equities.

We do not think that mature companies in developed markets will deliver superior returns. In the short term, companies that are stagnating can drive shareholder value by raising margins (until they attract competition) or by buying back shares and shrinking their capital (until they endanger their credit ratings). For long-term investors, high returns tend to be produced by the compounding of returns within growing companies. Businesses that can increase sales and cashflows by producing innovative products have few limits to the returns they can deliver to their shareholders over the longer term. We believe the demographic trends and the investment themes that we have identified will deliver returns to unitholders – even if economic conditions turn out to be less benign than some investors currently believe.

Simon Edelsten, Alex Illingworth and Rosanna Burcheri
Fund managers

Five largest purchases and sales for the year ended 30 April 2014

Purchases	Cost £'000	Sales	Proceeds £'000
Wharf Holdings	1,036	Daily Mail & General Trust (A shares)	910
MasterCard	1,008	3M	856
Marathon Oil	955	Apple	829
United Parcel Service (B shares)	943	Nippon Telegraph & Telephone	796
Rakuten	907	BNP Paribas	754

Portfolio statement as at 30 April 2014

Investment	Holding	Valuation £'000	% of net assets
Cayman Islands – 1.10% (2.21%)			
Baidu (ADR) (A shares)	3,130	288	0.64
Kolao Holdings	13,997	207	0.46
		495	**1.10**
China – 2.33% (1.52%)			
Industrial & Commercial Bank Of China (H shares)	1,943,000	687	1.52
Sinopharm Group (H shares)	234,446	365	0.81
		1,052	**2.33**
France – 3.97% (3.54%)			
Criteo (ADR)	10,621	185	0.41
LVMH	8,060	937	2.07
Unibail-Rodamco	4,238	675	1.49
		1,797	**3.97**
Germany – 4.35% (3.04%)			
Commerzbank	28,914	307	0.68
Deutsche Post	39,603	873	1.93
SAP	16,589	789	1.74
		1,969	**4.35**
Hong Kong – 4.37% (3.12%)			
China Merchants Holdings International	270,000	500	1.10
Hutchison Whampoa	116,000	943	2.08
Wharf Holdings	129,000	537	1.19
		1,980	**4.37**
Ireland – 3.06% (0.00%)			
Actavis	6,396	752	1.66
Perrigo	7,336	635	1.40
		1,387	**3.06**
Italy – 2.57% (0.00%)			
Mediobanca	93,974	612	1.35
World Duty Free	69,058	553	1.22
		1,165	**2.57**
Japan – 12.15% (16.23%)			
Ebara	191,000	671	1.48
Fujitec	69,000	471	1.04
Medipal Holdings	79,700	662	1.46
Mitsubishi Heavy Industries	135,000	421	0.93
Nippon Prologis (REIT)	268	336	0.74

Investment information (continued)

Investment	Holding	Valuation £'000	% of net assets
Rakuten	64,700	495	1.09
Shimano	10,300	608	1.34
Sumitomo Mitsui Financial Group	18,200	425	0.94
Sumitomo Warehouse	126,000	361	0.80
Suntory Beverage & Food	15,900	329	0.73
Yamaha	91,600	725	1.60
		5,504	**12.15**
Jersey – 1.60% (0.00%)			
Experian	64,067	723	1.60
		723	**1.60**
Singapore – 4.46% (5.06%)			
Global Logistic Properties	600,155	809	1.79
Mapletree Logistics Trust (REIT)	655,000	339	0.75
Sats	393,000	586	1.29
Yoma Strategic Holdings	860,000	287	0.63
		2,021	**4.46**
Switzerland – 3.35% (5.03%)			
DKSH Holding	9,222	447	0.99
Nestle	11,900	542	1.20
Richemont	8,674	523	1.16
		1,512	**3.35**
United Kingdom – 5.59% (2.50%)			
GlaxoSmithKline	34,781	568	1.26
HSBC Holdings	97,312	590	1.30
ITV	383,703	691	1.53
Prudential	50,540	680	1.50
		2,529	**5.59**
USA – 43.38% (35.12%)			
Abbvie	28,419	868	1.92
AmerisourceBergen	22,330	849	1.88
Cabela's	19,219	750	1.66
Capital One Financial	17,779	777	1.72
Concho Resources	7,215	560	1.24
Continental Resources	5,709	463	1.02
Ebay	15,859	514	1.14
EOG Resources	13,570	804	1.78
Google (A shares)	1,508	473	1.05
Google (C shares)	1,508	481	1.06
Informatica	14,603	305	0.67
Marathon Oil	38,846	852	1.88
MasterCard	15,286	655	1.45
Norfolk Southern	11,844	667	1.47
Omnicom Group	16,328	647	1.43
PetSmart	11,411	460	1.02
Praxair	6,927	529	1.17
Premier	30,586	552	1.22
SM Energy	4,063	193	0.43
Spectra Energy	34,459	811	1.79

Investment	Holding	Valuation £'000	% of net assets
St. Joe	54,054	579	1.28
Stryker	17,860	827	1.83
Thermo Fisher Scientific	10,958	747	1.65
Time Warner	23,365	899	1.99
Union Pacific	7,097	801	1.77
United Parcel Service (B shares)	15,295	891	1.97
VF Corporation	18,664	680	1.50
Walgreen	21,983	880	1.94
Walt Disney	9,369	438	0.97
Wells Fargo	22,778	670	1.48
		19,622	**43.38**
Forward foreign exchange contracts – 0.00% (0.13)%			
Sell Japanese Yen - 20 June 2014	(275,000,000)	(1,595)	(3.52)
Buy Swiss Franc - 20 June 2014	2,368,474	1,598	3.52
		3	**0.00**
Portfolio of investments		41,759	92.28
Net other assets		3,494	7.72
Net assets attributable to unitholders		45,253	100.00

All holdings are listed ordinary shares unless otherwise stated.
The figures in brackets represent percentages as at 30 April 2013. At this date the portfolio included an exposure to Bermuda (3.24%), Colombia (0.90%), Greece (0.60%), Indonesia (0.98%), Luxembourg (1.18%), Mexico (3.85%), the Netherlands (2.11%), South Korea (0.83%), Sweden (1.29%) and Thailand (2.55%).
ADR represents American Depositary Receipts.
REIT represents Real Estate Investment Trusts

Financial statements

Statement of total return for the year ended 30 April 2014

	Note	30 April 2014 £'000	30 April 2014 £'000	30 April 2013 £'000	30 April 2013 £'000
Income					
Net capital (losses)/gains	4		(153)		5,243
Revenue	6	656		498	
Expenses	7	(471)		(335)	
Finance costs: interest	9	-		-	
Net revenue before taxation		185		163	
Taxation	8	(58)		(43)	
Net revenue after taxation			127		120
Total return before distribution			**(26)**		**5,363**
Finance costs: distribution	9		(144)		(120)
Change in net assets attributable to unitholders from investment activities			(170)		5,243

Statement of change in net assets attributable to unitholders for the year ended 30 April 2014

	30 April 2014 £'000	30 April 2014 £'000	30 April 2013 £'000	30 April 2013 £'000
Opening net assets attributable to unitholders		34,054		17,494
Amounts receivable on issue of units	16,570		11,531	
Amounts payable on cancellation of units	(5,392)		(368)	
		11,178		11,163
Stamp duty reserve tax		(2)		-
Change in net assets attributable to unitholders from investment activities		(170)		5,243
Retained distribution on accumulation units		193		154
Closing net assets attributable to unitholders		45,253		34,054

Balance sheet as at 30 April 2014

	Note	30 April 2014 £'000	30 April 2014 £'000	30 April 2013 £'000	30 April 2013 £'000
Assets					
Investment assets			41,759		32,378
Debtors	10	1,200		808	
Cash and bank balances	11	2,657		1,045	
Total other assets			3,857		1,853
Total assets			**45,616**		**34,231**
Liabilities					
Derivative liabilities			-		15
Creditors	12	363		162	
Total other liabilities			363		162
Total liabilities			**363**		**177**
Net assets attributable to unitholders			45,253		34,054

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. Returns 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 UK Real Estate Investment Trusts, 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.

(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, 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-

Notes to the financial statements (continued)

interest bearing, the fund is not 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 are denominated in currencies other than sterling, and therefore the balance sheet and total return can be affected by currency movements (see note 15). Therefore, the manager may decide to actively manage the fund's exposure to currencies using forward foreign exchange contracts. The unrealised gain of £3,000 (30 April 2013: £43,000) arising on open forward foreign exchange contracts as at 30 April 2014 is shown in the portfolio statement on page 9.

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 market 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, such as derivatives. For derivatives held as at 30 April 2014, which are disclosed in the portfolio statement on page 9, UBS is the counterparty for the forward foreign exchange contracts. Aside from the custodian, the derviative counterparties and brokers where trades are pending settlement, there were no significant concentrations of credit risk as at 30 April 2014 or 30 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 7 to 9. 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. The unrealised gain of £3,000 (30 April 2013: £43,000) arising on open foreign exchange contracts as at 30 April 2014 is shown in the portfolio statement on page 9.

4. Net capital (losses)/gains

	30 April 2014 £'000	30 April 2013 £'000
Forward foreign exchange contracts	223	3
Currency (losses)/gains	(85)	3
Non-derivative securities	(291)	5,246
Derivative contracts	-	(9)
Net capital (losses)/gains	(153)	5,243

5. Portfolio transaction costs

	30 April 2014		30 April 2013	
	£'000	£'000	£'000	£'000
Analysis of total purchases costs				
Purchases before transaction costs		50,635		35,720
Commissions	47		51	
Taxes	31		14	
Total purchases costs		78		65
Gross purchases total		50,713		35,785
Analysis of total sales costs				
Gross sales before transaction costs		41,031		25,608
Commissions	(38)		(35)	
Taxes	(7)		(6)	
Total sales costs		(45)		(41)
Total sales net of transaction costs		40,986		25,567

6. Revenue

	30 April 2014 £'000	30 April 2013 £'000
Overseas dividends	569	433
UK dividends	68	35
Overseas stock dividends	13	29
Revenue from UK REITs	4	-
Bank interest	2	1
Total revenue	656	498

Notes to the financial statements (continued)

7. Expenses

	30 April 2014 £'000	30 April 2013 £'000
Payable to the manager, associates of the manager and agents of either of them:		
Annual management charge	390	253
Payable to the trustee, associates of the trustee and agents of either of them:		
Trustee fee	7	4
Other expenses:		
Administration fee	34	50
Registration fee	20	8
Operational fees	9	8
Auditor's remuneration: audit fee*	7	8
Safe custody fee	3	3
Printing and postage fee	1	1
Total expenses	471	335

All expenditure stated above is inclusive of irrecoverable VAT where applicable.
* The amount disclosed above includes VAT at the rate of 20%. The audit fee (excluding VAT) accrued during the period was £5,600 (2013: £5,600)

8. Taxation

	30 April 2014 £'000	30 April 2013 £'000
a) Analysis of the tax charge for the year		
Irrecoverable overseas tax	58	43
Total taxation (note 8b)	58	43
b) Factors affecting the tax charge for the year		
Net revenue before taxation	185	163
Corporation tax at 20% (2013: 20%)	37	33
Effects of:		
Unutilised management expenses	93	64
Irrecoverable overseas tax	58	43
Income taxable in different periods	(1)	-
Non-taxable stock dividends	(3)	(6)
Non-taxable UK dividends	(14)	(7)
Non-taxable overseas dividends	(112)	(84)
Tax charge for the year (note 8a)	58	43

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 £187,000 (2013: £94,000) arising as a result of having unutilised management expenses of £935,000 (2013: £470,000). 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

	30 April 2014 £'000	30 April 2013 £'000
Final dividend distribution	193	154
Add: amounts deducted on cancellation of units	14	1
Deduct: amounts added on issue of units	(63)	(35)
Finance costs: distribution	144	120
Finance costs: interest	-	-
Total finance costs	144	120
Movement between net revenue and distribution		
Net revenue after taxation	127	120
Unit class deficit (R accumulation)	16	-
Revenue received on conversion of units	1	-
	144	120

The distribution takes account of amounts added on the issue of units and amounts deducted on the cancellation of units. Details of the distributions per unit are set out in the distribution table on page 18.

10. Debtors

	30 April 2014 £'000	30 April 2013 £'000
Amounts receivable for issue of units	677	107
Sales awaiting settlement	423	623
Accrued revenue	81	64
Overseas withholding tax recoverable	18	12
Prepaid expenses	1	2
Total debtors	1,200	808

11. Cash and bank balances

	30 April 2014 £'000	30 April 2013 £'000
Amounts held in JP Morgan Liquidity Fund	2,657	1,045
Total cash and bank balances	2,657	1,045

12. Creditors

	30 April 2014 £'000	30 April 2013 £'000
Purchases awaiting settlement	250	107
Amounts payable for cancellation of units	48	-
Accrued annual management charge	36	27
Accrued other expenses	28	28
Accrued trustee fee	1	-
Total creditors	363	162

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. 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 10 and notes 7, 10 and 12 on pages 14 and 15 including all issues and cancellations where the manager acted as principal. The balance due from the manager as at 30 April 2014 in respect of these transactions was £593,000 (2013: £80,000). The balance due to the trustee as at 30 April 2014 in respect of these transactions was £1,000 (2013: £nil).

15. Risk disclosures – currency risk

The exposure to each currency is shown in the tables below and includes the effect of any forward foreign exchange contracts.

Currency	Investments £'000	Net other assets/ (liabilities) £'000	Forward foreign exchange contracts £'000	Total £'000
30 April 2014				
US Dollar	21,482	558	–	22,040
Euro	4,746	425	–	5,171
Japanese Yen	5,504	32	(1,595)	3,941
Swiss Franc	1,512	20	1,598	3,130
Hong Kong Dollar	3,032	–	–	3,032
Singapore Dollar	2,021	(207)	–	1,814
Korean Won	207	–	–	207
Norwegian Krone	–	2	–	2
30 April 2013				
US Dollar	14,022	616	2,932	17,570
Euro	3,876	9	–	3,885
Hong Kong Dollar	2,875	–	–	2,875
Swiss Franc	1,712	9	594	2,315
Japanese Yen	5,527	26	(3,483)	2,070
Singapore Dollar	1,724	–	–	1,724
Thai Baht	870	9	–	879
Swedish Krona	440	9	–	449
Indonesian Rupiah	334	–	–	334
Mexican Peso	316	–	–	316
Korean Won	283	–	–	283
Norwegian Krone	–	2	–	2

16. Unit classes

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

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 19. The distribution per unit class is given in the distribution table on page 18. All classes have the same rights.

17. Post balance sheet event

Since 30 April 2014, the net asset values per unit, on a bid basis, have changed as follows:

	Net asset value per unit (p) 13 June 2014	30 April 2014	Movement
R accumulation	60.86	59.45	2.4%
I accumulation	62.22	60.73	2.5%

Distribution table

For the year ended 30 April 2014

Final dividend distribution (paid on 30 June 2014) in pence per unit.

Group 1 – Units purchased prior to 1 May 2013.
Group 2 – Units purchased from 1 May 2013 to 30 April 2014.

	Net revenue per unit (p)	Equalisation per unit (p)	Distribution per unit (p) 30 June 2014	Distribution per unit (p) 28 June 2013
R accumulation				
Group 1	-	-	-	0.0219
Group 2	-	-	-	0.0219
I accumulation				
Group 1	0.3612	-	0.3612	0.4101
Group 2	0.1105	0.2507	0.3612	0.4101

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 all group 2 units and is refunded to 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
30 April 2012	17,494,413		
R accumulation		49.35	10,974,279
I accumulation		49.67	24,317,718
30 April 2013	34,054,265		
R accumulation		59.58	20,112,577
I accumulation		60.41	36,535,567
30 April 2014	45,253,200		
R accumulation		59.45	21,474,969
I accumulation		60.73	53,491,993

Net revenue distribution & unit price range

Year	Net revenue per unit (p)	Highest offer price (p)	Lowest bid price (p)
R accumulation			
2011 *	-	52.66	41.44
2012	0.0584	54.44	45.45
2013	0.0219	66.96	51.16
2014 **	-	65.81	58.49
I accumulation			
2011 *	-	50.56	41.50
2012	0.3699	52.84	45.64
2013	0.4101	65.18	51.76
2014 **	0.3612	64.38	59.65

Net revenue includes all amounts paid and payable in each calendar year.
* From 15 June 2011.
** To 30 April 2014.

Ongoing charges

Expense	30 April 2014
R accumulation	
Annual management charge	1.50%
Other expenses	0.23%
Ongoing charges	1.73%
I accumulation	
Annual management charge	0.75%
Other expenses	0.23%
Ongoing charges	0.98%

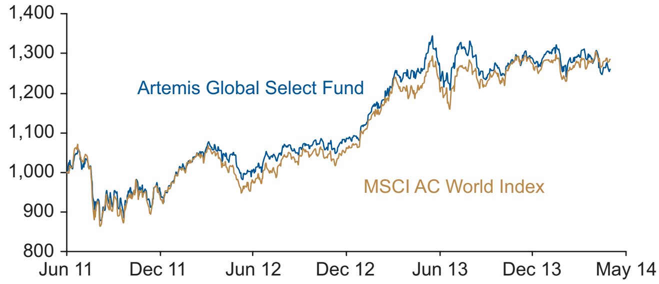
Ongoing charges shows the annual operating expenses of each unit class as a percentage of the average net assets of that class for the preceding 12 months.

Fund performance

	Since launch *	1 year	6 months
Artemis Global Select Fund	26.1	(0.2)	(2.5)
MSCI All Countries World Index	28.5	5.4	0.2
Sector average	24.0	6.0	(0.6)
Position in sector	94/174	177/192	163/194
Quartile	3	4	4

* Data from 16 June 2011, due to the fixed price period of the fund. Source: Lipper Limited, R accumulation, bid to bid in sterling with net income reinvested to 30 April 2014. All performance figures show total return percentage growth. Sector is IMA Global, universe of funds is those reporting net of UK taxes.

Value of £1,000 invested at launch to 30 April 2014



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