



Wealth  
Management

# Annual Report & Financial Statements

Volare UCITS Portfolios

For the year ended 31 May 2022



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\* Collectively these comprise the ACD's Report.

### Authorised Corporate Director's ("ACD") Report

We are pleased to present the Annual Report & Audited Financial Statements for Volare UCITS Portfolios for the year ended 31 May 2022.

#### Authorised Status

Volare UCITS Portfolios ("the Company") is an investment company with variable capital ("ICVC") incorporated in England and Wales under registered number IC001079 and authorised by the Financial Conduct Authority ("FCA"), with effect from 22 December 2016. The Company has an unlimited duration.

Shareholders are not liable for the debts of the Company.

Head Office: the Head Office of the Company is at 6th Floor, Bastion House, 140 London Wall, London, EC2Y 5DN.

The Head Office is the address of the place in the UK for service on the Company of notices or other documents required or authorised to be served on it.

#### Structure of the Company

The Company is structured as an umbrella company, in that different Funds may be established from time to time by the ACD with the approval of the FCA. On the introduction of any new Fund or Share Class, a revised prospectus will be prepared setting out the relevant details of each Fund or Share Class.

The Company is a UK UCITS scheme.

The assets of each Fund will be treated as separate from those of every other Fund and will be invested in accordance with the investment objective and investment policy applicable to that Fund. Investment of the assets of each of the Funds must comply with the FCA's Collective Investment Schemes Sourcebook ("COLL") and the investment objective and policy of the relevant Fund.

Currently the Company has six Funds: Volare Adventurous Fund, Volare Balanced Fund, Volare Cautious Fund, Volare Defensive Fund, Volare Growth Fund and Volare Strategic Income Fund. In the future there may be other Funds established.

Under the requirements of UCITS V and the UCITS Remuneration Code, FundRock Partners ("FP"), as UK UCITS Manager, must establish and apply remuneration policies and practices for its staff that have a material impact on the risk profile of FP or the Fund. These practices must be consistent with and promote sound and effective risk management, not encourage risk taking which is inconsistent with the risk profile of the Fund as detailed in the instrument of the Fund or the prospectus and does not impair FP's compliance with its duty to act in the best interest of the Fund it manages.

Under the relevant provisions of COLL Sourcebook, FP as UK UCITS Manager, is required to disclose remuneration information on how those whose actions have a material impact on the Fund are remunerated (see page 118).

#### Crossholdings

There were no Shares in any Fund held by any other Fund of the Company.

#### Important Events during the Year

With effect from 20 November 2021, the Depositary changed from Societe General S.A. to Citibank UK Limited and the Fund Administrator changed from Societe General S.A. to Apex Fund Services UK Limited. The Custodian also changed from The Northern Trust Company, London Branch to Citibank N.A, London Branch on this date.

With effect from 22 November 2021, the FundRock Partners Limited registered address changed to 6th Floor, Bastion House, 140 London Wall, London, EC2Y 5DN.

## Volare UCITS Portfolios

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### Authorised Corporate Director's ("ACD") Report (continued)

#### Important Events during the Year (continued)

As at 31 March 2022, the name of the Investment Manager changed from LGT Vestra LLP to LGT Wealth Management UK LLP.

On 14 April 2022, Volare Adventurous Fund was launched. The prospectus has been updated in accordance with this change.

On 14 April 2022, the six sub-funds of Octopus Investment Funds merged with Volare UCITS Portfolios, by way of schemes of arrangement. Shareholders in FP Octopus Investment Fund received new shares in Volare UCITS Portfolios in exchange for their original shares. The merger details are listed in the table below.

Discontinuing Sub-Funds	Receiving Sub-Funds
FP Octopus Dynamic Mixed Asset Fund	Volare Cautious Fund
FP Octopus Fixed Income Fund	Volare Defensive Fund
FP Octopus Global Growth Fund	Volare Adventurous Fund
FP Octopus Global Strategies Fund	Volare Defensive Fund
FP Octopus International Equity Fund	Volare Adventurous Fund
FP Octopus UK Equity Fund	Volare Adventurous Fund

#### Base Currency:

The base currency of the Company is Pound Sterling.

#### Share Capital:

The minimum Share Capital of the Company is £1 and the maximum is £100,000,000,000. Shares in the Company have no par value. The Share Capital of the Company at all times equals the sum of the Net Asset Values of each of the Funds.

### Certification of Financial Statements by Directors of the ACD For the year ended 31 May 2022

#### **Directors' Certification**

This report has been prepared in accordance with the requirements of COLL, as issued and amended by the FCA. We hereby certify and authorise for issue, the Annual Report and the Audited Financial Statements on behalf of the Directors of FundRock Partners Limited.

The Directors are of the opinion that it is appropriate to continue to adopt the going concern basis in the preparation of the Financial Statements as the assets of the Funds consist predominantly of securities that are readily realisable, and accordingly, the Funds have adequate resources to continue in operational existence for at least the next twelve months from the approval of these Financial Statements.

S. Gunson

**FundRock Partners Limited**

30 September 2022

### Statement of the ACD's Responsibilities For the year ended 31 May 2022

The Authorised Corporate Director ("ACD") of Volare UCITS Portfolios ("Company") is responsible for preparing the Annual Report and the Audited Financial Statements in accordance with the Open-Ended Investment Companies Regulations 2001 ("the OEIC Regulations"), the FCA's Collective Investment Schemes Sourcebook ("COLL") and the Company's Instrument of Incorporation.

The OEIC Regulations and COLL require the ACD to prepare Financial Statements for each annual accounting period which:

- are in accordance with United Kingdom Generally Accepted Accounting Practice ("United Kingdom Accounting Standards and applicable law"), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the "Statement of Recommended Practice: Financial Statements of UK Authorised Funds" issued by the Investment Association ("IA SORP") in May 2014 and amended in June 2017.
- give a true and fair view of the financial position of the Company and each of its sub-funds as at the end of that year and the net revenue and expenses and the net capital losses on the property of the Company and each of its sub funds for that year.

In preparing the Financial Statements, the ACD is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards and the IA SORP have been followed, subject to any material departures disclosed and explained in the Financial Statements; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the Company will continue in operation.

The ACD is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the Financial Statements comply with the applicable IA SORP and United Kingdom Accounting Standards and applicable law. The ACD is also responsible for the system of internal controls, for safeguarding the assets of the Company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In accordance with COLL 4.5.8BR, the Annual Report and the Audited Financial Statements were approved by the Board of Directors of the ACD of the Company and authorised for issue on 30 September 2022.

### Statement of the Depositary's Responsibilities in Respect of the Scheme and Report of the Depositary to the Shareholders of the Volare UCITS Portfolio for the year ended 31 May 2022

The Depositary is responsible for the safekeeping of all the property of the Company (other than tangible moveable property) which is entrusted to it and ensuring proper registration of tangible moveable property, and for the collection of income arising from all such scheme property.

It is the duty of the Depositary to take reasonable care to ensure that the Company is managed and operated by the Authorised Corporate Director in accordance with the Financial Conduct Authority' Collective Investment Schemes Sourcebook ("the Sourcebook"), the Open-Ended Investment Companies Regulations 2001 (SI 2001/1228) (the OEIC Regulations), the Company's Instrument of Incorporation, and the Prospectus, as appropriate, concerning: the pricing of and dealing in Shares in the Company; the application of income of the Company; and the investment portfolio and borrowing activities of the Company.

Having carried out procedures and enquiries considered duly necessary to discharge our responsibilities as Depositary of the Company, based on information and explanations provided to us, we believe that, in all material respects, the Company, acting through the Authorised Corporate Director:

- (i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Company's shares and the application of the Company's income in accordance with the Sourcebook, and where applicable, the OEIC regulations, the Company's Instrument of Incorporation, and the Prospectus;
- (ii) has observed the investment and borrowing powers and restrictions applicable to the Company; and
- (iii) has, otherwise, ensured the proper operation of the Company.

**Citibank UK Limited, London**

UK Trustee and Depositary Services

30 September 2022

### Independent Auditor's Report to the Shareholders of Volare UCITS Portfolios For the year ended 31 May 2022

#### Report on the audit of the financial statements

##### Opinion

In our opinion the Financial Statements of Volare UCITS Portfolios (the "Company"):

- give a true and fair view of the financial position of the 'Company' as at 31 May 2022 and of the net revenue and expense and the net capital losses on the property of the Company and its sub-funds for the year ended 31 May 2022; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", the Statement of Recommended Practice "Financial Statements of UK Authorised Funds", the rules in the Collective Investment Schemes Sourcebook and the Instrument of Incorporation.

We have audited the financial statements which comprise for each sub-fund:

- the statement of total return;
- the statement of change in net assets attributable to shareholders;
- the balance sheet;
- the distribution tables; and
- the related notes 1 to 18 for Volare Adventurous Fund and related notes 1 to 17 for all other sub-funds.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice), the Statement of Recommended Practice: "Financial Statements of UK Authorised Funds" issued by the Investment Association in May 2014 as amended June 2017, the Collective Investment Schemes Sourcebook and the Instrument of Incorporation.

##### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the authorised corporate director's (ACD's) use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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



### Independent Auditor's Report to the Shareholders of Volare UCITS Portfolios (continued) For the year ended 31 May 2022

#### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The ACD is responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Responsibilities of Depositary and ACD**

As explained more fully in the depositary's responsibilities statement and the ACD's responsibilities statement, the depositary is responsible for the safeguarding the property of the Company and the ACD is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the ACD determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

#### **Auditor's responsibilities for the audit of the financial statements**

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

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

#### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the Company's industry and its control environment, and reviewed the Company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and those charged with governance about their own identification and assessment of the risks of irregularities.

### Independent Auditor's Report to the Shareholders of Volare UCITS Portfolios (continued) For the year ended 31 May 2022

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

We obtained an understanding of the legal and regulatory frameworks that the Company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included the Collective Investment Schemes Sourcebook and relevant tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty. These included the company's obligations under The Open-Ended Investment Companies Regulations 2001.

We discussed among the audit engagement team including relevant internal specialists such as valuations and IT regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud in the valuation and existence of investments. In response we have: involved our financial instruments specialists to assess the applied valuation methodologies; agreed investment holdings to independent confirmations; and agreed investment valuations to reliable independent sources.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance and reviewing correspondence with HMRC and the FCA.

#### **Report on other legal and regulatory requirements**

##### **Opinion on other matters prescribed by the Collective Investment Schemes Sourcebook**

In our opinion:

- proper accounting records for the Company and the sub-funds have been kept and the Financial Statements are in agreement with those records;
- we have received all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit; and
- the information disclosed in the ACD's report for the year ended 31 May 2022 for the purpose of complying with Paragraph 4.5.9R of the Collective Investment Schemes Sourcebook is consistent with the Financial Statements.

### Independent Auditor's Report to the Shareholders of Volare UCITS Portfolios (continued) For the year ended 31 May 2022

#### Use of our report

This report is made solely to the Company's shareholders, as a body, in accordance with Paragraph 4.5.12R of the Collective Investment Schemes Sourcebook of the Financial Conduct Authority. Our audit work has been undertaken so that we might state to the Company's Shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's Shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

#### Deloitte LLP

Statutory Auditor  
Glasgow, United Kingdom

30 September 2022

### Accounting Policies and Financial Instruments For the year ended 31 May 2022

#### 1 Accounting Basis And 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 FRS 102 "The Financial Reporting Standards Applicable in the UK and Republic of Ireland" and the "Statement of Recommended Practice: Financial Statements of UK Authorised Funds" issued by the Investment Association in May 2014 and amended in June 2017.

As described in the Certification of Financial Statements by Directors of the ACD on page 5, the ACD continues to adopt the going concern basis in the preparation of the Financial Statements of the Company. The Company is able to meet all of its liabilities from its assets. The performance, marketability and risks of the Company are reviewed on a regular basis throughout the financial year. Therefore, the Directors of the ACD believe that the Company will continue in operational existence for a period of at least one year from the date of approval of the financial statements.

The preparation of Financial Statements in accordance with FRS 102 requires the ACD to make judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expenses. As at 31 May 2022, there were no significant judgement or estimates involved in the determination of the values of assets and liabilities reported in these Financial Statements.

##### ***(b) Realised and unrealised gains and losses***

Realised gains or losses have been calculated as the proceeds from disposal less book cost. Where realised gains or losses have arisen in previous years, a corresponding reversal of such previously recognised loss or gain is included in unrealised gains or losses.

Unrealised gain/losses are calculated with reference to the original recorded value of the asset or liability, and only the element of gain/loss within the accounting period is recorded in the Financial Statements. All unrealised and realised gains are capital in nature and do not form part of the Fund's distributable income.

##### ***(c) Recognition of revenue***

Rebates of annual management charges on underlying investments are accounted for on an accruals basis and recognised as revenue or capital in line with the treatment of the charge on the underlying Fund.

Distributions from Collective Investment Schemes are recognised when the schemes are quoted ex-distribution. Equalisation returned with the distribution is deducted from the cost of the investment and does not form part of the distributable revenue.

Interest on bank and other cash deposits is recognised on an accruals basis.

All revenue includes withholding taxes but excludes irrecoverable tax credits.

Any reported revenue from an offshore fund, in excess of any distribution received in the reporting year, is recognised as revenue no later than the date on which the reporting fund makes this information available.

##### ***(d) Treatment of stock and special dividends***

The ordinary element of stock dividends received in lieu of cash dividends is credited to capital in the first instance followed by a transfer to revenue of the cash equivalent being offered and this forms part of the distributable revenue.

### Accounting Policies and Financial Instruments (continued) For the year ended 31 May 2022

#### 1 Accounting Basis And Policies (continued)

##### ***(d) Treatment of stock and special dividends (continued)***

Special dividends are reviewed on a case by case basis in determining whether the dividend is to be treated as revenue or capital. Amounts recognised as revenue will form part of the distributable revenue. The tax treatment follows the treatment of the principal amount.

##### ***(e) Treatment of expenses***

Expenses are recorded on an accrual basis but the Fund may incur additional allowable expenses which are charged as and when they are incurred.

Expenses of the Funds are charged against revenue, except for costs associated with the purchase and sale of investment which are allocated to the capital of the Funds. Expenses of Volare Strategic Income Fund are charged to capital.

##### ***(f) Allocation of revenue and expenses to multiple Share Classes and Funds***

Any revenue or expenses not directly attributable to a particular Share Class or Fund will normally be allocated pro-rata to the net assets of the relevant Share Classes and Funds.

##### ***(g) Taxation***

Tax is provided for using tax rates and laws which have been enacted or substantively enacted at the balance sheet date.

Corporation tax is provided for on the income liable to corporation tax less deductible expenses.

Corporation tax is provided for on realised gains on non-reporting offshore funds less deductible expenses. Deferred tax is provided for on unrealised gains on non-reporting offshore funds less deductible expenses.

Where tax has been deducted from revenue that tax can, in some instances, be set off against the corporation tax payable, by way of double tax relief.

Deferred tax is provided using the liability method on all timing differences arising on the treatment of certain items for taxation and accounting purposes, calculated at the rate at which it is anticipated the timing differences will reverse. Deferred tax assets are recognised only when, on the basis of available evidence, it is more likely than not that there will be taxable profits in the future against which the deferred tax asset can be offset.

##### ***(h) Distribution policy***

The net revenue after taxation, as disclosed in the Financial Statements, after adjustment for items of a capital nature, is distributable to Shareholders as dividend distributions. Any revenue deficit is deducted from capital.

In addition, the portfolio transaction charges will be charged wholly to the capital of the Fund. Accordingly, the imposition of such charges may constrain the capital growth of the Fund.

The ACD has elected to pay all revenue less expenses charged to revenue and taxation annual distributions, with the exception of Volare Strategic Income Fund where distributions are paid quarterly.

Marginal tax relief for the expenses charged to capital is not taken into account when determining the amount available for distribution on the Funds.

### Accounting Policies and Financial Instruments (continued) For the year ended 31 May 2022

#### 1 Accounting Basis And Policies (continued)

##### ***(i) Basis of valuation of investments***

Market value is defined by the SORP as fair value which is the bid value of each security.

Collective Investment Schemes are valued at quoted bid prices for dual priced funds and at quoted prices for single priced funds, on the last business day of the accounting year.

All investments are recognised and derecognised on trade date, and any trades that occur between valuation point and close of business are included in the Financial Statements.

Non-observable entity specific data is only used where relevant observable market data is not available. Typically this category will include single broker-priced instruments, suspended/unquoted securities, private equity, unlisted close-ended funds and open-ended funds with restrictions on redemption rights.

##### ***(j) Exchange rates***

Transactions in foreign currencies are recorded in Sterling at the rate ruling at the date of the transactions. Assets and liabilities expressed in foreign currencies at the end of the accounting year are translated into Sterling at the closing mid market exchange rates ruling on that date.

##### ***(k) Dilution Adjustment***

The ACD may require a dilution adjustment on the sale and redemption of Shares if, in its opinion, the existing Shareholders (for sales) or remaining Shareholders (for redemptions) might otherwise be adversely affected. In particular, the dilution adjustment may be charged in the following circumstances: where the scheme property is in continual decline; on a Fund experiencing large levels of net sales relative to its size; on 'large deals'; in any case where the ACD is of the opinion that the interests of remaining Shareholders require the imposition of a dilution adjustment.

##### ***(l) Equalisation***

Equalisation applies only to Shares purchased during the distribution period (Group 2 Shares). It represents the accrued revenue included in the purchase price of the Shares.

After averaging it is returned with the distribution as a capital repayment. It is not liable to income tax but must be deducted from the cost of the Shares for Capital Gains tax purposes.

##### ***(m) Derivatives***

The Funds may enter into permitted transactions such as derivative contracts or forward foreign currency transactions. Where these transactions are used to protect or enhance revenue, the revenue and expenses are included within net revenue in the Statement of Total Return.

Where the transactions are used to protect or enhance capital, the gains/losses are treated as capital and included within gains/losses on investments in the Statement of Total Return. Any open positions in these types of transactions at the year end are included in the Balance Sheet at their mark to market value.

### Accounting Policies and Financial Instruments (continued) For the year ended 31 May 2022

#### 2 Derivatives and other financial instruments

In pursuing the investment objectives a number of financial instruments are held which may comprise securities and other investments, cash balances and debtors and creditors that arise directly from operations. Derivatives, such as futures or forward currency contracts, may be utilised for hedging purposes.

The main risks from the Company's holding of financial instruments, together with the ACD's policy for managing these risks, are disclosed below:

##### ***(a) Foreign currency risk***

A significant portion of the Company's assets or the underlying assets of the Collective Investment Schemes in which the Company invests may be denominated in a currency other than the base currency of the Company or Class. There is the risk that the value of such assets and/or the value of any distributions from such assets may decrease if the underlying currency in which assets are traded falls relative to the base currency in which Shares of the relevant Fund are valued and priced.

The Company is not required to hedge its foreign currency risk, although it may do so through foreign currency exchange contracts, forward contracts, currency options and other methods. To the extent that the Company does not hedge its foreign currency risk or such hedging is incomplete or unsuccessful, the value of the Company's assets and revenue could be adversely affected by currency exchange rate movements. There may also be circumstances in which a hedging transaction may reduce currency gains that would otherwise arise in the valuation of the Company in circumstances where no such hedging transactions are undertaken.

##### ***(b) Interest rate risk profile of financial assets and liabilities***

The interest rate risk is the risk that the value of the Company's investments will fluctuate due to changes in the interest rate. Cashflows from floating rate securities, bank balances, or bank overdrafts will be affected by the changes in interest rates. As the Company's objective is to seek capital growth, these cashflows are considered to be of secondary importance and are not actively managed.

The Company did not have any long term financial liabilities at the balance sheet date.

##### ***(c) Credit risk***

The Company may find that companies in which it invests fail to settle their debts on a timely basis. The value of securities issued by such companies may fall as a result of the perceived increase in credit risk. Adhering to investment guidelines and avoiding excessive exposure to one particular issuer can limit credit risk.

## 2 Derivatives and other financial instruments (continued)

### ***(d) Liquidity risk***

Subject to the Regulations, the Company may invest up to and including 10% of the Scheme Property of the Company in transferable securities which are not approved securities (essentially transferable securities which are admitted to official listing in an EEA state or traded on or under the rules of an eligible securities market). Such securities and instruments are generally not publicly traded, may be unregistered for securities law purposes and may only be able to be resold in privately negotiated transactions with a limited number of purchasers. The difficulties and delays associated with such transactions could result in the Company's inability to realise a favourable price upon disposal of such securities, and at times might make disposition of such securities and instruments impossible. To the extent the Company invests in securities and instruments the terms of which are privately negotiated, the terms of such securities and instruments may contain restrictions regarding resale and transfer.

In addition, certain listed securities and instruments, particularly securities and instruments of smaller capitalised or less seasoned issuers, may from time to time lack an active secondary market and may be subject to more abrupt or erratic price movements than securities of larger, more established companies or stock market averages in general. In the absence of an active secondary market the Company's ability to purchase or sell such securities at a fair price may be impaired or delayed.

### ***(e) Market price risk***

The Company invests principally in Collective Investment Schemes. The value of these investments are not fixed and may go down as well as up. This may be the result of a specific factor affecting the value of an individual equity or be caused by general market factors (such as government policy or the health of the underlying economy) which can affect the entire portfolio. The Investment Manager seeks to minimise these risks by holding a diversified portfolio of Collective Investment Schemes in line with the Company's objectives. In addition, the management of the Company complies with the FCA's COLL sourcebook, which includes rules prohibiting a holding greater than 35% of assets in any one Fund.

### ***(f) Counterparty risk***

Transactions in securities entered into by the Company give rise to exposure to the risk that the counterparties may not be able to fulfil their responsibility by completing their side of the transaction. The Investment Manager minimises this risk by conducting trades through only the most reputable counterparties.

Counterparty risk is also managed by limiting the exposure to individual counterparties through adherence to the investment spread restrictions included within the Company's prospectus and COLL.

### ***(g) Operational risk***

Operational risk is the risk of loss arising from systems failure, human error, fraud or external events. When controls fail to perform, operational risks can cause damage to reputation, have legal or regulatory implications, or lead to financial loss. The Company cannot eliminate operational risks but, through the continual review and assessment of its control environment, by monitoring and responding to potential risks, they can be managed.

High level controls include effective segregation of duties, trade confirmation checking and reconciliation procedures, incident reporting and oversight of delegated functions.



### Accounting Policies and Financial Instruments (continued)

For the year ended 31 May 2022

#### 2 Derivatives and other financial instruments (continued)

##### ***(h) Leverage***

In accordance with the IA SORP, as ACD we are required to disclose any leverage of the Fund. Leverage is defined as any method by which the Fund increases its exposure through borrowing or the use of derivatives (calculated as the sum of the net asset value and the incremental exposure through the derivatives and in accordance with the IA SORP commitment approach (CESR/10-788)) divided by the net asset value.

The Fund's exposure is defined with reference to the 'Commitment' method. Commitment method exposure is calculated as the sum of all positions of the Fund, after netting off derivative and security positions and is disclosed within the individual Funds' Financial Statements.

##### ***(i) Fair value of financial assets and financial liabilities***

There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

### Investment Manager's Report For the year ended 31 May 2022

#### Investment Objective

The Fund aims to achieve capital growth (the increase in value of investments) whilst operating within a volatility range (variance) of between 10% and 16% over rolling 5 year periods.

The Fund's primary objective is to control volatility (variance) and this could therefore be at the expense of performance. There can be no guarantee that the Fund will achieve its objective of managing volatility (variance).

#### Investment Policy

The Fund will aim to achieve its objective through investment in a variety of asset classes across multiple geographic areas and markets, including:

- Between 0% and 100% in shares in companies, Real Estate Investment Trusts (REITs), Exchange Traded Funds (ETFs) and Exchange Traded Commodities (ETCs).
- Between 0% and 20% in cash, near cash, bonds and money market instruments.

The Fund will aim to have at least 80% of its exposure to these asset classes indirectly by holding units in collective investment schemes which invest in these assets.

The Fund will be managed in a manner that maintains eligibility for ISAs.

The Fund may hold certain financial contracts known as derivatives (which are investments whose value is linked to another investment, or the performance of a stock exchange or to some other variable factor, such as interest rates) for efficient portfolio management purposes. Efficient portfolio management is where the Fund is managed in a way that is designed to reduce risk or cost and/or generate extra income or growth. It is not intended that the use of derivatives in this way will change the risk profile of the Fund. On giving Shareholders 60 days' notice, the Funds will be able to also use derivatives for investment purposes.

#### Investment Review

The Fund was launched on 14th April 2022 with a primary objective of achieving above average capital growth. The Fund is diversified across a range of asset classes, with a high allocation to funds investing in equities and other risk assets.

#### Outlook

We expect volatility to remain elevated over the coming months with sharp moves across all asset classes. The next few months will be critical in monitoring the impact of the US Federal Reserve's (the Fed) rate rises on inflation, economic growth and consumer sentiment. If the rate rises start to have an impact on wage growth, job demand and inflation, then the Fed may decide to pause the rate rises or even take a more dovish stance. This could simply be by reverting back to 0.25% rate rises instead of the mooted 0.50% or 0.75%, which some analysts expect at the next two Fed meetings. The key will lie in the inflation and growth data, but also within the Fed minutes where we will glean useful information on the future trajectory of rate rises, the terminal rate of interest, and how hawkish Fed is likely to be.

The key metric that we are looking at is whether inflation is becoming more entrenched and likely to settle at a much higher future level. If we believe that this will happen, then we would consider shifting the portfolio into assets that would be beneficiaries of this environment such as commodity producers, energy companies and gold. We continue to assess the viability of including real assets exposure in the portfolios. If recessionary indicators rise, then we would look towards Treasuries. If not, then might look towards higher yielding fixed interest exposure.

### Investment Manager's Report (continued)

For the year ended 31 May 2022

#### Outlook (continued)

Our cash levels have been raised at a couple of points this year, in order to provide more optionality and protection. Our view is to redeploy this into the markets, where we have seen depressed levels of valuation, but only once the time is right. Whilst many of the highly valued companies have come down (typically those tech names in the US), they were at really lofty levels before the re-rating.

We expect that volatility will remain elevated over the coming months as the market digests new inflation data and the Fed tries to tackle inflation and bring economic growth down through a series of rate rises but also tries to avert a full-blown recession. We continue to have a strong preference towards high quality companies because we believe that this type of business is more resilient across the cycle and more likely to allow us to compound earnings at a suitable level of risk.

#### Investment Manager

LGT Wealth Management UK LLP

12 July 2022

**Comparative Tables**  
**As at 31 May 2022**

**A Accumulation**

	<b>31/05/22</b>
	<b>(p)</b>
Change in net assets per Share	
Opening net asset value per Share	100.00
Return before operating charges*	(0.19)
Operating charges	(1.22)
Return after operating charges*	(1.41)
Distributions	0.00
Retained distributions on accumulation	0.00
Closing net asset value per Share	98.59
* after direct transaction costs of:	0.00
Performance	
Return after operating charges	(1.41%)
Other information	
Closing net asset value	£39,521,928
Closing number of Shares	40,085,171
Operating charges	1.25%
Direct transaction costs	0.00%
Prices	
Highest Share price	100.79
Lowest Share price	94.32

Highest and lowest share prices are based on official published daily NAVs.

Share Class A Accumulation launched on 14 April 2022 at a price of 100p per share.

## Volare Adventurous Fund

### Performance Information

As at 31 May 2022

#### Operating Charges

Date	AMC* (%)	Other expenses (%)	Synthetic expense ratio** (%)	Investment Manager subsidy (%)	Transaction costs (%)	Operating Charges (%)
31/05/22						
Share Class A	0.35	0.31	0.65	(0.07)	0.01	1.25

\* Annual Management Charge

\*\*The methodology for calculation of synthetic expense ratio has changed. Following guidance issued by the Investment Association on 2 July 2020, the synthetic OCF calculation has been expanded to include closed ended vehicles such as investment trusts.

Share Class A launched on 14 April 2022, therefore there are no comparatives.

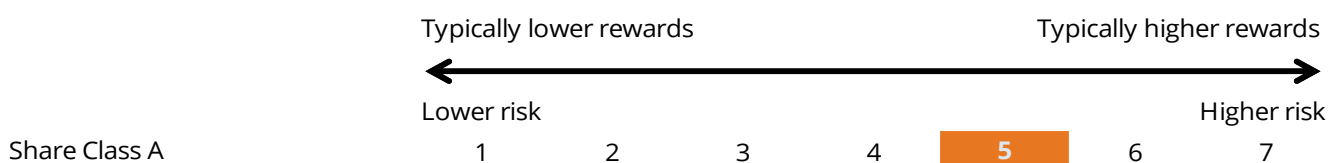
The Operating Charge is the total expenses paid by the Fund in the year, annualised, against its average Net Asset Value. This will fluctuate as underlying costs change.

The Fund has invested in Collective Investment Schemes during the year and the expenses incurred by these schemes are included in the above as the Synthetic expense ratio.

An operating charges cap of 0.60% for the A accumulation share class is currently in effect. This is excluding any impact from the Synthetic expense ratio. Investment manager subsidy will be provided from the sponsor to ensure operating charge ratios do not exceed these limits.

#### Risk and Reward Profile

As at 31 May 2022



- The 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 to remain unchanged and may shift over time.
- The lowest category does not mean 'risk free'.
- The Fund appears as a '5' on the scale. This is partly because the Fund invests in a mixture of investments, some of which have values that may fluctuate widely.
- The Fund does not provide its investors with any guarantee on performance, nor on monies invested in it.

#### Risk Warning

An investment in an Open-Ended Investment Company should be regarded as a medium to long term investment. Investors should be aware that the price of Shares and the income from them may fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency of a fund are subject to fluctuation in exchange rates, which may be favourable or unfavourable.

## Volare Adventurous Fund

### Portfolio Statement As at 31 May 2022

Holdings or Nominal Value	Investments	Market value £	% of Total Net Assets
<b>Collective Investment Schemes 102.05%</b>			
572,328	Ardevora UK Equity	1,341,250	3.39
279,572	Artemis UK Select	2,133,718	5.40
272,878	Artemis US Extended Alpha	888,053	2.25
801,859	AXA Framlington UK Mid Cap	960,628	2.43
341,990	BlackRock European Dynamic	786,987	1.99
37,835	Eastspring Investments Japan Dynamic	607,635	1.54
209,895	Federated Hermes Asia ex-Japan Equity	658,922	1.67
4,500	Invesco EQQQ NASDAQ-100	1,100,610	2.79
115,137	iShares Continental European Equity Index	357,292	0.90
318,500	iShares Core FTSE 100	2,396,075	6.06
2,500	iShares Core MSCI EM IMI	62,075	0.16
20,500	iShares Core MSCI World	1,263,620	3.20
14,000	iShares EURO STOXX Small	537,040	1.36
3,000	iShares MSCI AC Far East ex-Japan	129,300	0.33
3,500	iShares MSCI Japan Small Cap	100,674	0.25
497,043	iShares North American Equity Index	2,913,668	7.37
22,000	iShares S&P SmallCap 600	1,426,513	3.61
15,000	iShares UK Dividend	117,270	0.30
643,352	JO Hambro UK Dynamic	2,063,873	5.22
357,880	JOHCM Global Select	1,597,933	4.04
299,085	JPM US Equity Income	835,045	2.11
188,930	Jupiter UK Smaller Companies Focus	553,585	1.40
241,462	Legal & General Japan Index	176,243	0.45
251,258	Legal & General US Index	2,156,299	5.46
320,060	LF Gresham House UK Micro Cap	642,681	1.63
328,016	LF Lindsell Train UK Equity	1,553,712	3.93
257,456	LF Liontrust UK Focus	531,107	1.34
12,976	Matthews Asia Pacific Tiger	321,795	0.81
16,118	Morgan Stanley Global Brands	2,145,087	5.43
5,564	Morgan Stanley US Growth	431,963	1.09
92,503	Orbis Global Equity	1,972,015	4.99
4,535	Redwheel Global Emerging Markets	985,846	2.49
7,864	Redwheel Global Horizon	1,859,334	4.70
1,849	Redwheel Next Generation Emerging Markets	334,549	0.85
2,635	Redwheel Nissay Japan Focus	400,706	1.01
8,500	SPDR S&P US Dividend Aristocrats	470,800	1.19
203,324	TM CRUX European Special Situations	619,265	1.57
4,000	Vanguard FTSE 250	127,280	0.32
8,500	Vanguard FTSE Developed Europe ex UK	250,877	0.64
369	Vanguard FTSE Developed World ex-UK Equity Index	188,612	0.48
21,000	Vanguard S&P 500	1,303,995	3.30
948	Vanguard U.S. Opportunities	1,027,594	2.60
		<b>40,331,526</b>	<b>102.05</b>

## Volare Adventurous Fund

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### Portfolio Statement (continued) As at 31 May 2022

Holdings or Nominal Value	Investments	Market value £	% of Total Net Assets
	<b>Portfolio of investments</b>	<b>40,331,526</b>	<b>102.05</b>
	Net other liabilities	(809,598)	(2.05)
	<b>Net assets</b>	<b>39,521,928</b>	<b>100.00</b>

The investments have been valued in accordance with note 1(i) of the Accounting Policies and Financial Instruments.

Volare Adventurous Fund launched on 14 April 2022, therefore there are no comparatives.

Gross purchases for the period 14 April 2022 to 31 May 2022: £43,685,048 (See Note 16).

Total sales net of transaction costs for the period 14 April 2022 to 31 May 2022: £2,678,107 (See Note 16).

## Volare Adventurous Fund

### Statement of Total Return For the year ended 31 May 2022

		14/04/22 to 31/05/22*	
	Note	£	£
Income			
Net capital losses	2		(667,839)
Revenue	3	4,008	
Expenses	4	(29,085)	
Interest paid and similar charges	5	(2,481)	
Net expense before taxation		(27,558)	
Taxation	6	-	
Net expense after taxation			(27,558)
Total return before distributions			(695,397)
Distributions	7		-
<b>Change in net assets attributable to Shareholders from investment activities</b>			<b>(695,397)</b>

### Statement of Change in Net Assets Attributable to Shareholders For the year ended 31 May 2022

	14/04/22 to 31/05/22*	
	£	£
<b>Opening net assets attributable to Shareholders</b>		-
Amounts received on issue of Shares	44,282,595	
Less: Amounts paid on cancellation of Shares	(4,065,270)	
		40,217,325
Change in net assets attributable to Shareholders from investment activities (see above)		(695,397)
<b>Closing net assets attributable to Shareholders</b>		<b>39,521,928</b>

\*Volare Adventurous Fund launched on 14 April 2022, therefore there are no comparatives.



## Volare Adventurous Fund

### Balance Sheet As at 31 May 2022

		31/05/22*	
	Note	£	£
<b>Assets</b>			
Fixed assets:			
Investments			40,331,526
Current assets:			
Debtors	8	2,681,466	
Cash and bank balances	9	98,304	
Total current assets			2,779,770
Total assets			43,111,296
<b>Liabilities</b>			
Creditors:			
Bank overdrafts	11	(2,462,237)	
Other creditors	10	(1,127,131)	
Total creditors			(3,589,368)
Total liabilities			(3,589,368)
<b>Net assets attributable to Shareholders</b>			<b>39,521,928</b>

\*Volare Adventurous Fund launched on 14 April 2022, therefore there are no comparatives.

## Volare Adventurous Fund

### Notes to the Financial Statements For the period ended 31 May 2022

#### 1 Accounting Basis And Policies

The Funds' Financial Statements have been prepared on the basis detailed on pages 12 to 14.

#### 2 Net capital losses

14/04/22 to  
31/05/22\*

£

##### Net capital losses during the period comprise

Currency losses	(24,484)
Non-derivative securities	(679,422)
Post merger cash transfer	36,355
Transaction charges	(288)

<b>Total net capital losses</b>	<b>(667,839)</b>
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#### 3 Revenue

14/04/22 to  
31/05/22\*

£

Franked dividends from Collective Investment Schemes	4,008
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<b>Total revenue</b>	<b>4,008</b>
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#### 4 Expenses

14/04/22 to  
31/05/22\*

£

##### Payable to the ACD, associates of the ACD, and agents of either of them

AMC fees	17,181
Investment manager subsidy	(3,359)
Fund accounting fees	2,092
Registration fees	2,454
	18,368

##### Payable to the Depositary, associates of the Depositary, and agents of either of them

Depositary's fees	2,407
Safe custody fees	1,381
	3,788

##### Other expenses

Audit fees**	6,909
FCA fees	20
	6,929

<b>Total expenses</b>	<b>29,085</b>
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\*\* Audit fees of £5,758 + VAT have been charged in the current period.

\*Volare Adventurous Fund launched on 14 April 2022, therefore there are no comparatives.

### Notes to the Financial Statements (continued) For the period ended 31 May 2022

<b>5 Interest paid and similar charges</b>	<b>14/04/22 to 31/05/22*</b>
	<b>£</b>
Overdraft Interest	2,481
<b>Total Interest paid and similar charges</b>	<b>2,481</b>

<b>6 Taxation</b>	<b>14/04/22 to 31/05/22*</b>
	<b>£</b>
<b>(a) Analysis of the tax charge in the period</b>	
Corporation tax	-
<b>Total current tax charge (Note 6 (b))</b>	<b>-</b>
Deferred tax (Note 6 (c))	-
<b>Total taxation for the period</b>	<b>-</b>

#### **(b) Factors affecting current tax charge for the period**

The tax assessed for the period is different from that calculated when the standard rate of corporation tax for an open ended investment company of 20% is applied to the net expense before taxation

The differences are explained below:

	<b>14/04/22 to 31/05/22*</b>
	<b>£</b>
Net expense before taxation	(27,558)
Net expense for the period multiplied by the standard rate of corporation tax	(5,512)
<b>Effects of:</b>	
Movement in excess management expenses	6,313
Revenue not subject to corporation tax	(801)
<b>Total tax charge for the period</b>	<b>-</b>

OEIC's are exempt from tax on capital gains in the UK. Therefore, any capital return is not included within the reconciliation above.

#### **(c) Provision for deferred tax**

There is no provision required for deferred taxation at the balance sheet date in the current period.

#### **(d) Factors that may affect future tax charges**

At the period end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £6,313 in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise this amount and therefore no deferred tax asset has been recognised in the period.

\*Volare Adventurous Fund launched on 14 April 2022, therefore there are no comparatives.

### Notes to the Financial Statements (continued)

For the period ended 31 May 2022

#### 7 Finance costs

##### Distributions

The distributions take account of revenue received on the issue of Shares and revenue deducted on the cancellation of Shares and comprise:

	14/04/22 to 31/05/22*
	£
Final	-
Add: Revenue paid on cancellation of Shares	-
Deduct: Revenue received on issue of Shares	-
<b>Net distribution for the period</b>	<b>-</b>

##### Reconciliation of net expense after taxation to distributions

Net expense after taxation	(27,558)
Expenses charged to capital	2,436
Revenue deficit	25,122
<b>Net distribution for the period</b>	<b>-</b>

Details of the distributions per Share are set out in the distribution table on page 34.

#### 8 Debtors

	31/05/22*
	£
Sales awaiting settlement	2,678,107
Investment manager subsidy	3,359
<b>Total debtors</b>	<b>2,681,466</b>

#### 9 Cash and bank balances

	31/05/22*
	£
Cash and bank balances	98,304
<b>Total cash and bank balances</b>	<b>98,304</b>

\*Volare Adventurous Fund launched on 14 April 2022, therefore there are no comparatives.

## Volare Adventurous Fund

### Notes to the Financial Statements (continued) For the period ended 31 May 2022

10 Creditors	31/05/22*
	£
Amounts payable for cancellation of Shares	1,097,578
	1,097,578
<i>Accrued expenses</i>	
<i>Manager and Agents</i>	
AMC fees	12,134
Fund accounting fees	1,500
Registration fees	2,455
	16,089
<i>Depositary and Agents</i>	
Depositary fees	2,406
Safe custody fees	1,381
Transaction charges	288
	4,075
<i>Other accrued expenses</i>	
Audit fees	6,909
FCA fees	20
Overdraft interest	2,460
	9,389
<b>Total creditors</b>	<b>1,127,131</b>
11 Bank overdrafts	31/05/22*
	£
Bank overdrafts	2,462,237
<b>Total bank overdrafts</b>	<b>2,462,237</b>

\*Volare Adventurous Fund launched on 14 April 2022, therefore there are no comparatives.

### 12 Related party transactions

The monies received and paid by the ACD through the issue and cancellation of Shares are disclosed in the Statement of Change in Shareholders' Net Assets and amounts due at the period end are disclosed in notes 8 and 10.

The ACD and its associates (including other authorised investment funds managed by the ACD) have no Shareholdings in the Company at the period end.

#### Significant Shareholdings

FundRock Partners Limited, as the Fund's Authorised Corporate Director, wishes to disclose to the Fund's Shareholders that 64.76% of the Fund's shares in issue are under the control of a single nominee and its related parties.

### 13 Share Classes

The Share Class and ACD's Annual Management Charges applicable to the Fund are as follows:

<b>Share Class</b>	%
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A Accumulation	0.35
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Each Share Class has equal rights in the event of the wind up of any Fund.

### Notes to the Financial Statements (continued) For the period ended 31 May 2022

#### 13 Share Classes (continued)

The reconciliation of the opening and closing numbers of Shares of each class is shown below:

	31/05/21	Issued	Cancelled	Converted	31/05/22
A Accumulation	-	44,282,632	(4,197,461)	-	40,085,171

#### 14 Capital commitments and contingent liabilities

There were no contingent liabilities or outstanding commitments at the balance sheet date.

#### 15 Derivatives and other financial instruments

The main risks from the Fund's holding of financial instruments, together with the ACD's policy for managing these risks, are disclosed in note 2 on pages 15 to 17.

##### (a) Foreign currency risk

The table below shows the foreign currency risk profile at the balance sheet date:

Currency	Net foreign currency assets		Total
	Monetary exposures	Non-monetary exposures	
	£	£	£
<b>31/05/22</b>			
Euro	44	-	44
US Dollar	98,260	431,963	530,223
<b>Total foreign currency exposure</b>	<b>98,304</b>	<b>431,963</b>	<b>530,267</b>
Sterling	(907,902)	39,899,563	38,991,661
<b>Total net assets</b>	<b>(809,598)</b>	<b>40,331,526</b>	<b>39,521,928</b>

If GBP to foreign currency exchange rates had strengthened/increased by 10% as at the balance sheet date, the net asset value of the Fund would have decreased by £48,206. If GBP to foreign currency exchange rates had weakened/decreased by 10% as at the balance sheet date, the net asset value of the Fund would have increased by £58,919. These calculations assume all other variables remain constant.

**Notes to the Financial Statements (continued)**  
**For the period ended 31 May 2022**

**15 Derivatives and other financial instruments (continued)**

**(b) Interest rate risk profile of financial assets and liabilities**

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

<b>Currency Assets</b>	<b>Floating rate financial assets £</b>	<b>Financial assets not carrying interest £</b>	<b>Total £</b>
<b>31/05/22</b>			
Euro	44	-	44
Sterling	-	42,581,029	42,581,029
US Dollar	98,260	431,963	530,223
<b>Total</b>	<b>98,304</b>	<b>43,012,992</b>	<b>43,111,296</b>

<b>Currency Liabilities</b>	<b>Floating rate financial liabilities £</b>	<b>Financial liabilities not carrying interest £</b>	<b>Total £</b>
<b>31/05/22</b>			
Sterling	2,462,237	1,127,131	3,589,368
<b>Total</b>	<b>2,462,237</b>	<b>1,127,131</b>	<b>3,589,368</b>

Changes in interest rates would have no material impact to the valuation of floating rate financial assets or liabilities as at the balance sheet date. Consequently, no sensitivity analysis has been presented.

**(c) Market Risk**

If market prices had increased by 10% as at the balance sheet date, the net asset value of the Fund would have increased by the amounts set out in the table below.

If market prices had decreased by 10% as at the balance sheet date, the net asset value of the Fund would have decreased by the amounts set out in the table below.

These calculations have been applied to non-derivative securities only (see note 2 (h) for an explanation of the Fund's leverage during the period). These calculations assume all other variables remain constant.

	<b>Increase £</b>	<b>Decrease £</b>
2022	4,033,153	4,033,153

**(d) Leverage**

The Fund did not employ any significant leverage as at 31 May 2022, other than that available to the Fund as a result of its ability to borrow up to 10% of its value on a permanent basis.

**Notes to the Financial Statements (continued)**  
**For the period ended 31 May 2022**

<b>16 Portfolio transaction costs</b>	<b>14/04/22 to 31/05/22*</b>	
	<b>£</b>	<b>£</b>
<b>Analysis of total purchase costs</b>		
Purchases in period before transaction costs		
Collective Investment Schemes	43,685,048	
	<u>43,685,048</u>	
Commissions - Collective Investment Schemes	-	
Fees - Collective Investment Schemes	-	
Total purchase costs		<u>-</u>
<b>Gross purchase total</b>		<b>43,685,048</b>
<b>Analysis of total sale costs</b>		
Gross sales in period before transaction costs		
Collective Investment Schemes	2,678,107	
	<u>2,678,107</u>	
Commissions - Collective Investment Schemes	-	
Fees - Collective Investment Schemes	-	
Total sale costs		<u>-</u>
<b>Total sales net of transaction costs</b>		<b>2,678,107</b>

The portfolio transaction costs table above includes direct transaction costs suffered by the Fund during the period.

For the Fund's investment in Collective Investment Scheme holdings there will potentially be dealing spread costs applicable to purchases and sales. However additionally there are indirect transaction costs suffered in those underlying funds, throughout the holding period for the instruments, which are not separately identifiable and do not form part of the analysis above.

	<b>14/04/22 to 31/05/22*</b>	
<b>Transaction costs as percentage of principal amounts</b>	<b>%</b>	
Purchases - Commissions		
Collective Investment Schemes	0.0000%	
Purchases - Fees		
Collective Investment Schemes	0.0000%	
	<b>14/04/22 to 31/05/22*</b>	
<b>Transaction costs as percentage of average net asset value</b>	<b>%</b>	
Commissions	0.0000%	
Fees	0.0000%	

\*Volare Adventurous Fund launched on 14 April 2022, therefore there are no comparatives.



**Notes to the Financial Statements (continued)**  
**For the period ended 31 May 2022****17 Post balance sheet events**

There are no post balance sheet events which require adjustments at the period end.

**18 Fair value disclosure**

<b>Valuation technique</b>	<b>31/05/22*</b>	
	<b>Assets</b>	<b>Liabilities</b>
	<b>£</b>	<b>£</b>
Level 1: The unadjusted quoted price in an active market for identical assets or liabilities	-	-
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly	40,331,526	-
Level 3: Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability**	-	-
	<b>40,331,526</b>	<b>-</b>

\*Volare Adventurous Fund launched on 14 April 2022, therefore there are no comparatives.

\*\* The valuation techniques and the ACD's policy is disclosed in note 1(i) on page 14.

## Volare Adventurous Fund

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### Distribution Table

As at 31 May 2022

#### Final Distribution in pence per Share

Group 1 Shares purchased prior to 14 April 2022

Group 2 Shares purchased on or after 14 April 2022 to 31 May 2022

	Net revenue (p)	Equalisation (p)	Distribution payable 31/07/22 (p)
<b>Share Class A Accumulation</b>			
Group 1	0.0000	-	0.0000
Group 2	0.0000	0.0000	0.0000

As at 31 May 2022, there was no income available for distribution to Shareholders of Share Class A Accumulation.

### Investment Manager's Report For the year ended 31 May 2022

#### Investment Objective and Policy

The Fund aims to achieve capital growth (the increase in value of investments) whilst operating within a volatility range (variance) of between 5% and 9% over rolling 5 year periods.

The Fund's primary objective is to control volatility (variance) and this could therefore be at the expense of performance. There can be no guarantee that the Fund will achieve its objective of managing volatility (variance).

#### Investment Policy

The Fund will aim to achieve its objective through investment in a variety of asset classes across multiple geographic areas and markets, including:

- Between 0% and 75% in shares in companies, Real Estate Investment Trusts (REITs), Exchange Traded Funds (ETFs) and Exchange Traded Commodities (ETCs).
- Between 0% and 60% in cash, near cash, bonds and money market instruments.

The Fund will aim to have at least 80% of its exposure to these asset classes indirectly by holding units in collective investment schemes which invest in these assets.

The Fund will be managed in a manner that maintains eligibility for ISAs.

The Fund may hold certain financial contracts known as derivatives (which are investments whose value is linked to another investment, or the performance of a stock exchange or to some other variable factor, such as interest rates) for efficient portfolio management purposes. Efficient portfolio management is where the Fund is managed in a way that is designed to reduce risk or cost and/or generate extra income or growth. It is not intended that the use of derivatives in this way will change the risk profile of the Fund. On giving Shareholders 60 days' notice, the Funds will be able to also use derivatives for investment purposes.

#### Investment Review

In the third quarter ("Q3") of 2021 we took the decision to reduce the passive exposure within the funds by selling out of the L&G FTSE 100 tracker and instead reallocating exposure across existing holdings such as Threadneedle UK Equity Income and LF Lindsell Train UK Equity. Whilst we appreciated the need for low-cost solutions in certain markets, we felt the climate at the time favoured stock pickers.

Following this we saw a strong rally in US Treasuries as yields came down so we saw an opportunity to take some profits from the Vanguard US Government Bond fund and reduce the overall fund duration. This allocation was used to increase our holding of the Janus Henderson Absolute Return fund which provided a different return profile to both bond and equity markets.

Later in the year we made the decision to reduce duration within the Fund and take some of the profits on the US Treasury Inflation-Protected Securities ("TIPS") we were holding, reducing our allocation to the CG Dollar fund and taking up a position in the Vanguard Global Short Term Bond Index fund. This fund tracks the Bloomberg Barclays Global Aggregate Ex US MBS 1-5 Year and has an overall duration of 2.8. No other significant changes.

Coming into 2022 we reduced our exposure to Fundsmyth, Blackrock Global Event Driven and Henderson Absolute Return with the intention to introduce the Ruffer Diversified Return fund, which is more active and uses a wider range of asset classes than some of our multi-asset managers. The Ruffer Diversified Return fund was added to the portfolio post 31 May 2022.

With uncertainty high at the time, we expected volatility to remain elevated and as such we decided to sell the high Beta Morgan Stanley US Advantage fund. While recent performance to this point had been poor, this was a position we had taken profits on multiple times since its inclusion as the position size grew due to strong performance. The proceeds were allocated to the Legal & General US Index fund.

### Investment Manager's Report (continued) For the year ended 31 May 2022

#### Investment Review (continued)

At the same time we sold out of BlackRock Global Event Driven due to concerns around the Merger & Acquisitions ("M&A") market over the following year. Geopolitical tensions remain high which may see a disruption to cross border activity. While this fund sits within the alternatives space it does carry some low Beta equity risk. This allocation was left in cash.

#### Outlook

We expect volatility to remain elevated over the coming months with sharp moves across all asset classes. The next few months will be critical in monitoring the impact of the US Federal Reserve's ("the Fed's") rate rises on inflation, economic growth and consumer sentiment. If the rate rises start to have an impact on wage growth, job demand and inflation, then the Fed may decide to pause the rate rises or even take a more dovish stance. This could simply be by reverting back to 0.25% rate rises instead of the mooted 0.50% or 0.75%, which some analysts expect at the next two Fed meetings. The key will lie in the inflation and growth data, but also within the Fed minutes where we will glean useful information on the future trajectory of rate rises, the terminal rate of interest, and how hawkish Fed is likely to be.

The key metric that we are looking at is whether inflation is becoming more entrenched and likely to settle at a much higher future level. If we believe that this will happen, then we would consider shifting the portfolio into assets that would be beneficiaries of this environment such as commodity producers, energy companies and gold. We continue to assess the viability of including real assets exposure in the portfolios. If recessionary indicators rise, then we would look towards Treasuries. If not, then might look towards higher yielding fixed interest exposure.

Our cash levels have been raised at a couple of points this year, in order to provide more optionality and protection. Our view is to redeploy this into the markets, where we have seen depressed levels of valuation, but only once the time is right. Whilst many of the highly valued companies have come down (typically those tech names in the US), they were at really lofty levels before the re-rating.

We expect that volatility will remain elevated over the coming months as the market digests new inflation data and the Fed tries to tackle inflation and bring economic growth down through a series of rate rises but also tries to avert a full-blown recession. We continue to have a strong preference towards high quality companies because we believe that this type of business is more resilient across the cycle and more likely to allow us to compound earnings at a suitable level of risk.

#### Investment Manager

LGT Wealth Management UK LLP  
28 June 2022

## Volare Balanced Fund

### Comparative Tables As at 31 May 2022

	A Accumulation			Z Accumulation		
	31/05/22 (p)	31/05/21 (p)	31/05/20 (p)	31/05/22 (p)	31/05/21 (p)	31/05/20 (p)
Change in net assets per Share						
Opening net asset value per Share	123.73	108.81	107.37	119.19	104.53	102.44
Return before operating charges*	(4.82)	16.39	2.75	(4.71)	15.68	2.98
Operating charges	(1.44)	(1.47)	(1.31)	(0.96)	(1.02)	(0.89)
Return after operating charges*	(6.26)	14.92	1.44	(5.67)	14.66	2.09
Distributions	(0.69)	(1.14)	(1.12)	(1.04)	(1.41)	(1.44)
Retained distributions on accumulation	0.69	1.14	1.12	1.04	1.41	1.44
Closing net asset value per Share	117.47	123.73	108.81	113.52	119.19	104.53
* after direct transaction costs of:	0.00	0.00	0.00	0.00	0.00	0.00
Performance						
Return after operating charges	(5.06%)	13.71%	1.34%	(4.76%)	14.02%	2.04%
Other information						
Closing net asset value	£88,042,468	£95,971,673	£71,139,748	£11,426,438	£7,711,565	£6,338,124
Closing number of Shares	74,951,765	77,565,106	65,379,983	10,065,532	6,470,002	6,063,738
Operating charges	1.15%	1.21%	1.19%	0.80%	0.86%	0.85%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Prices						
Highest Share price	131.75	124.89	114.39	127.09	120.28	109.78
Lowest Share price	114.25	107.87	94.44	110.40	103.64	90.66

Highest and lowest share prices are based on official published daily NAVs.

## Volare Balanced Fund

### Performance Information As at 31 May 2022

#### Operating Charges

	AMC* (%)	Other expenses (%)	Synthetic expense ratio** (%)	Operating Charges (%)
31/05/22				
Share Class A	0.35	0.15	0.65	1.15
Share Class Z	0.00	0.15	0.65	0.80
31/05/21				
Share Class A	0.35	0.17	0.69	1.21
Share Class Z	0.00	0.17	0.69	0.86

\* Annual Management Charge

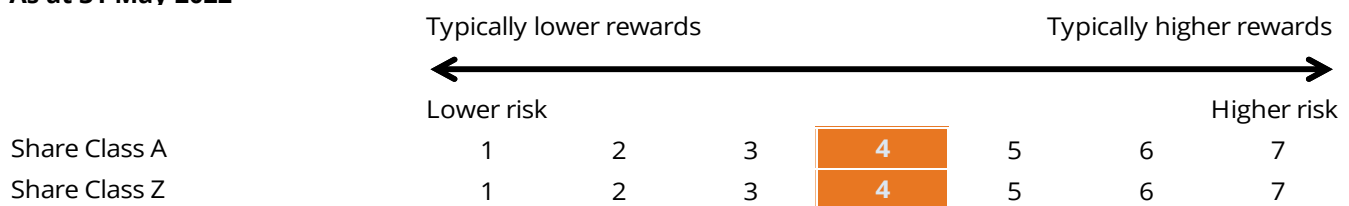
\*\*The methodology for calculation of synthetic expense ratio has changed. Following guidance issued by the Investment Association on 2 July 2020, the synthetic OCF calculation has been expanded to include closed ended vehicles such as investment trusts.

The Operating Charge is the ratio of the Fund's total disclosable costs (excluding overdraft interest) to the average net assets of the Fund.

The Fund has invested in Collective Investment Schemes during the year and the expenses incurred by these schemes are included in the above as the Synthetic expense ratio.

An operating charges cap of 0.60% for the A accumulation share class and 0.25% for the Z accumulation share class is currently in effect. This is excluding any impact from the Synthetic expense ratio. Investment manager subsidy will be provided from the sponsor to ensure operating charge ratios do not exceed these limits.

#### Risk and Reward Profile As at 31 May 2022



- The 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 to remain unchanged and may shift over time.
- The lowest category does not mean 'risk free'.
- The Fund appears as a '4' on the scale. This is partly because the Fund invests in a mixture of investments, some of which have values that may fluctuate widely.
- The Fund does not provide its investors with any guarantee on performance, nor on monies invested in it.

#### Risk Warning

An investment in an Open-Ended Investment Company should be regarded as a medium to long term investment. Investors should be aware that the price of Shares and the income from them may fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency of a fund are subject to fluctuation in exchange rates, which may be favourable or unfavourable.

## Volare Balanced Fund

### Portfolio Statement As at 31 May 2022

Holdings or Nominal Value	Investments	Market value £	% of Total Net Assets
<b>Collective Investment Schemes 94.76% [97.61%]</b>			
3,562,674	Allianz Strategic Bond	4,197,899	4.22
1,831,673	AXA US Short Duration High Yield	2,754,836	2.77
286,477	Brown Advisory Global Leaders	3,601,011	3.62
1,578,114	ES AllianceBernstein Sustainable US Equity	1,980,534	1.99
1,084	Federated Hermes Sterling Cash Plus	116,120	0.12
1,648,720	Fidelity Global Dividend	4,789,531	4.81
492,520	Fundsmith Equity	2,832,827	2.85
1,222,667	Janus Henderson Absolute Return	2,180,016	2.19
6,820,608	Jupiter Strategic Bond	6,581,886	6.62
513,286	Legal & General US Index	4,405,024	4.43
2,218,787	LF Lindsell Train UK Equity	4,313,544	4.34
7,394,927	LF Ruffer Diversified Return	7,900,001	7.94
3,868,673	Liontrust Special Situations	4,610,298	4.63
39,660	Morgan Stanley Asia Opportunity	762,663	0.77
75,578	Morgan Stanley Asia Opportunity	1,784,493	1.79
271,070	Morgan Stanley Global Brands	4,282,904	4.30
142,829	Morgan Stanley US Advantage	1,961,042	1.97
32,083	Muzinich Global Tactical Credit	3,209,250	3.23
7,369	Schroder International Selection Asian Total Return	3,079,499	3.10
374,012	Stewart Investors Asia Pacific Leaders Sustainability	3,640,329	3.66
194,867	T. Rowe US Smaller Companies Equity	3,587,495	3.61
3,615,345	TB Evenlode Global Income	5,549,193	5.58
1,323,794	Threadneedle UK Equity Income	4,699,470	4.72
3,004,794	Trojan	3,857,854	3.88
41,745	Vanguard Global Short-Term Bond Index	4,455,896	4.48
29,472	Vanguard U.S. Government Bond Index	3,119,973	3.14
		<b>94,253,588</b>	<b>94.76</b>
<b>Portfolio of investments</b>		<b>94,253,588</b>	<b>94.76</b>
Net other assets		5,215,318	5.24
<b>Net assets</b>		<b>99,468,906</b>	<b>100.00</b>

The investments have been valued in accordance with note 1(i) of the Accounting Policies and Financial Instruments.

Comparative figures shown above in square brackets relate to 31 May 2021.

Gross purchases for the year: £32,778,864 [2021: £70,282,387] (See Note 15).

Total sales net of transaction costs for the year: £34,762,792 [2021: £57,013,277] (See Note 15).

## Volare Balanced Fund

### Statement of Total Return For the year ended 31 May 2022

		01/06/21 to 31/05/22		01/06/20 to 31/05/21	
	Note	£	£	£	£
Income					
Net capital (losses)/gains	2		(5,945,968)		10,432,661
Revenue	3	1,134,270		1,397,830	
Expenses	4	(506,964)		(444,558)	
Interest paid and similar charges	5	(2,656)		(927)	
Net revenue before taxation		624,650		952,345	
Taxation	6	(5,321)		(59,320)	
Net revenue after taxation			619,329		893,025
Total return before distributions			(5,326,639)		11,325,686
Distributions	7		(620,033)		(894,489)
<b>Change in net assets attributable to Shareholders from investment activities</b>			<b>(5,946,672)</b>		<b>10,431,197</b>

### Statement of Change in Net Assets Attributable to Shareholders For the year ended 31 May 2022

		01/06/21 to 31/05/22		01/06/20 to 31/05/21	
		£	£	£	£
<b>Opening net assets attributable to Shareholders</b>			103,683,238		77,477,872
Amounts received on issue of Shares		17,684,433		24,901,603	
Less: Amounts paid on cancellation of Shares		(16,574,840)		(10,104,857)	
			1,109,593		14,796,746
Change in net assets attributable to Shareholders from investment activities (see above)			(5,946,672)		10,431,197
Retained distribution on accumulation Shares			622,747		977,423
<b>Closing net assets attributable to Shareholders</b>			<b>99,468,906</b>		<b>103,683,238</b>



## Volare Balanced Fund

### Balance Sheet As at 31 May 2022

		31/05/22	31/05/21
	Note	£	£
<b>Assets</b>			
Fixed assets:			
Investments		94,253,588	101,204,487
Current assets:			
Debtors	8	96,391	756,511
Cash and bank balances	9	5,325,231	1,857,129
Total current assets		5,421,622	2,613,640
Total assets		99,675,210	103,818,127
<b>Liabilities</b>			
Creditors:			
Other creditors	10	(206,304)	(134,889)
Total creditors		(206,304)	(134,889)
Total liabilities		(206,304)	(134,889)
<b>Net assets attributable to Shareholders</b>			
		<b>99,468,906</b>	<b>103,683,238</b>

## Volare Balanced Fund

### Notes to the Financial Statements For the year ended 31 May 2022

#### 1 Accounting Basis And Policies

The Funds' Financial Statements have been prepared on the basis detailed on pages 12 to 14.

<b>2 Net capital (losses)/gains</b>	<b>01/06/21 to 31/05/22 £</b>	<b>01/06/20 to 31/05/21 £</b>
<b>Net capital (losses)/gains during the year comprise</b>		
Currency gains	24,593	-
Non-derivative securities	(5,968,689)	10,434,358
Rebates from underlying investments	-	(12)
Transaction charges	(1,872)	(1,685)
<b>Total net capital (losses)/gains</b>	<b>(5,945,968)</b>	<b>10,432,661</b>
<b>3 Revenue</b>	<b>01/06/21 to 31/05/22 £</b>	<b>01/06/20 to 31/05/21 £</b>
Bank interest	-	789
Franked dividends from Collective Investment Schemes	518,376	910,655
Interest income from Collective Investment Schemes	355,517	485,029
Offshore funds dividends	79,671	-
Offshore funds interest	181,101	-
Rebates (refunded) / received from underlying funds	(395)	1,357
<b>Total revenue</b>	<b>1,134,270</b>	<b>1,397,830</b>
<b>4 Expenses</b>	<b>01/06/21 to 31/05/22 £</b>	<b>01/06/20 to 31/05/21 £</b>
<b>Payable to the ACD, associates of the ACD, and agents of either of them</b>		
AMC fees	343,443	291,489
Fund accounting fees	26,119	25,335
Registration fees	47,987	42,521
	417,549	359,345
<b>Payable to the Depositary, associates of the Depositary, and agents of either of them</b>		
Depositary's fees	40,627	43,438
Safe custody fees	27,305	23,391
	67,932	66,829
<b>Other expenses</b>		
Audit fees*	11,201	9,469
EMX/Calastone fees	5,604	8,870
FCA fees	96	45
Legal fees	3,591	-
LEI licence fee	78	-
Printing, postage, stationery and typesetting costs	913	-
	21,483	18,384
<b>Total expenses</b>	<b>506,964</b>	<b>444,558</b>

\* Audit fees of £9,325 + VAT have been charged in the current year (2021: £7,900 + VAT).

## Volare Balanced Fund

### Notes to the Financial Statements (continued) For the year ended 31 May 2022

5 Interest paid and similar charges	01/06/21 to 31/05/22 £	01/06/20 to 31/05/21 £
Overdraft Interest	2,656	927
<b>Total Interest paid and similar charges</b>	<b>2,656</b>	<b>927</b>

6 Taxation	01/06/21 to 31/05/22 £	01/06/20 to 31/05/21 £
<i><b>(a) Analysis of the tax charge in the year</b></i>		
Corporation tax	5,321	59,320
<b>Total current tax charge (Note 6 (b))</b>	<b>5,321</b>	<b>59,320</b>
Deferred tax (Note 6 (c))	-	-
<b>Total taxation for the year</b>	<b>5,321</b>	<b>59,320</b>

#### ***(b) Factors affecting current tax charge for the year***

The tax assessed for the year is different from that calculated when the standard rate of corporation tax for an open ended investment company of 20% (2021: 20%) is applied to the net revenue before taxation

The differences are explained below:

	01/06/21 to 31/05/22 £	01/06/20 to 31/05/21 £
Net revenue before taxation	624,650	952,345
Net revenue for the year multiplied by the standard rate of corporation tax	124,930	190,469
<b>Effects of:</b>		
Movement in excess management expenses	-	(6,506)
Revenue not subject to corporation tax	(119,609)	(124,643)
<b>Total tax charge for the year</b>	<b>5,321</b>	<b>59,320</b>

OEIC's are exempt from tax on capital gains in the UK. Therefore, any capital return is not included within the reconciliation above.

#### ***(c) Provision for deferred tax***

There is no provision required for deferred taxation at the balance sheet date in the current year (2021:Nil).

### Notes to the Financial Statements (continued) For the year ended 31 May 2022

#### 7 Finance costs

##### Distributions

The distributions take account of revenue received on the issue of Shares and revenue deducted on the cancellation of Shares and comprise:

	01/06/21 to 31/05/22	01/06/20 to 31/05/21
	£	£
Final	622,605	977,423
Add: Revenue paid on cancellation of Shares	70,017	63,111
Deduct: Revenue received on issue of Shares	(72,589)	(146,045)
<b>Net distribution for the year</b>	<b>620,033</b>	<b>894,489</b>

##### Reconciliation of net revenue after taxation to distributions

Net revenue after taxation	619,329	893,025
Expenses charged to capital	2,190	-
Net movement in revenue account	(1,486)	-
Revenue deficit	-	1,464
<b>Net distribution for the year</b>	<b>620,033</b>	<b>894,489</b>

Details of the distributions per Share are set out in the distribution table on page 50.

#### 8 Debtors

	31/05/22	31/05/21
	£	£
Accrued revenue	-	41,396
Amounts due for rebates from underlying funds	-	395
Amounts receivable for creation of Shares	96,391	714,720
<b>Total debtors</b>	<b>96,391</b>	<b>756,511</b>

#### 9 Cash and bank balances

	31/05/22	31/05/21
	£	£
Cash and bank balances	5,325,231	1,857,129
<b>Total cash and bank balances</b>	<b>5,325,231</b>	<b>1,857,129</b>

## Volare Balanced Fund

### Notes to the Financial Statements (continued) For the year ended 31 May 2022

10 Creditors	31/05/22	31/05/21
	£	£
Amounts payable for cancellation of Shares	109,374	21,030
Corporation tax payable	5,443	59,320
	114,817	80,350
<i>Accrued expenses</i>		
<i>Manager and Agents</i>		
AMC fees	26,043	28,292
Fund accounting fees	2,097	2,615
Registration fees	32,188	7,742
	60,328	38,649
<i>Depositary and Agents</i>		
Depositary fees	5,011	4,195
Safe custody fees	13,750	2,182
Transaction charges	1,188	-
	19,949	6,377
<i>Other accrued expenses</i>		
Audit fees	11,190	9,469
FCA fees	20	44
	11,210	9,513
<b>Total creditors</b>	<b>206,304</b>	<b>134,889</b>

### 11 Related party transactions

The monies received and paid by the ACD through the issue and cancellation of Shares are disclosed in the Statement of Change in Shareholders' Net Assets and amounts due at the year end are disclosed in notes 8 and 10.

The ACD and its associates (including other authorised investment funds managed by the ACD) have no Shareholdings in the Company at the year end.

### 12 Share Classes

The Share Class and ACD's Annual Management Charges applicable to the Fund are as follows:

Share Class	%
A Accumulation	0.35
Z Accumulation	0.00

Each Share Class has equal rights in the event of the wind up of any Fund.

The reconciliation of the opening and closing numbers of Shares of each class is shown below:

	31/05/21	Issued	Cancelled	Converted	31/05/22
A Accumulation	77,565,106	5,281,573	(7,894,914)	-	74,951,765
Z Accumulation	6,470,002	4,328,878	(733,348)	-	10,065,532

### Notes to the Financial Statements (continued) For the year ended 31 May 2022

#### 13 Capital commitments and contingent liabilities

There were no contingent liabilities or outstanding commitments at the balance sheet date (2021: Nil).

#### 14 Derivatives and other financial instruments

The main risks from the Fund's holding of financial instruments, together with the ACD's policy for managing these risks, are disclosed in note 2 on pages 15 to 17.

##### (a) Foreign currency risk

The table below shows the foreign currency risk profile at the balance sheet date:

Currency	Net foreign currency assets		Total
	Monetary exposures	Non-monetary exposures	
	£	£	£
<b>31/05/22</b>			
US Dollar	218,401	1,784,493	2,002,894
<b>Total foreign currency exposure</b>	<b>218,401</b>	<b>1,784,493</b>	<b>2,002,894</b>
Sterling	4,996,917	92,469,095	97,466,012
<b>Total net assets</b>	<b>5,215,318</b>	<b>94,253,588</b>	<b>99,468,906</b>

If GBP to foreign currency exchange rates had strengthened/increased by 10% as at the balance sheet date, the net asset value of the Fund would have decreased by £182,081 (2021: £Nil). If GBP to foreign currency exchange rates had weakened/decreased by 10% as at the balance sheet date, the net asset value of the Fund would have increased by £222,544 (2021: £Nil). These calculations assume all other variables remain constant.

**Notes to the Financial Statements (continued)**  
**For the year ended 31 May 2022**
**14 Derivatives and other financial instruments (continued)**
**(b) Interest rate risk profile of financial assets and liabilities**

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

<b>Currency Assets</b>	<b>Floating rate financial assets £</b>	<b>Financial assets not carrying interest £</b>	<b>Total £</b>
<b>31/05/22</b>			
Sterling	5,106,830	92,565,486	97,672,316
US Dollar	218,401	1,784,493	2,002,894
<b>Total</b>	<b>5,325,231</b>	<b>94,349,979</b>	<b>99,675,210</b>
<b>31/05/21</b>			
Sterling	1,857,129	97,771,671	99,628,800
US Dollar	-	4,189,327	4,189,327
<b>Total</b>	<b>1,857,129</b>	<b>101,960,998</b>	<b>103,818,127</b>

<b>Currency Liabilities</b>	<b>Floating rate financial liabilities £</b>	<b>Financial liabilities not carrying interest £</b>	<b>Total £</b>
<b>31/05/22</b>			
Sterling	-	206,304	206,304
<b>Total</b>	<b>-</b>	<b>206,304</b>	<b>206,304</b>
<b>31/05/21</b>			
Sterling	-	134,889	134,889
<b>Total</b>	<b>-</b>	<b>134,889</b>	<b>134,889</b>

Changes in interest rates would have no material impact to the valuation of floating rate financial assets or liabilities as at the balance sheet date. Consequently, no sensitivity analysis has been presented.

**(c) Market Risk**

If market prices had increased by 10% as at the balance sheet date, the net asset value of the Fund would have increased by the amounts set out in the table below.

If market prices had decreased by 10% as at the balance sheet date, the net asset value of the Fund would have decreased by the amounts set out in the table below.

These calculations have been applied to non-derivative securities only (see note 2 (h) for an explanation of the Fund's leverage during the period). These calculations assume all other variables remain constant.

	<b>Increase £</b>	<b>Decrease £</b>
2022	9,425,359	9,425,359
2021	10,120,449	10,120,449

## Notes to the Financial Statements (continued) For the year ended 31 May 2022

### 14 Derivatives and other financial instruments (continued)

#### (d) Leverage

The Fund did not employ any significant leverage as at 31 May 2022, other than that available to the Fund as a result of its ability to borrow up to 10% of its value on a permanent basis.

15 Portfolio transaction costs	01/06/21 to 31/05/22		01/06/20 to 31/05/21	
	£	£	£	£
<b>Analysis of total purchase costs</b>				
Purchases in year before transaction costs:				
Collective Investment Schemes	32,778,864		70,282,387	
	32,778,864		70,282,387	
Commissions - Collective Investment Schemes	-		-	
Fees - Collective Investment Schemes	-		-	
Total purchase costs		-		-
<b>Gross purchase total</b>	<b>32,778,864</b>		<b>70,282,387</b>	
<b>Analysis of total sale costs</b>				
Gross sales in year before transaction costs:				
Collective Investment Schemes	34,762,792		57,013,277	
	34,762,792		57,013,277	
Commissions - Collective Investment Schemes	-		-	
Fees - Collective Investment Schemes	-		-	
Total sale costs		-		-
<b>Total sales net of transaction costs</b>	<b>34,762,792</b>		<b>57,013,277</b>	

The portfolio transaction costs table above includes direct transaction costs suffered by the Fund during the year.

For the Fund's investment in Collective Investment Scheme holdings there will potentially be dealing spread costs applicable to purchases and sales. However additionally there are indirect transaction costs suffered in those underlying funds, throughout the holding period for the instruments, which are not separately identifiable and do not form part of the analysis above.



## Notes to the Financial Statements (continued) For the year ended 31 May 2022

### 15 Portfolio transaction costs (continued)

	01/06/21 to 31/05/22	01/06/20 to 31/05/21
Transaction costs as percentage of principal amounts	%	%
Purchases - Commissions		
Collective Investment Schemes	0.0000%	0.0000%
Purchases - Fees		
Collective Investment Schemes	0.0000%	0.0000%
Sales - Commissions		
Collective Investment Schemes	0.0000%	0.0000%
Sales - Fees		
Collective Investment Schemes	0.0000%	0.0000%
	01/06/21 to 31/05/22	01/06/20 to 31/05/21
Transaction costs as percentage of average net asset value	%	%
Commissions	0.0000%	0.0000%
Fees	0.0000%	0.0000%

### 16 Post balance sheet events

There are no post balance sheet events which require adjustments at the year end.

### 17 Fair value disclosure

	31/05/22		31/05/21	
Valuation technique	Assets £	Liabilities £	Assets £	Liabilities £
Level 1: The unadjusted quoted price in an active market for identical assets or liabilities	-	-	-	-
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly	94,253,588	-	101,204,487	-
Level 3: Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability*	-	-	-	-
	<b>94,253,588</b>	<b>-</b>	<b>101,204,487</b>	<b>-</b>

\*\* The valuation techniques and the ACD's policy is disclosed in note 1(i) on page 14.

## Volare Balanced Fund

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### Distribution Table As at 31 May 2022

#### Final Distribution in pence per Share

Group 1 Shares purchased prior to 1 June 2021

Group 2 Shares purchased on or after 1 June 2021 to 31 May 2022

	Net revenue (p)	Equalisation (p)	Distribution payable 31/07/22 (p)	Distribution paid 31/07/21 (p)
<b>Share Class A Accumulation</b>				
Group 1	0.6907	-	0.6907	1.1421
Group 2	0.3104	0.3803	0.6907	1.1421
<b>Share Class Z Accumulation</b>				
Group 1	1.0423	-	1.0423	1.4142
Group 2	0.2352	0.8071	1.0423	1.4142

### Investment Manager's Report For the year ended 31 May 2022

#### Investment Objective

The Fund aims to achieve capital growth (the increase in value of investments) whilst operating within a volatility range (variance) of between 4% and 7% over rolling 5 year periods.

The Fund's primary objective is to control volatility (variance) and this could therefore be at the expense of performance. There can be no guarantee that the Fund will achieve its objective of managing volatility (variance).

#### Investment Policy

The Fund will aim to achieve its objective through investment in a variety of asset classes across multiple geographic areas and markets, including:

- Between 0% and 55% in shares in companies, Real Estate Investment Trusts (REITs), Exchange Traded Funds (ETFs) and Exchange Traded Commodities (ETCs).
- Between 0% and 70% in cash, near cash, bonds and money market instruments.

The Fund will aim to have at least 80% of its exposure to these asset classes indirectly by holding units in collective investment schemes which invest in these assets.

The Fund will be managed in a manner that maintains eligibility for ISAs.

The Fund may hold certain financial contracts known as derivatives (which are investments whose value is linked to another investment, or the performance of a stock exchange or to some other variable factor, such as interest rates) for efficient portfolio management purposes. Efficient portfolio management is where the Fund is managed in a way that is designed to reduce risk or cost and/or generate extra income or growth. It is not intended that the use of derivatives in this way will change the risk profile of the Fund. On giving Shareholders 60 days' notice, the Funds will be able to also use derivatives for investment purposes.

#### Investment Review

In the third quarter ("Q3") of 2021 we took a decision to sell the Artemis US Absolute Return fund, switching into the Janus Henderson Absolute Return fund. Whilst the Artemis fund had been able to generate very low levels of correlation compared to other risk assets, performance had been lacklustre and it had failed to meet its investment objective. Along with this, transaction costs had sharply increased meaning the fund was no longer a viable hold. At the same time we also chose to reduce the passive exposure within the Fund, reallocating the L&G FTSE 100 tracker across existing holdings such as Threadneedle UK Equity Income and LF Lindsell Train UK Equity.

Following this we saw a strong rally in US Treasuries as yields came down so we saw an opportunity to take some profits from the Vanguard US Government Bond fund and reduce the overall Fund duration. We did the same with the CG Dollar fund, instead initiating a position in the Vanguard Global Short Term Bond Index. This fund tracks the Bloomberg Barclays Global Aggregate Ex US MBS 1-5 Year and has an overall duration of 2.8. There were no other significant changes noted to the Fund during the year.

Coming into 2022 we reduced our exposure to Fundsmith, Blackrock Global Event Driven and Henderson Absolute Return to introduce the LF Ruffer Diversified Return fund, which is more active and uses a wider range of asset classes than some of our multi-asset managers.

With uncertainty high at the time, we expected volatility to remain elevated and as such we decided to sell the high Beta Morgan Stanley US Advantage fund. While recent performance to this point had been poor, this was a position we had taken profits on multiple times since its inclusion as the position size grew due to strong performance. The proceeds were allocated to the Legal & General US Index fund.

### Investment Manager's Report (continued) For the year ended 31 May 2022

#### Investment Review (continued)

At the same time we sold out of BlackRock Global Event Driven due to concerns around the Merger & Acquisitions ("M&A") market over the following year. Geopolitical tensions remain high which may see a disruption to cross border activity. While this fund sits within the alternatives space it does carry some low Beta equity risk. This allocation was used to increase our holding in Janus Henderson Absolute Return.

#### Outlook

We expect volatility to remain elevated over the coming months with sharp moves across all asset classes. The next few months will be critical in monitoring the impact of the US Federal Reserve's ("the Fed") rate rises on inflation, economic growth and consumer sentiment. If the rate rises start to have an impact on wage growth, job demand and inflation, then the Fed may decide to pause the rate rises or even take a more dovish stance. This could simply be by reverting back to 0.25% rate rises instead of the mooted 0.50% or 0.75%, which some analysts expect at the next two Fed meetings. The key will lie in the inflation and growth data, but also within the Fed minutes where we will glean useful information on the future trajectory of rate rises, the terminal rate of interest, and how hawkish Fed is likely to be.

The key metric that we are looking at is whether inflation is becoming more entrenched and likely to settle at a much higher future level. If we believe that this will happen, then we would consider shifting the portfolio into assets that would be beneficiaries of this environment such as commodity producers, energy companies and gold. We continue to assess the viability of including real assets exposure in the portfolios. If recessionary indicators rise, then we would look towards Treasuries. If not, then might look towards higher yielding fixed interest exposure.

Our cash levels have been raised at a couple of points this year, in order to provide more optionality and protection. Our view is to redeploy this into the markets, where we have seen depressed levels of valuation, but only once the time is right. Whilst many of the highly valued companies have come down (typically those tech names in the US), they were at really lofty levels before the re-rating.

We expect that volatility will remain elevated over the coming months as the market digests new inflation data and the Fed tries to tackle inflation and bring economic growth down through a series of rate rises but also tries to avert a full-blown recession. We continue to have a strong preference towards high quality companies because we believe that this type of business is more resilient across the cycle and more likely to allow us to compound earnings at a suitable level of risk.

#### Investment Manager

LGT Wealth Management UK LLP  
28 June 2022

## Volare Cautious Fund

### Comparative Tables As at 31 May 2022

	A Accumulation			Z Accumulation		
	31/05/22 (p)	31/05/21 (p)	31/05/20 (p)	31/05/22 (p)	31/05/21 (p)	31/05/20 (p)
Change in net assets per Share						
Opening net asset value per Share	119.39	110.36	108.63	114.23	105.29	103.04
Return before operating charges*	(2.13)	10.43	3.06	(2.08)	9.89	3.16
Operating charges	(1.16)	(1.40)	(1.33)	(0.71)	(0.95)	(0.91)
Return after operating charges*	(3.29)	9.03	1.73	(2.79)	8.94	2.25
Distributions	(0.62)	(1.32)	(1.14)	(1.31)	(1.57)	(1.39)
Retained distributions on accumulation	0.62	1.32	1.14	1.31	1.57	1.39
Closing net asset value per Share	116.10	119.39	110.36	111.44	114.23	105.29
* after direct transaction costs of:	0.00	0.00	0.00	0.00	0.00	0.00
Performance						
Return after operating charges	(2.76%)	8.18%	1.59%	(2.44%)	8.49%	2.18%
Other information						
Closing net asset value	£68,290,988	£51,839,527	£46,854,302	£742,464	£1,200,450	£1,047,689
Closing number of Shares	58,822,691	43,420,574	42,457,472	666,262	1,050,901	995,048
Operating charges	0.96%	1.19%	1.20%	0.61%	0.84%	0.85%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Prices						
Highest Share price	125.93	119.77	114.23	120.65	114.56	108.90
Lowest Share price	113.84	109.70	99.41	109.26	104.68	94.80

Highest and lowest share prices are based on official published daily NAVs.

## Volare Cautious Fund

### Performance Information As at 31 May 2022

#### Operating Charges

Date	AMC* (%)	Other expenses (%)	Synthetic expense ratio** (%)	Operating Charges (%)
31/05/22				
Share Class A	0.35	0.18	0.43	0.96
Share Class Z	0.00	0.18	0.43	0.61
31/05/21				
Share Class A	0.35	0.21	0.63	1.19
Share Class Z	0.00	0.21	0.63	0.84

\* Annual Management Charge

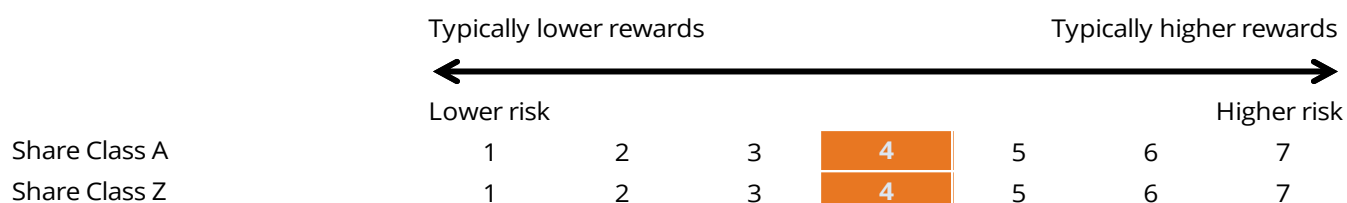
\*\*The methodology for calculation of synthetic expense ratio has changed. Following guidance issued by the Investment Association on 2 July 2020, the synthetic OCF calculation has been expanded to include closed ended vehicles such as investment trusts.

The Operating Charge is the total expenses paid by the Fund in the year, annualised, against its average Net Asset Value. This will fluctuate as underlying costs change.

The Fund has invested in Collective Investment Schemes during the year and the expenses incurred by these schemes are included in the above as the Synthetic expense ratio.

An operating charges cap of 0.60% for the A accumulation share class and 0.25% for the Z accumulation share class is currently in effect. This is excluding any impact from the Synthetic expense ratio. Investment manager subsidy will be provided from the sponsor to ensure operating charge ratios do not exceed these limits.

#### Risk and Reward Profile As at 31 May 2022



- The 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 to remain unchanged and may shift over time.
- The lowest category does not mean 'risk free'.
- The Fund appears as a '4' on the scale. This is partly because the Fund invests in a mixture of investments, whose values do not fluctuate widely.
- The Fund does not provide its investors with any guarantee on performance, nor on monies invested in it.

#### Risk Warning

An investment in an Open-Ended Investment Company should be regarded as a medium to long term investment. Investors should be aware that the price of Shares and the income from them may fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency of a fund are subject to fluctuation in exchange rates, which may be favourable or unfavourable.

## Volare Cautious Fund

### Portfolio Statement As at 31 May 2022

Holdings or Nominal Value	Investments	Market value £	% of Total Net Assets
<b>Collective Investment Schemes 99.26% [98.62%]</b>			
1,858,330	Allianz Strategic Bond	2,189,670	3.17
1,831,061	AXA US Short Duration High Yield	2,753,915	3.99
117,502	Brown Advisory Global Leaders	1,477,000	2.14
15,528	CG Absolute Return	2,201,715	3.19
1,355,536	ES AllianceBernstein Sustainable US Equity	1,701,198	2.46
3,111	Federated Hermes Sterling Cash Plus	333,243	0.48
773,704	Fidelity Global Dividend	2,247,609	3.26
362,612	Fundsmith Equity	2,085,633	3.02
6,000	Invesco AT1 Capital Bond	226,710	0.33
2,250	Invesco EQQQ NASDAQ-100	550,305	0.80
12,600	iShares Core £ Corporate Bond	1,680,462	2.43
283,000	iShares Core FTSE 100	2,129,009	3.08
60,000	iShares Core MSCI EM IMI	1,489,800	2.16
17,500	iShares Core MSCI Japan IMI	613,200	0.89
399,844	iShares Corporate Bond Index	632,474	0.92
7,500	iShares J.P. Morgan EM Local Government Bond	269,929	0.39
15,000	iShares MSCI AC Far East ex-Japan	646,500	0.94
873,338	iShares UK Equity Index	1,321,448	1.91
371,605	iShares UK Gilts All Stocks Index	606,720	0.88
1,172,099	Janus Henderson Absolute Return	2,089,852	3.03
3,417,082	Jupiter Strategic Bond	3,297,485	4.78
250,620	Legal & General European Index	1,333,046	1.93
713,634	Legal & General UK Index	2,601,198	3.77
378,613	Legal & General US Index	3,249,257	4.71
512,668	LF Lindsell Train UK Equity	996,679	1.44
2,332,286	LF Ruffer Diversified Return	2,491,581	3.61
1,705,119	Liontrust Special Situations	2,031,990	2.94
13,500	Lyxor Core UK Government Bond	1,654,695	2.40
12,479	Muzinich Emerging Markets Short Duration	1,190,886	1.72
19,622	Muzinich Global Tactical Credit	1,962,745	2.84
2,221	Schroder International Selection Asian Total Return	928,082	1.34
157,862	Stewart Investors Asia Pacific Leaders Sustainability	1,536,498	2.23
1,335,851	TB Evenlode Global Income	2,050,397	2.97
4,365	Threadneedle UK Equity Income	6,571	0.01
513,147	Threadneedle UK Equity Income L Acc	1,821,671	2.64
1,764,718	Trojan	2,265,721	3.28
42,000	Vanguard FTSE 250	1,336,440	1.94
26,257	Vanguard Global Corporate Bond Index	2,669,529	3.87
18,082	Vanguard Global Short-Term Bond Index	1,930,085	2.80
10,332	Vanguard S&P 500	641,565	0.93
26,887	Vanguard U.S. Government Bond Index	2,846,336	4.12
96,000	Xtrackers II Global Government Bond	2,431,680	3.52
		<b>68,520,529</b>	<b>99.26</b>

## Volare Cautious Fund

### Portfolio Statement (continued) As at 31 May 2022

Holdings or Nominal Value	Investments	Market value £	% of Total Net Assets
	<b>Portfolio of investments</b>	<b>68,520,529</b>	<b>99.26</b>
	Net other assets	512,923	0.74
	<b>Net assets</b>	<b>69,033,452</b>	<b>100.00</b>

The investments have been valued in accordance with note 1(i) of the Accounting Policies and Financial Instruments.

Comparative figures shown above in square brackets relate to 31 May 2021.

Gross purchases for the year: £38,139,853 [2021: £36,789,970] (See Note 15).

Total sales net of transaction costs for the year: £20,563,767 [2021: £35,985,150] (See Note 15).



## Volare Cautious Fund

### Statement of Total Return For the year ended 31 May 2022

		01/06/21 to 31/05/22		01/06/20 to 31/05/21	
	Note	£	£	£	£
Income					
Net capital (losses)/gains	2		(1,993,733)		3,396,680
Revenue	3	751,248		927,232	
Expenses	4	(293,458)		(276,425)	
Interest paid and similar charges	5	(4,887)		(1,315)	
Net revenue before taxation		452,903		649,492	
Taxation	6	(32,320)		(70,566)	
Net revenue after taxation			420,583		578,926
Total return before distributions			(1,573,150)		3,975,606
Finance costs: Distributions	7		(424,521)		(578,927)
<b>Change in net assets attributable to Shareholders from investment activities</b>			<b>(1,997,671)</b>		<b>3,396,679</b>

### Statement of Change in Net Assets Attributable to Shareholders For the year ended 31 May 2022

		01/06/21 to 31/05/22		01/06/20 to 31/05/21	
		£	£	£	£
<b>Opening net assets attributable to Shareholders</b>			53,039,977		47,901,991
Amounts received on issue of Shares		30,166,059		10,054,133	
Less: Amounts paid on cancellation of Shares		(12,551,192)		(8,904,230)	
			17,614,867		1,149,903
Change in net assets attributable to Shareholders from investment activities (see above)			(1,997,671)		3,396,679
Retained distribution on accumulation Shares			376,279		591,404
<b>Closing net assets attributable to Shareholders</b>			<b>69,033,452</b>		<b>53,039,977</b>

## Volare Cautious Fund

### Balance Sheet As at 31 May 2022

		31/05/22		31/05/21	
	Note	£	£	£	£
<b>Assets</b>					
Fixed assets:					
Investments		68,520,529		52,309,392	
Current assets:					
Debtors	8	-		100,595	
Cash and bank balances	9	1,272,325		1,056,648	
Total current assets		1,272,325		1,157,243	
Total assets		69,792,854		53,466,635	
<b>Liabilities</b>					
Creditors:					
Other creditors	10	(759,402)		(426,658)	
Total creditors		(759,402)		(426,658)	
Total liabilities		(759,402)		(426,658)	
<b>Net assets attributable to Shareholders</b>					
		69,033,452		53,039,977	

## Volare Cautious Fund

### Notes to the Financial Statements For the year ended 31 May 2022

#### 1 Accounting Basis And Policies

The Funds' Financial Statements have been prepared on the basis detailed on pages 12 to 14.

2 Net capital (losses)/gains	01/06/21 to 31/05/22 £	01/06/20 to 31/05/21 £
<b>Net capital gains during the year comprise</b>		
Currency gains	115	-
Non-derivative securities	(1,985,579)	3,398,723
Post merger cash transfer	(6,541)	-
Rebates from underlying investments	-	(13)
Transaction charges	(1,728)	(2,030)
<b>Total net capital (losses)/gains</b>	<b>(1,993,733)</b>	<b>3,396,680</b>

3 Revenue	01/06/21 to 31/05/22 £	01/06/20 to 31/05/21 £
Bank interest	-	1,054
Franked dividends from Collective Investment Schemes	217,718	212,867
Interest income from Collective Investment Schemes	260,881	401,162
Offshore funds dividends	73,586	311,551
Offshore funds interest	199,241	-
Rebates (refunded) / received from underlying funds	(178)	598
<b>Total revenue</b>	<b>751,248</b>	<b>927,232</b>

## Volare Cautious Fund

### Notes to the Financial Statements (continued) For the year ended 31 May 2022

<b>4 Expenses</b>	<b>01/06/21 to 31/05/22</b>	<b>01/06/20 to 31/05/21</b>
	<b>£</b>	<b>£</b>
<b>Payable to the ACD, associates of the ACD, and agents of either of them</b>		
AMC fees	189,771	171,910
Fund accounting fees	17,919	20,518
Registration fees	30,708	30,185
	<b>238,398</b>	<b>222,613</b>
<b>Payable to the Depositary, associates of the Depositary, and agents of either of them</b>		
Depositary's fees	21,128	24,155
Safe custody fees	13,931	13,768
	<b>35,059</b>	<b>37,923</b>
<b>Other expenses</b>		
Audit fees*	11,201	9,469
EMX/Calastone fees	3,863	6,377
FCA fees	96	43
Legal fees	3,591	-
LEI licence fee	78	-
Printing, postage, stationery and typesetting costs	1,172	-
	<b>20,001</b>	<b>15,889</b>
<b>Total expenses</b>	<b>293,458</b>	<b>276,425</b>

\* Audit fees of £9,325 + VAT have been charged in the current year (2021: £7,900 + VAT).

<b>5 Interest paid and similar charges</b>	<b>01/06/21 to 31/05/22</b>	<b>01/06/20 to 31/05/21</b>
	<b>£</b>	<b>£</b>
Overdraft interest	4,887	1,315
<b>Total Interest paid and similar charges</b>	<b>4,887</b>	<b>1,315</b>

**Notes to the Financial Statements (continued)**  
**For the year ended 31 May 2022**

<b>6 Taxation</b>	<b>01/06/21 to 31/05/22 £</b>	<b>01/06/20 to 31/05/21 £</b>
<b><i>(a) Analysis of the tax charge in the year</i></b>		
Adjustments in respect of prior periods	-	472
Corporation tax	32,320	70,094
<b>Total current tax charge (Note 6 (b))</b>	<b>32,320</b>	<b>70,566</b>
Deferred tax (Note 6 (c))	-	-
<b>Total taxation for the year</b>	<b>32,320</b>	<b>70,566</b>

***(b) Factors affecting current tax charge for the year***

The tax assessed for the year is different from that calculated when the standard rate of corporation tax for an open ended investment company of 20% (2021: 20%) is applied to the net revenue before taxation

The differences are explained below:

	<b>01/06/21 to 31/05/22 £</b>	<b>01/06/20 to 31/05/21 £</b>
Net revenue before taxation	452,903	649,492
Net revenue for the year multiplied by the standard rate of corporation tax	90,581	129,899
<b>Effects of:</b>		
Adjustments in respect of prior periods	-	472
Revenue not subject to corporation tax	(58,261)	(59,805)
<b>Total tax charge for the year</b>	<b>32,320</b>	<b>70,566</b>

OEICs are exempt from tax on capital gains in the UK. Therefore, any capital return is not included within the reconciliation above.

***(c) Provision for deferred tax***

There is no provision required for deferred taxation at the balance sheet date in the current year (2021: Nil).

### Notes to the Financial Statements (continued) For the year ended 31 May 2022

#### 7 Finance costs

##### **Distributions**

The distributions take account of revenue received on the issue of Shares and revenue deducted on the cancellation of Shares and comprise:

	01/06/21 to 31/05/22	01/06/20 to 31/05/21
	£	£
Final	376,279	591,404
Add: Revenue paid on cancellation of Shares	65,656	62,316
Deduct: Revenue received on issue of Shares	(17,414)	(74,793)
<b>Net distribution for the year</b>	<b>424,521</b>	<b>578,927</b>

##### **Reconciliation of net revenue after taxation to distributions**

Net revenue after taxation	420,583	578,927
Expenses charged to capital	3,985	-
Net movement in revenue account	(47)	-
<b>Net distribution for the year</b>	<b>424,521</b>	<b>578,927</b>

Details of the distributions per Share are set out in the distribution table on page 68.

#### 8 Debtors

	31/05/22	31/05/21
	£	£
Accrued revenue	-	28,729
Amounts due for rebates from underlying funds	-	178
Amounts receivable for creation of Shares	-	71,688
<b>Total debtors</b>	<b>-</b>	<b>100,595</b>

#### 9 Cash and bank balances

	31/05/22	31/05/21
	£	£
Cash and bank balances	1,272,325	1,056,648
<b>Total cash and bank balances</b>	<b>1,272,325</b>	<b>1,056,648</b>

## Volare Cautious Fund

### Notes to the Financial Statements (continued) For the year ended 31 May 2022

<b>10 Creditors</b>	<b>31/05/22</b>	<b>31/05/21</b>
	<b>£</b>	<b>£</b>
Amounts payable for cancellation of Shares	662,105	321,231
Corporation tax payable	32,322	70,093
	<b>694,427</b>	<b>391,324</b>
<i>Accrued expenses</i>		
<i>Manager and Agents</i>		
AMC fees	20,595	15,312
Fund accounting fees	1,500	1,784
Registration fees	20,823	5,385
	<b>42,918</b>	<b>22,481</b>
<i>Depositary and Agents</i>		
Depositary fees	3,208	2,149
Safe custody fees	6,775	1,119
Transaction charges	864	72
	<b>10,847</b>	<b>3,340</b>
<i>Other accrued expenses</i>		
Audit fees	11,190	9,469
FCA fees	20	44
	<b>11,210</b>	<b>9,513</b>
<b>Total creditors</b>	<b>759,402</b>	<b>426,658</b>

### 11 Related party transactions

The monies received and paid by the ACD through the issue and cancellation of Shares are disclosed in the Statement of Change in Shareholders' Net Assets and amounts due at the year end are disclosed in notes 8 and 10.

The ACD and its associates (including other authorised investment funds managed by the ACD) have no Shareholdings in the Company at the year end.

### 12 Share Classes

The Share Class and ACD's Annual Management Charges applicable to the Fund are as follows:

<b>Share Class</b>	<b>%</b>
A Accumulation	0.35
Z Accumulation	0.00

Each Share Class has equal rights in the event of the wind up of any Fund.

The reconciliation of the opening and closing numbers of Shares of each class is shown below:

	<b>31/05/21</b>	<b>Issued</b>	<b>Cancelled</b>	<b>Converted</b>	<b>31/05/22</b>
A Accumulation	43,420,574	22,291,746	(6,889,629)	-	58,822,691
Z Accumulation	1,050,901	(326,309)	(58,330)	-	666,262

### Notes to the Financial Statements (continued) For the year ended 31 May 2022

#### 13 Capital commitments and contingent liabilities

There were no contingent liabilities or outstanding commitments at the balance sheet date (2021: Nil).

#### 14 Derivatives and other financial instruments

The main risks from the Fund's holding of financial instruments, together with the ACD's policy for managing these risks, are disclosed in note 2 on pages 15 to 17.

##### (a) Foreign currency risk

The table below shows the foreign currency risk profile at the balance sheet date:

Currency	Net foreign currency assets		
	Monetary exposures	Non-monetary exposures	Total
	£	£	£
<b>31/05/22</b>			
US Dollar	2,378	-	2,378
<b>Total foreign currency exposure</b>	<b>2,378</b>	<b>-</b>	<b>2,378</b>
Sterling	510,545	68,520,529	69,031,074
<b>Total net assets</b>	<b>512,923</b>	<b>68,520,529</b>	<b>69,033,452</b>

If GBP to foreign currency exchange rates had strengthened/increased by 10% as at the balance sheet date, the net asset value of the Fund would have decreased by £216 (2021: £Nil). If GBP to foreign currency exchange rates had weakened/decreased by 10% as at the balance sheet date, the net asset value of the Fund would have increased by £264 (2021: £Nil). These calculations assume all other variables remain constant.



**Notes to the Financial Statements (continued)**  
**For the year ended 31 May 2022**
**14 Derivatives and other financial instruments (continued)**
**(b) Interest rate risk profile of financial assets and liabilities**

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

<b>Currency Assets</b>	<b>Floating rate financial assets £</b>	<b>Fixed rate financial assets £</b>	<b>Financial assets not carrying interest £</b>	<b>Total £</b>
<b>31/05/22</b>				
Sterling	1,269,947	-	68,520,529	69,790,476
US Dollar	2,378	-	-	2,378
<b>Total</b>	<b>1,272,325</b>	<b>-</b>	<b>68,520,529</b>	<b>69,792,854</b>
<b>31/05/21</b>				
Sterling	1,056,648	-	52,409,987	53,466,635
<b>Total</b>	<b>1,056,648</b>	<b>-</b>	<b>52,409,987</b>	<b>53,466,635</b>

<b>Currency Liabilities</b>	<b>Floating rate financial liabilities £</b>	<b>Financial liabilities not carrying interest £</b>	<b>Total £</b>
<b>31/05/22</b>			
Sterling	-	759,402	759,402
<b>Total</b>	<b>-</b>	<b>759,402</b>	<b>759,402</b>
<b>31/05/21</b>			
Sterling	-	426,658	426,658
<b>Total</b>	<b>-</b>	<b>426,658</b>	<b>426,658</b>

Changes in interest rates would have no material impact to the valuation of floating rate financial assets or liabilities as at the balance sheet date. Consequently, no sensitivity analysis has been presented.

**(c) Market Risk**

If market prices had increased by 10% as at the balance sheet date, the net asset value of the Fund would have increased by the amounts set out in the table below.

If market prices had decreased by 10% as at the balance sheet date, the net asset value of the Fund would have decreased by the amounts set out in the table below.

These calculations have been applied to non-derivative securities only (see note 2 (h) for an explanation of the Fund's leverage during the period). These calculations assume all other variables remain constant.

	<b>Increase £</b>	<b>Decrease £</b>
2022	6,852,053	6,852,053
2021	5,230,939	5,230,939

**(d) Leverage**

The Fund did not employ any significant leverage as at 31 May 2022, other than that available to the Fund as a result of its ability to borrow up to 10% of its value on a permanent basis.

**Notes to the Financial Statements (continued)**  
**For the year ended 31 May 2022**

<b>15 Portfolio transaction costs</b>	<b>01/06/21 to 31/05/22</b>	<b>01/06/20 to 31/05/21</b>
	<b>£</b>	<b>£</b>
<b>Analysis of total purchase costs</b>		
Purchases in year before transaction costs:		
Collective Investment Schemes	38,139,853	36,789,970
	38,139,853	36,789,970
Commissions - Collective Investment Schemes	-	-
Fees - Collective Investment Schemes	-	-
Total purchase costs	-	-
<b>Gross purchase total</b>	<b>38,139,853</b>	<b>36,789,970</b>

**Analysis of total sale costs**

Gross sales in year before transaction costs:		
Collective Investment Schemes	20,563,767	35,985,150
	20,563,767	35,985,150
Commissions - Collective Investment Schemes	-	-
Fees - Collective Investment Schemes	-	-
Total sale costs	-	-
<b>Total sales net of transaction costs</b>	<b>20,563,767</b>	<b>35,985,150</b>

The portfolio transaction costs table above includes direct transaction costs suffered by the Fund during the year.

For the Fund's investment in Collective Investment Scheme holdings there will potentially be dealing spread costs applicable to purchases and sales. However additionally there are indirect transaction costs suffered in those underlying funds, throughout the holding period for the instruments, which are not separately identifiable and do not form part of the analysis above.

	<b>01/06/21 to 31/05/22</b>	<b>01/06/20 to 31/05/21</b>
	<b>%</b>	<b>%</b>
<b>Transaction costs as percentage of principal amounts</b>		
Purchases - Commissions		
Collective Investment Schemes	0.0000%	0.0000%
Purchases - Fees		
Collective Investment Schemes	0.0000%	0.0000%
Sales - Commissions		
Collective Investment Schemes	0.0000%	0.0000%
Sales - Fees		
Collective Investment Schemes	0.0000%	0.0000%

## Notes to the Financial Statements (continued) For the year ended 31 May 2022

### 15 Portfolio transaction costs (continued)

	01/06/21 to 31/05/22	01/06/20 to 31/05/21
Transaction costs as percentage of average net asset value	%	%
Commissions	0.0000%	0.0000%
Fees	0.0000%	0.0000%

### 16 Post balance sheet events

There are no post balance sheet events which require adjustments at the year end.

### 17 Fair value disclosure

	31/05/22		31/05/21	
Valuation technique	Assets £	Liabilities £	Assets £	Liabilities £
Level 1: The unadjusted quoted price in an active market for identical assets or liabilities	-	-	-	-
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly	68,520,529	-	52,309,392	-
Level 3: Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability*	-	-	-	-
	<b>68,520,529</b>	<b>-</b>	<b>52,309,392</b>	<b>-</b>

\*\* The valuation techniques and the ACD's policy is disclosed in note 1(i) on page 14.

## Volare Cautious Fund

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### Distribution Table As at 31 May 2022

#### Final Distribution in pence per Share

Group 1 Shares purchased prior to 1 June 2021

Group 2 Shares purchased on or after 1 June 2021 to 31 May 2022

	Net revenue (p)	Equalisation (p)	Distribution payable 31/07/22 (p)	Distribution paid 31/07/21 (p)
<b>Share Class A Accumulation</b>				
Group 1	0.6249	-	0.6249	1.3239
Group 2	0.0000	0.6249	0.6249	1.3239
<b>Share Class Z Accumulation</b>				
Group 1	1.3052	-	1.3052	1.5741
Group 2	0.7193	0.5859	1.3052	1.5741

### Investment Manager's Report For the year ended 31 May 2022

#### Investment Objective

The Fund aims to achieve capital growth (the increase in value of investments) whilst operating within a volatility range (variance) of between 2% and 4.75% over rolling 5 year periods.

The Fund's primary objective is to control volatility (variance) and this could therefore be at the expense of performance. There can be no guarantee that the Fund will achieve its objective of managing volatility (variance).

#### Investment Policy

The Fund will aim to achieve its objective through investment in a variety of asset classes across multiple geographic areas and markets, including:

- Between 0% and 40% in shares in companies, Real Estate Investment Trusts (REITs), Exchange Traded Funds (ETFs) and Exchange Traded Commodities (ETCs).
- Between 0% and 90% in cash, near cash, bonds and money market instruments.

The Fund will aim to have at least 80% of its exposure to these asset classes indirectly by holding units in collective investment schemes which invest in these assets.

The Fund will be managed in a manner that maintains eligibility for ISAs.

The Fund may hold certain financial contracts known as derivatives (which are investments whose value is linked to another investment, or the performance of a stock exchange or to some other variable factor, such as interest rates) for efficient portfolio management purposes. Efficient portfolio management is where the Fund is managed in a way that is designed to reduce risk or cost and/or generate extra income or growth. It is not intended that the use of derivatives in this way will change the risk profile of the Fund. On giving Shareholders 60 days' notice, the Funds will be able to also use derivatives for investment purposes.

#### Investment Review

Mid 2021 we made the decision to reduce duration within the Fund and take some of the profits on the US Treasury Inflation-Protected Securities (TIPS) we were holding, reducing our allocation to the CG Dollar fund and taking up a position in the Vanguard Global Short Term Bond Index fund. This fund tracks the Bloomberg Barclays Global Aggregate Ex US MBS 1-5 Year and has an overall duration of 2.8. No other significant changes.

Later in the year we reduced our exposure to Fundsmith, Blackrock Global Event Driven and Henderson Absolute Return to introduce the LF Ruffer Diversified Return fund, which is more active and uses a wider range of asset classes than some of our multi-asset managers.

With uncertainty high at the time, we expected volatility to remain elevated and as such we decided to sell the high Beta Morgan Stanley US Advantage fund. While recent performance to this point had been poor, this was a position we had taken profits on multiple times since its inclusion as the position size grew due to strong performance. The proceeds were allocated to the Legal & General US Index fund.

At the start of 2022 we sold out of BlackRock Global Event Driven due to concerns around the Mergers & Acquisitions ("M&A") market over the following year. Geopolitical tensions remain high which may see a disruption to cross border activity. While this fund sits within the alternatives space it does carry some low Beta equity risk. This was allocated to cash.

We also took a decision to reduce the UK equity levels of the Fund by reducing our weight in the LF Lindsell Train UK Equity fund and keep the allocation as cash until we saw another opportunity to deploy. Recession risk has clearly risen across all markets over the last few months as energy prices act as a dampener on demand. We feel this risk is particularly acute in the UK where we face significant inflationary pressures that are unlikely to ease any time soon.

### Investment Manager's Report (continued) For the year ended 31 May 2022

#### Outlook

We expect volatility to remain elevated over the coming months with sharp moves across all asset classes. The next few months will be critical in monitoring the impact of the US Federal Reserve's ("the Fed's") rate rises on inflation, economic growth and consumer sentiment. If the rate rises start to have an impact on wage growth, job demand and inflation, then the Fed may decide to pause the rate rises or even take a more dovish stance. This could simply be by reverting back to 0.25% rate rises instead of the mooted 0.50% or 0.75%, which some analysts expect at the next two Fed meetings. The key will lie in the inflation and growth data, but also within the Fed minutes where we will glean useful information on the future trajectory of rate rises, the terminal rate of interest, and how hawkish Fed is likely to be.

The key metric that we are looking at is whether inflation is becoming more entrenched and likely to settle at a much higher future level. If we believe that this will happen, then we would consider shifting the portfolio into assets that would be beneficiaries of this environment such as commodity producers, energy companies and gold. We continue to assess the viability of including real assets exposure in the portfolios. If recessionary indicators rise, then we would look towards Treasuries. If not, then might look towards higher yielding fixed interest exposure.

Our cash levels have been raised at a couple of points this year, in order to provide more optionality and protection. Our view is to redeploy this into the markets, where we have seen depressed levels of valuation, but only once the time is right. Whilst many of the highly valued companies have come down (typically those tech names in the US), they were at really lofty levels before the re-rating.

We expect that volatility will remain elevated over the coming months as the market digests new inflation data and the Fed tries to tackle inflation and bring economic growth down through a series of rate rises but also tries to avert a full-blown recession. We continue to have a strong preference towards high quality companies because we believe that this type of business is more resilient across the cycle and more likely to allow us to compound earnings at a suitable level of risk.

#### Investment Manager

LGT Wealth Management UK LLP

28 June 2022

## Volare Defensive Fund

### Performance record

As at 31 May 2022

	A Accumulation			Z Accumulation		
	31/05/22 (p)	31/05/21 (p)	31/05/20 (p)	31/05/22 (p)	31/05/21 (p)	31/05/20 (p)
Change in net assets per Share						
Opening net asset value per Share	108.38	103.15	101.68	109.19	103.60	101.68
Return before operating charges*	(2.50)	6.48	2.69	(2.53)	6.47	2.79
Operating charges	(1.49)	(1.25)	(1.22)	(1.11)	(0.88)	(0.87)
Return after operating charges*	(3.99)	5.23	1.47	(3.64)	5.59	1.92
Distributions	(0.14)	(0.95)	(0.77)	(1.11)	(1.24)	(1.08)
Retained distributions on accumulation	0.14	0.95	0.77	1.11	1.24	1.08
Closing net asset value per Share	104.39	108.38	103.15	105.55	109.19	103.60
* after direct transaction costs of:	0.00	0.00	0.00	0.00	0.00	0.00
Performance						
Return after operating charges	(3.68%)	5.07%	1.45%	(3.33%)	5.40%	1.89%
Other information						
Closing net asset value	£36,217,673	£3,493,092	£2,749,392	£400,910	£115,140	£105,000
Closing number of Shares	34,693,847	3,222,924	2,665,383	379,818	105,451	101,356
Operating charges	1.36%	1.17%	1.19%	1.01%	0.82%	0.84%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Prices						
Highest Share price	112.38	108.57	105.77	113.32	109.32	106.16
Lowest Share price	104.64	102.71	95.23	105.76	103.18	95.60

Highest and lowest share prices are based on official published daily NAVs.

## Volare Defensive Fund

### Performance Information

As at 31 May 2022

#### Operating Charges

Date	AMC* (%)	Other expenses (%)	Synthetic expense ratio** (%)	Investment Manager subsidy (%)	Transaction costs (%)	Operating Charges (%)
31/05/22						
Share Class A	0.35	0.68	0.76	(0.46)	0.03	1.36
Share Class Z	0.00	0.68	0.76	(0.46)	0.03	1.01
31/05/21						
Share Class A	0.35	1.75	0.57	(1.63)	0.13	1.17
Share Class Z	0.00	1.75	0.57	(1.63)	0.13	0.82

\* Annual Management Charge

\*\*The methodology for calculation of synthetic expense ratio has changed. Following guidance issued by the Investment Association on 2 July 2020, the synthetic OCF calculation has been expanded to include closed ended vehicles such as investment trusts.

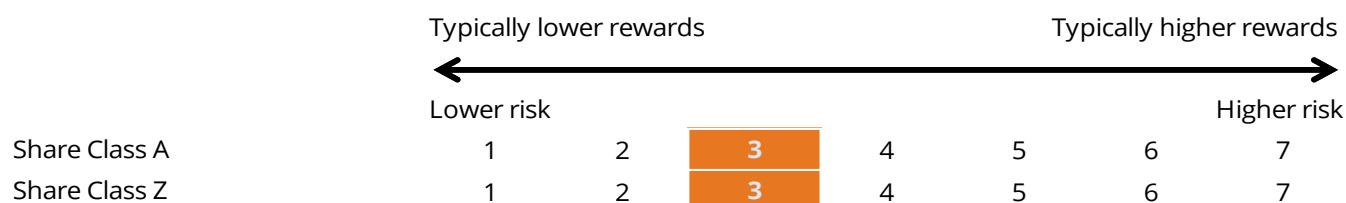
The Operating Charge is the total expenses paid by the Fund in the year, annualised, against its average Net Asset Value. This will fluctuate as underlying costs change.

The Fund has invested in Collective Investment Schemes during the year and the expenses incurred by these schemes are included in the above as the Synthetic expense ratio.

An operating charges cap of 0.60% for the A accumulation share class and 0.25% for the Z accumulation share class is currently in effect. This is excluding any impact from the Synthetic expense ratio. Investment manager subsidy will be provided from the sponsor to ensure operating charge ratios do not exceed these limits.

#### Risk and Reward Profile

As at 31 May 2022



- The 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 to remain unchanged and may shift over time.
- The lowest category does not mean 'risk free'.
- The Fund appears as a '3' on the scale. This is partly because the Fund invests in a mixture of investments, whose values do not fluctuate widely.
- The Fund does not provide its investors with any guarantee on performance, nor on monies invested in it.

#### Risk Warning

An investment in an Open-Ended Investment Company should be regarded as a medium to long term investment. Investors should be aware that the price of Shares and the income from them may fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency of a fund are subject to fluctuation in exchange rates, which may be favourable or unfavourable.



## Volare Defensive Fund

### Portfolio Statement As at 31 May 2022

Holdings or Nominal Value	Investments	Market value £	% of Total Net Assets
<b>Collective Investment Schemes 98.81% [93.96%]</b>			
1,811,324	Allianz Fixed Income Macro	1,964,744	5.36
500,908	Allianz Gilt Yield	882,800	2.41
174,329	Allianz Strategic Bond	205,412	0.56
213,199	AXA US Short Duration High Yield Acc	320,652	0.88
634	AXA US Short Duration High Yield Inc	551	0.00
5,990	Barings Emerging Markets Local Debt	493,818	1.35
5,998	Barings Emerging Markets Sovereign Debt	570,929	1.56
26,398	BlackRock Emerging Markets Local Currency Bond	478,073	1.31
565,335	BlackRock European Absolute Alpha	850,207	2.32
6,764	BlueBay Financial Capital Bond	1,008,118	2.75
5,909	BlueBay Global Sovereign Opportunities	626,783	1.71
350,000	BMO Commercial Property	408,800	1.12
6,837	Brown Advisory Global Leaders	85,936	0.23
4,864	BSF Emerging Companies Absolute Return	497,587	1.36
1,254	CG Absolute Return	177,847	0.48
1,490	Eleva Absolute Return Europe	1,791,663	4.89
98,785	ES AllianceBernstein Sustainable US Equity	123,975	0.34
695,238	Federated Hermes Global High Yield Credit	885,872	2.42
1,640	Federated Hermes Sterling Cash Plus	175,654	0.48
48,599	Fidelity Global Dividend	141,181	0.39
14,332	Fundsmith Equity	82,435	0.23
0	GAM Star Cat Bond	-	0.00
1,182	GemCap Semper Total Return	106,599	0.29
8,000	Invesco AT1 Capital Bond	302,280	0.83
750	Invesco EQQQ NASDAQ-100	183,435	0.50
1,165,046	Invesco Global Targeted Returns	1,239,492	3.38
4,550	iShares Core £ Corporate Bond	606,834	1.66
7,500	iShares Global High Yield Corp Bond GBP Hedged	660,900	1.80
5,750	iShares J.P. Morgan \$ EM Bond	412,068	1.13
18,250	iShares J.P. Morgan EM Local Government Bond	656,826	1.79
39,369	iShares Overseas Corporate Bond Index	62,231	0.17
17,500	iShares Physical Gold	497,544	1.36
260,522	iShares UK Gilts All Stocks Index	425,355	1.16
1,229,637	Janus Henderson Absolute Return	2,192,442	5.99
316,663	Jupiter Strategic Bond	305,580	0.83
10,125	KLS Arete Macro	1,184,936	3.24
12,918	Legal & General US Index	110,863	0.30
47,096	LF Lindsell Train UK Equity	91,559	0.25
195,297	LF Ruffer Diversified Return	208,636	0.57
76,844	Liontrust Special Situations	91,575	0.25
13,103	Lumyna Sandbar Global Equity Market Neutral	1,365,054	3.73
7,500	Lyxor Core UK Government Bond	919,275	2.51
10,003	Lyxor/Tiedemann Arbitrage Strategy	1,224,443	3.34
1,737,881	M&G Global Macro Bond	1,778,373	4.86

## Volare Defensive Fund

### Portfolio Statement (continued) As at 31 May 2022

Holdings or Nominal Value	Investments	Market value £	% of Total Net Assets
330,887	Man GLG Strategic Bond	456,294	1.25
1,003	Muzinich Emerging Markets Short Duration	95,717	0.26
12,985	Muzinich Global Tactical Credit	1,225,396	3.35
1,706	Muzinich Global Tactical Credit	170,637	0.46
4,932	Natixis ASG Managed Futures	645,153	1.76
62,719	Neuberger Berman Emerging Market Debt	558,202	1.52
3,948	Nomura Global Sustainable High Yield Bond	451,425	1.23
44,750	PIMCO GIS Global Investment Grade Credit	879,336	2.40
6,655	Schroder GAIA Contour Tech Equity	579,378	1.59
163	Schroder International Selection Asian Total Return	68,016	0.19
54,165	TB Evenlode Global Income	83,945	0.23
2	Threadneedle UK Equity Income	3	0.00
33,292	Threadneedle UK Equity Income L Acc	118,187	0.32
183,029	Trojan	234,991	0.64
8,554	TwentyFour Corporate Bond	1,012,311	2.76
350,000	TwentyFour Income	365,750	1.00
7,250	Vanguard FTSE 250	230,695	0.63
3,750	Vanguard FTSE Developed Europe ex UK	110,681	0.30
2,289	Vanguard Global Short-Term Bond Index	244,358	0.67
2,345	Vanguard U.K. Long Duration Gilt Index	335,563	0.92
2,389	Vanguard U.S. Government Bond Index	252,952	0.69
3,901	Vontobel Emerging Markets Corporate Bond	397,680	1.09
11,671	Winton Absolute Return Futures	1,265,954	3.46
		<b>36,181,961</b>	<b>98.81</b>
<b>Portfolio of investments</b>		<b>36,181,961</b>	<b>98.81</b>
Net other assets		436,622	1.19
<b>Net assets</b>		<b>36,618,583</b>	<b>100.00</b>

The investments have been valued in accordance with note 1(i) of the Accounting Policies and Financial Instruments.

Comparative figures shown above in square brackets relate to 31 May 2021.

Gross purchases for the year: £34,934,506 [2021: £3,105,160] (See Note 15).

Total sales net of transaction costs for the year: £1,372,339 [2021: £2,619,937] (See Note 15).

## Volare Defensive Fund

### Statement of Total Return For the year ended 31 May 2022

		01/06/21 to 31/05/22		01/06/20 to 31/05/21	
	Note	£	£	£	£
Income					
Net capital (losses)/gains	2		(833,749)		125,207
Revenue	3	115,329		54,380	
Expenses	4	(49,127)		(15,300)	
Interest paid and similar charges	5	(47)		(65)	
Net revenue before taxation		66,155		39,015	
Taxation	6	(10,024)		(5,488)	
Net revenue after taxation			56,131		33,527
Total return before distributions			(777,618)		158,734
Finance costs: Distributions	7		(55,735)		(29,956)
<b>Change in net assets attributable to Shareholders from investment activities</b>			<b>(833,353)</b>		<b>128,778</b>

### Statement of Change in Net Assets Attributable to Shareholders For the year ended 31 May 2022

		01/06/21 to 31/05/22		01/06/20 to 31/05/21	
		£	£	£	£
<b>Opening net assets attributable to Shareholders</b>			3,608,232		2,854,392
Amounts received on issue of Shares		38,903,444		2,146,370	
Less: Amounts paid on cancellation of Shares		(5,110,936)		(1,553,166)	
			33,792,508		593,204
Change in net assets attributable to Shareholders from investment activities (see above)			(833,353)		128,778
Retained distribution on accumulation Shares			51,196		31,858
<b>Closing net assets attributable to Shareholders</b>			<b>36,618,583</b>		<b>3,608,232</b>

## Volare Defensive Fund

### Balance Sheet As at 31 May 2022

		31/05/22		31/05/21	
	Note	£	£	£	£
<b>Assets</b>					
Fixed assets:					
Investments		36,181,961		3,390,794	
Current assets:					
Debtors	8	37,150		28,514	
Cash and bank balances	9	1,333,535		211,578	
Total current assets		1,370,685		240,092	
Total assets		37,552,646		3,630,886	
<b>Liabilities</b>					
Creditors:					
Other creditors	10	(934,063)		(22,654)	
Total creditors		(934,063)		(22,654)	
Total liabilities		(934,063)		(22,654)	
<b>Net assets attributable to Shareholders</b>					
		36,618,583		3,608,232	

## Notes to the Financial Statements For the year ended 31 May 2022

### 1 Accounting Basis And Policies

The Funds' Financial Statements have been prepared on the basis detailed on pages 12 to 14.

<b>2 Net capital (losses)/gains</b>	<b>01/06/21 to 31/05/22 £</b>	<b>01/06/20 to 31/05/21 £</b>
<b>The net capital (losses)/gains during the year</b>		
Currency gains	36,279	-
Non-derivative securities	(869,340)	129,516
Post merger cash transfer	1,624	-
Rebates from underlying investments	-	(1)
Transaction charges	(2,312)	(4,308)
<b>Net capital (losses)/gains</b>	<b>(833,749)</b>	<b>125,207</b>
<b>3 Revenue</b>	<b>01/06/21 to 31/05/22 £</b>	<b>01/06/20 to 31/05/21 £</b>
Franked dividends from Collective Investment Schemes	11,111	35,393
Interest income from Collective Investment Schemes	75,980	18,948
Offshore funds dividends	4,925	-
Offshore funds interest	23,313	-
Rebates received from underlying funds	-	39
<b>Total revenue</b>	<b>115,329</b>	<b>54,380</b>
<b>4 Expenses</b>	<b>01/06/21 to 31/05/22 £</b>	<b>01/06/20 to 31/05/21 £</b>
<b>Payable to the ACD, associates of the ACD, and agents of either of them</b>		
AMC fees	27,523	11,325
Fund accounting fees	17,791	20,521
Investment manager subsidy	(37,737)	(54,166)
Registration fees	8,821	6,443
	16,398	(15,877)
<b>Payable to the Depositary, associates of the Depositary, and agents of either of them</b>		
Depositary's fees	12,611	18,020
Safe custody fees	2,629	1,935
	15,240	19,955
<b>Other expenses</b>		
Audit fees*	11,201	9,469
EMX/Calastone fees	1,429	1,709
FCA fees	98	44
Legal fees	3,591	-
Printing, postage, stationery and typesetting costs	1,170	-
	17,489	11,222
<b>Total expenses</b>	<b>49,127</b>	<b>15,300</b>

\* Audit fees of £9,325 + VAT have been charged in the current year (2021: £7,900 + VAT).

### Notes to the Financial Statements (continued) For the year ended 31 May 2022

5 Interest paid and similar charges	01/06/21 to 31/05/22 £	01/06/20 to 31/05/21 £
Overdraft Interest	47	65
<b>Total Interest paid and similar charges</b>	<b>47</b>	<b>65</b>

6 Taxation	01/06/21 to 31/05/22 £	01/06/20 to 31/05/21 £
<b>(a) Analysis of the tax charge in the year</b>		
Adjustments in respect of prior periods	-	7
Corporation tax	10,024	5,481
<b>Total current tax charge (Note 6 (b))</b>	<b>10,024</b>	<b>5,488</b>
Deferred tax (Note 6 (c))	-	-
<b>Total taxation for the year</b>	<b>10,024</b>	<b>5,488</b>

#### **(b) Factors affecting current tax charge for the year**

The tax assessed for the year is different from that calculated when the standard rate of corporation tax for an open ended investment company of 20% (2021: 20%) is applied to the net revenue before taxation

The differences are explained below:

	01/06/21 to 31/05/22 £	01/06/20 to 31/05/21 £
Net revenue before taxation	66,155	39,015
Net revenue for the year multiplied by the standard rate of corporation tax	13,231	7,803
<b>Effects of:</b>		
Adjustments in respect of prior periods	-	7
Revenue not subject to corporation tax	(3,207)	(2,322)
<b>Total tax charge for the year</b>	<b>10,024</b>	<b>5,488</b>

OEICs are exempt from tax on capital gains in the UK. Therefore, any capital return is not included within the reconciliation above.

#### **(c) Provision for deferred tax**

There is no provision required for deferred taxation at the Balance Sheet date in the current year (2021: Nil).

### Notes to the Financial Statements (continued) For the year ended 31 May 2022

#### 7 Finance costs

##### **Distributions**

The distributions take account of revenue received on the issue of Shares and revenue deducted on the cancellation of Shares and comprise:

	01/06/21 to 31/05/22	01/06/20 to 31/05/21
	£	£
Final	51,196	31,858
Add: Revenue paid on cancellation of Shares	11,053	10,813
Deduct: Revenue received on issue of Shares	(6,514)	(12,715)
<b>Net distribution for the year</b>	<b>55,735</b>	<b>29,956</b>

##### **Reconciliation of net revenue after taxation to distributions**

Net revenue after taxation	56,131	33,527
Expenses charged to capital	(383)	-
Net movement in revenue account	(13)	-
Revenue deficit	-	(3,571)
<b>Net distribution for the year</b>	<b>55,735</b>	<b>29,956</b>

Details of the distributions per Share are set out in the distribution table on page 85.

#### 8 Debtors

	31/05/22	31/05/21
	£	£
Accrued revenue	11	1,893
Amounts due for rebates from underlying funds	-	16
Amounts receivable from FP Octopus Investment Funds	25,812	-
Investment manager subsidy	11,327	26,605
<b>Total debtors</b>	<b>37,150</b>	<b>28,514</b>

#### 9 Cash and bank balances

	31/05/22	31/05/21
	£	£
Cash and bank balances	1,333,535	211,578
<b>Total cash and bank balances</b>	<b>1,333,535</b>	<b>211,578</b>

## Volare Defensive Fund

### Notes to the Financial Statements (continued) For the year ended 31 May 2022

10 Creditors	31/05/22	31/05/21
	£	£
Amounts payable for cancellation of Shares	793,874	1,609
Corporation tax payable	10,024	5,481
	803,898	7,090
<i>Accrued expenses</i>		
<i>Manager and Agents</i>		
Fund accounting fees	1,500	1,914
AMC fees	11,329	1,039
Registration fees	6,219	1,142
	19,048	4,095
<i>Depositary and Agents</i>		
Depositary fees	2,407	1,701
Safe custody fees	1,250	77
Transaction charges	1,250	180
	4,907	1,958
<i>Other accrued expenses</i>		
Audit fees	11,190	9,468
Amounts payable to FP Octopus Investment Funds	95,000	-
FCA fees	20	43
	106,210	9,511
<b>Total creditors</b>	<b>934,063</b>	<b>22,654</b>

### 11 Related party transactions

The monies received and paid by the ACD through the issue and cancellation of Shares are disclosed in the Statement of Change in Shareholders' Net Assets and amounts due at the year end are disclosed in notes 8 and 10.

The ACD and its associates (including other authorised investment funds managed by the ACD) have no Shareholdings in the Company at the year end.

### Significant Shareholdings

FundRock Partners Limited, as the Fund's Authorised Corporate Director, wishes to disclose to the Fund's Shareholders that 61.98% (2021: 53.30%) of the Fund's shares in issue are under the control of a single nominee and its related parties.

### 12 Share Classes

The Share Class and ACD's Annual Management Charges applicable to the Fund are as follows:

Share Class	%
A Accumulation	0.35
Z Accumulation	0.00

Each Share Class has equal rights in the event of the wind up of any Fund.



### Notes to the Financial Statements (continued) For the year ended 31 May 2022

#### 12 Share Classes (continued)

The reconciliation of the opening and closing numbers of Shares of each class is shown below:

	31/05/21	Issued	Cancelled	Converted	31/05/22
A Accumulation	3,222,924	35,362,957	(3,892,034)	-	34,693,847
Z Accumulation	105,451	340,010	(65,643)	-	379,818

#### 13 Capital commitments and contingent liabilities

There were no contingent liabilities or outstanding commitments at the balance sheet date (2021: nil).

#### 14 Derivatives and other financial instruments

The main risks from the Fund's holding of financial instruments, together with the ACD's policy for managing these risks, are disclosed in note 2 on pages 15 to 17.

##### (a) Foreign currency risk

The table below shows the foreign currency risk profile at the balance sheet date:

Currency	Net foreign currency assets		
	Monetary exposures	Non-monetary exposures	Total
	£	£	£
<b>31/05/22</b>			
Euro	8,531	-	8,531
US Dollar	882,088	-	882,088
<b>Total foreign currency exposure</b>	<b>890,619</b>	<b>-</b>	<b>890,619</b>
Sterling	(453,997)	36,181,961	35,727,964
<b>Total net assets</b>	<b>436,622</b>	<b>36,181,961</b>	<b>36,618,583</b>

If GBP to foreign currency exchange rates had strengthened/increased by 10% as at the balance sheet date, the net asset value of the Fund would have decreased by £80,965 (2021: £Nil). If GBP to foreign currency exchange rates had weakened/decreased by 10% as at the balance sheet date, the net asset value of the Fund would have increased by £98,958 (2021: £Nil). These calculations assume all other variables remain constant.

**Notes to the Financial Statements (continued)**
**For the year ended 31 May 2022**
**14 Derivatives and other financial instruments (continued)**
**(b) Interest rate risk profile of financial assets and liabilities**

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

<b>Currency Assets</b>	<b>Floating rate financial assets £</b>	<b>Financial assets not carrying interest £</b>	<b>Total £</b>
<b>31/05/22</b>			
Euro	8,531	-	8,531
Sterling	442,916	36,219,111	36,662,027
US Dollar	882,088	-	882,088
<b>Total</b>	<b>1,333,535</b>	<b>36,219,111</b>	<b>37,552,646</b>
<b>31/05/21</b>			
Sterling	211,578	3,419,308	3,630,886
<b>Total</b>	<b>211,578</b>	<b>3,419,308</b>	<b>3,630,886</b>

<b>Currency Liabilities</b>	<b>Floating rate financial liabilities £</b>	<b>Financial liabilities not carrying interest £</b>	<b>Total £</b>
<b>31/05/22</b>			
Sterling	-	934,063	934,063
<b>Total</b>	<b>-</b>	<b>934,063</b>	<b>934,063</b>
<b>31/05/21</b>			
Sterling	-	22,654	22,654
<b>Total</b>	<b>-</b>	<b>22,654</b>	<b>22,654</b>

Changes in interest rates would have no material impact to the valuation of floating rate financial assets or liabilities as at the balance sheet date. Consequently, no sensitivity analysis has been presented.

**(c) Market Risk**

If market prices had increased by 10% as at the balance sheet date, the net asset value of the Fund would have increased by the amounts set out in the table below.

If market prices had decreased by 10% as at the balance sheet date, the net asset value of the Fund would have decreased by the amounts set out in the table below.

These calculations have been applied to non-derivative securities only (see note 2 (h) for an explanation of the Fund's leverage during the period). These calculations assume all other variables remain constant.

	<b>Increase £</b>	<b>Decrease £</b>
2022	3,618,196	3,618,196
2021	339,079	339,079

### Notes to the Financial Statements (continued)

For the year ended 31 May 2022

#### 14 Derivatives and other financial instruments (continued)

##### (d) Leverage

The Fund did not employ any significant leverage as at 31 May 2022, other than that available to the Fund as a result of its ability to borrow up to 10% of its value on a permanent basis.

15 Portfolio transaction costs	01/06/21 to 31/05/22		01/06/20 to 31/05/21	
	£	£	£	£
<b>Analysis of total purchase costs</b>				
Purchases in year before transaction costs:				
Collective Investment Schemes	34,934,506		3,105,160	
	34,934,506		3,105,160	
Commissions - Collective Investment Schemes	-		-	
Fees - Collective Investment Schemes	-		-	
Total purchase costs		-		-
<b>Gross purchase total</b>	<b>34,934,506</b>		<b>3,105,160</b>	
<b>Analysis of total sale costs</b>				
Gross sales in year before transaction costs:				
Collective Investment Schemes	1,372,339		2,619,937	
	1,372,339		2,619,937	
Commissions - Collective Investment Schemes	-		-	
Fees - Collective Investment Schemes	-		-	
Total sale costs		-		-
<b>Total sales net of transaction costs</b>	<b>1,372,339</b>		<b>2,619,937</b>	

The portfolio transaction costs table above includes direct transaction costs suffered by the Fund during the year.

For the Fund's investment in Collective Investment Scheme holdings there will potentially be dealing spread costs applicable to purchases and sales. However additionally there are indirect transaction costs suffered in those underlying funds, throughout the holding period for the instruments, which are not separately identifiable and do not form part of the analysis above.

**Notes to the Financial Statements (continued)**

**For the year ended 31 May 2022**

**15 Portfolio transaction costs (continued)**

	01/06/21 to 31/05/22	01/06/20 to 31/05/21
Transaction costs as percentage of principal amounts	%	%
Purchases - Commissions		
Collective Investment Schemes	0.0000%	0.0000%
Purchases - Fees		
Collective Investment Schemes	0.0000%	0.0000%
Sales - Commissions		
Collective Investment Schemes	0.0000%	0.0000%
Sales - Fees		
Collective Investment Schemes	0.0000%	0.0000%
	01/06/21 to 31/05/22	01/06/20 to 31/05/21
Transaction costs as percentage of average net asset value	%	%
Commissions	0.0000%	0.0000%
Fees	0.0000%	0.0000%

**16 Post balance sheet events**

There are no post balance sheet events which require adjustments at the year end.

**17 Fair value disclosure**

	31/05/22		31/05/21	
Valuation technique	Assets £	Liabilities £	Assets £	Liabilities £
Level 1: The unadjusted quoted price in an active market for identical assets or liabilities	-	-	-	-
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly	36,181,961	-	3,390,794	-
Level 3: Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability*	-	-	-	-
	<b>36,181,961</b>	<b>-</b>	<b>3,390,794</b>	<b>-</b>

\*\* The valuation techniques and the ACD's policy is disclosed in note 1(i) on page 14.

## Volare Defensive Fund

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### Distribution Table

As at 31 May 2022

#### Final Distribution in pence per Share

Group 1 Shares purchased prior to 1 June 2021

Group 2 Shares purchased on or after 1 June 2021 to 31 May 2022

	Net revenue (p)	Equalisation (p)	Distribution payable 31/07/22 (p)	Distribution paid 31/07/21 (p)
<b>Share Class A Accumulation</b>				
Group 1	0.1354	-	0.1354	0.9477
Group 2	0.0000	0.1354	0.1354	0.9477
<b>Share Class Z Accumulation</b>				
Group 1	1.1112	-	1.1112	1.2438
Group 2	0.5726	0.5386	1.1112	1.2438

### Investment Manager's Report For the year ended 31 May 2022

#### Investment Objective

The Fund aims to achieve capital growth (the increase in value of investments) whilst operating within a volatility range (variance) of between 8% and 13% over rolling 5 year periods.

The Fund's primary objective is to control volatility (variance) and this could therefore be at the expense of performance. There can be no guarantee that the Fund will achieve its objective of managing volatility (variance).

#### Investment Policy

The Fund will aim to achieve its objective through investment in a variety of asset classes across multiple geographic areas and markets, including:

- Between 0% and 85% in shares in companies, Real Estate Investment Trusts (REITs), Exchange Traded Funds (ETFs) and Exchange Traded Commodities (ETCs).
- Between 0% and 40% in cash, near cash, bonds and money market instruments.

The Fund will aim to have at least 80% of its exposure to these asset classes indirectly by holding units in collective investment schemes which invest in these assets.

The Fund will be managed in a manner that maintains eligibility for ISAs.

The Fund may hold certain financial contracts known as derivatives (which are investments whose value is linked to another investment, or the performance of a stock exchange or to some other variable factor, such as interest rates) for efficient portfolio management purposes. Efficient portfolio management is where the Fund is managed in a way that is designed to reduce risk or cost and/or generate extra income or growth. It is not intended that the use of derivatives in this way will change the risk profile of the Fund. On giving Shareholders 60 days' notice, the Funds will be able to also use derivatives for investment purposes.

#### Investment Review

Over the last year one of the key decisions we made was reducing our exposure to Fundsmith and reallocating to the Evenlode Global Income fund. This was part of an ongoing theme where we were taking profits on some of our larger positions, particularly in the global equity space in order to diversify manager risk. Whilst the Evenlode fund had a similar bias to Fundsmith, its investment process was much more valuation focused. This leads to a portfolio that may have been similar in terms of sector exposure but different in regional allocation.

We also sold out of the Jupiter UK Smaller Companies fund and used the allocation to buy the LF Ruffer Diversified Return fund ("the Ruffer fund") with the aim of moderately dialling down equity risk. Discussion around this mostly focused on the elevated recession risk at the time given the spread between the 2 year and 10 year US Treasury yields had turned negative, historically a good indicator for impending recession.

The Ruffer fund has two main objectives, not to lose money in any rolling twelve month period and to grow funds at a higher rate than would be achieved from cash. They use a 'long-only' investment approach using all conventional asset classes; global equities and bonds, currencies and derivatives when appropriate an active asset allocation and focused stock selection, with no leverage nor shorting. In order to avoid excessive market risk, they hold 'growth' and 'protective' assets alongside each other, varying the allocation to each over time.

In the absolute return space we typically want positions which are uncorrelated to our equity and fixed income allocation. The Ruffer fund has a different investment philosophy and toolkit to the rest of the managers within the Volare funds, meaning this allocation should provide sufficient diversification benefits.

### Investment Manager's Report (continued) For the year ended 31 May 2022

#### Outlook

We expect volatility to remain elevated over the coming months with sharp moves across all asset classes. The next few months will be critical in monitoring the impact of the US Federal Reserve's ("the Fed's") rate rises on inflation, economic growth and consumer sentiment. If the rate rises start to have an impact on wage growth, job demand and inflation, then the Fed may decide to pause the rate rises or even take a more dovish stance. This could simply be by reverting back to 0.25% rate rises instead of the mooted 0.50% or 0.75%, which some analysts expect at the next two Fed meetings. The key will lie in the inflation and growth data, but also within the Fed minutes where we will glean useful information on the future trajectory of rate rises, the terminal rate of interest, and how hawkish Fed is likely to be.

The key metric that we are looking at is whether inflation is becoming more entrenched and likely to settle at a much higher future level. If we believe that this will happen, then we would consider shifting the portfolio into assets that would be beneficiaries of this environment such as commodity producers, energy companies and gold. We continue to assess the viability of including real assets exposure in the portfolios. If recessionary indicators rise, then we would look towards Treasuries. If not, then might look towards higher yielding fixed interest exposure.

Our cash levels have been raised at a couple of points this year, in order to provide more optionality and protection. Our view is to redeploy this into the markets, where we have seen depressed levels of valuation, but only once the time is right. Whilst many of the highly valued companies have come down (typically those tech names in the US), they were at really lofty levels before the re-rating.

We expect that volatility will remain elevated over the coming months as the market digests new inflation data and the Fed tries to tackle inflation and bring economic growth down through a series of rate rises but also tries to avert a full-blown recession. We continue to have a strong preference towards high quality companies because we believe that this type of business is more resilient across the cycle and more likely to allow us to compound earnings at a suitable level of risk.

#### Investment Manager

LGT Wealth Management UK LLP

28 June 2022

## Volare Growth Fund

### Performance record

As at 31 May 2022

	A Accumulation			Z Accumulation		
	31/05/22 (p)	31/05/21 (p)	31/05/20 (p)	31/05/22 (p)	31/05/21 (p)	31/05/20 (p)
Change in net assets per Share						
Opening net asset value per Share	125.93	108.90	109.67	119.22	102.73	102.76
Return before operating charges*	(5.45)	18.69	0.70	(5.18)	17.68	0.99
Operating charges	(1.64)	(1.66)	(1.47)	(1.13)	(1.19)	(1.02)
Return after operating charges*	(7.09)	17.03	(0.77)	(6.31)	16.49	(0.03)
Distributions	(0.85)	(1.06)	(1.31)	(1.24)	(1.40)	(1.60)
Retained distributions on accumulation	0.85	1.06	1.31	1.24	1.40	1.60
Closing net asset value per Share	118.84	125.93	108.90	112.91	119.22	102.73
* after direct transaction costs of:	0.00	0.00	0.00	0.00	0.00	0.00
Performance						
Return after operating charges	(5.63%)	15.64%	(0.70%)	(5.29%)	16.05%	(0.03%)
Other information						
Closing net asset value	£46,134,902	£49,646,965	£36,823,336	£7,600,716	£7,846,340	£6,016,431
Closing number of Shares	38,820,099	39,423,170	33,814,017	6,731,861	6,581,344	5,856,293
Operating charges	1.29%	1.36%	1.35%	0.94%	1.01%	1.00%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Prices						
Highest Share price	135.15	127.48	118.61	128.15	120.65	111.79
Lowest Share price	115.20	108.12	91.55	109.43	102.01	86.31

Highest and lowest share prices are based on official published daily NAVs.



## Volare Growth Fund

### Performance Information

As at 31 May 2022

#### Operating Charges

Date	AMC* (%)	Other expenses (%)	Synthetic expense ratio** (%)	Transaction costs (%)	Operating Charges (%)
31/05/22					
Share Class A	0.35	0.18	0.76	0.00	1.29
Share Class Z	0.00	0.18	0.76	0.00	0.94
31/05/21					
Share Class A	0.35	0.22	0.78	0.01	1.36
Share Class Z	0.00	0.22	0.78	0.01	1.01

\* Annual Management Charge

\*\*The methodology for calculation of synthetic expense ratio has changed. Following guidance issued by the Investment Association on 2 July 2020, the synthetic OCF calculation has been expanded to include closed ended vehicles such as investment trusts.

The Operating Charge is the total expenses paid by the Fund in the year, annualised, against its average Net Asset Value. This will fluctuate as underlying costs change.

The Fund has invested in Collective Investment Schemes during the year and the expenses incurred by these schemes are included in the above as the Synthetic expense ratio.

An operating charges cap of 0.60% for the A accumulation share class and 0.25% for the Z accumulation share class is currently in effect. This is excluding any impact from the Synthetic expense ratio. Investment manager subsidy will be provided from the sponsor to ensure operating charge ratios do not exceed these limits.

#### Risk and Reward Profile

As at 31 May 2022

	Typically lower rewards				Typically higher rewards		
	←				→		
	Lower risk				Higher risk		
Share Class A	1	2	3	4	5	6	7
Share Class Z	1	2	3	4	5	6	7

- The 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 to remain unchanged and may shift over time.
- The lowest category does not mean 'risk free'.
- The Fund appears as a '5' on the scale. This is partly because the Fund invests in a mixture of investments, many of which have values that may fluctuate widely.
- The Fund does not provide its investors with any guarantee on performance, nor on monies invested in it.

#### Risk Warning

An investment in an Open-Ended Investment Company should be regarded as a medium to long term investment. Investors should be aware that the price of Shares and the income from them may fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency of a fund are subject to fluctuation in exchange rates, which may be favourable or unfavourable.

## Volare Growth Fund

### Portfolio Statement As at 31 May 2022

Holdings or Nominal Value	Investments	Market value £	% of Total Net Assets
<b>Collective Investment Schemes 93.18% [97.29%]</b>			
1,413,817	AXA US Short Duration High Yield Acc	2,126,381	3.96
31,503	Baillie Gifford Japanese Smaller Companies	1,262,341	2.35
197,852	Brown Advisory Global Leaders	2,486,997	4.63
1,436,142	ES AllianceBernstein Sustainable US Equity	1,802,358	3.35
1,084,646	Fidelity Global Dividend	3,150,897	5.86
352,573	Fundsmith Equity	2,027,895	3.77
759,953	Impax Asian Environmental Markets	1,670,377	3.11
2,639,886	Jupiter Strategic Bond	2,547,490	4.74
1,125,958	Lazard Global Listed Infrastructure	2,755,896	5.13
977,281	LF Lindsell Train UK Equity	1,899,932	3.54
1,077,889	LF Ruffer Diversified Return	1,151,509	2.14
1,945,496	Liontrust Special Situations	2,318,448	4.31
22,663	Morgan Stanley Asia Opportunity (GBP)	435,807	0.81
53,449	Morgan Stanley Asia Opportunity (USD)	1,262,000	2.35
172,603	Morgan Stanley Global Brands	2,727,128	5.08
109,549	Morgan Stanley US Advantage	1,504,107	2.80
18,243	Muzinich Global Tactical Credit	1,824,823	3.40
315,560	Neuberger Berman Emerging Market Debt Blend	2,540,261	4.73
180,702	Polar Capital Global Insurance	1,705,555	3.17
5,701	Schroder International Selection Asian Total Return	2,382,364	4.43
148,049	Stewart Investors Asia Pacific Leaders Sustainability	1,440,994	2.68
147,886	T. Rowe US Smaller Companies Equity	2,722,589	5.07
1,565,771	TB Evenlode Global Income	2,403,302	4.47
605,556	Threadneedle UK Equity Income L Acc	2,149,723	4.00
1,379,761	Trojan	1,771,475	3.30
		<b>50,070,649</b>	<b>93.18</b>
<b>Portfolio of investments</b>		<b>50,070,649</b>	<b>93.18</b>
Net other assets		3,664,969	6.82
<b>Net assets</b>		<b>53,735,618</b>	<b>100.00</b>

The investments have been valued in accordance with note 1(i) of the Accounting Policies and Financial Instruments.

Comparative figures shown above in square brackets relate to 31 May 2021.

Gross purchases for the year: £8,579,288 [2021: £39,192,857] (See Note 15).

Total sales net of transaction costs for the year: £11,308,092 [2021: £31,693,622] (See Note 15).

## Volare Growth Fund

### Statement of Total Return For the year ended 31 May 2022

		01/06/21 to 31/05/22		01/06/20 to 31/05/21	
	Note	£	£	£	£
Income					
Net capital (losses)/gains	2		(3,686,375)		6,458,061
Revenue	3	715,399		710,544	
Expenses	4	(290,019)		(256,473)	
Interest paid and similar charges	5	(2,247)		(273)	
Net revenue before taxation		423,133		453,798	
Taxation	6	-		-	
Net revenue after taxation			423,133		453,798
Total return before distributions			(3,263,242)		6,911,859
Finance costs: Distributions	7		(425,154)		(454,172)
<b>Change in net assets attributable to Shareholders from investment activities</b>			<b>(3,688,396)</b>		<b>6,457,687</b>

### Statement of Change in Net Assets Attributable to Shareholders For the year ended 31 May 2022

		01/06/21 to 31/05/22		01/06/20 to 31/05/21	
		£	£	£	£
<b>Opening net assets attributable to Shareholders</b>			57,493,305		42,839,767
Amounts received on issue of Shares		11,352,882		19,857,779	
Less: Amounts paid on cancellation of Shares		(11,834,297)		(12,174,154)	
			(481,415)		7,683,625
Change in net assets attributable to Shareholders from investment activities (see above)			(3,688,396)		6,457,687
Retained distribution on accumulation Shares			412,124		512,226
<b>Closing net assets attributable to Shareholders</b>			<b>53,735,618</b>		<b>57,493,305</b>

## Volare Growth Fund

### Balance Sheet

As at 31 May 2022

		31/05/22		31/05/21	
	Note	£	£	£	£
<b>Assets</b>					
Fixed assets:					
Investments		50,070,649		55,936,451	
Current assets:					
Debtors	8	32,913		314,680	
Cash and bank balances	9	3,907,291		1,343,403	
Total current assets		3,940,204		1,658,083	
Total assets		54,010,853		57,594,534	
<b>Liabilities</b>					
Creditors:					
Other creditors	10	(275,235)		(101,229)	
Total creditors		(275,235)		(101,229)	
Total liabilities		(275,235)		(101,229)	
<b>Net assets attributable to Shareholders</b>					
		53,735,618		57,493,305	

## Notes to the Financial Statements For the year ended 31 May 2022

### 1 Accounting Basis And Policies

The Funds' Financial Statements have been prepared on the basis detailed on pages 12 to 14.

<b>2 Net capital (losses)/gains</b>	<b>01/06/21 to 31/05/22 £</b>	<b>01/06/20 to 31/05/21 £</b>
<b>The net capital (losses)/gains during the year</b>		
Currency gains	7,907	-
Non-derivative securities	(3,692,630)	6,461,162
Transaction charges	(1,652)	(3,101)
<b>Net capital (losses)/gains</b>	<b>(3,686,375)</b>	<b>6,458,061</b>
<b>3 Revenue</b>	<b>01/06/21 to 31/05/22 £</b>	<b>01/06/20 to 31/05/21 £</b>
Franked dividends from Collective Investment Schemes	277,926	429,392
Interest income from Collective Investment Schemes	172,437	280,440
Offshore funds dividends	105,585	-
Offshore funds interest	159,678	-
Rebates (refunded) / received from underlying funds	(227)	712
<b>Total revenue</b>	<b>715,399</b>	<b>710,544</b>
<b>4 Expenses</b>	<b>01/06/21 to 31/05/22 £</b>	<b>01/06/20 to 31/05/21 £</b>
<b>Payable to the ACD, associates of the ACD, and agents of either of them</b>		
AMC fees	179,482	148,310
Fund accounting fees	17,919	20,521
Registration fees	33,495	34,188
	230,896	203,019
<b>Payable to the Depositary, associates of the Depositary, and agents of either of them</b>		
Depositary's fees	23,024	23,505
Safe custody fees	15,615	13,136
	38,639	36,641
<b>Other expenses</b>		
Audit fees*	11,201	9,469
EMX/Calastone fees	4,348	7,301
FCA fees	96	43
Legal fees	3,591	-
LEI licence fee	78	-
Printing, postage, stationery and typesetting costs	1,170	-
	20,484	16,813
<b>Total expenses</b>	<b>290,019</b>	<b>256,473</b>

\* Audit fees of £9,325 + VAT have been charged in the current year (2021: £7,900 + VAT).

## Notes to the Financial Statements (continued) For the year ended 31 May 2022

5 Interest paid and similar charges	01/06/21 to 31/05/22 £	01/06/20 to 31/05/21 £
Overdraft Interest	2,247	273
<b>Total Interest paid and similar charges</b>	<b>2,247</b>	<b>273</b>

6 Taxation	01/06/21 to 31/05/22 £	01/06/20 to 31/05/21 £
<i><b>(a) Analysis of the tax charge in the year</b></i>		
Corporation tax	-	-
<b>Total current tax charge (Note 6 (b))</b>	-	-
Deferred tax (Note 6 (c))	-	-
<b>Total taxation for the year</b>	-	-

### ***(b) Factors affecting current tax charge for the year***

The tax assessed for the year is different from that calculated when the standard rate of corporation tax for an open ended investment company of 20% (2021: 20%) is applied to the net revenue before taxation

The differences are explained below:

	01/06/21 to 31/05/22 £	01/06/20 to 31/05/21 £
Net revenue before taxation	423,133	453,798
Net revenue for the year multiplied by the standard rate of corporation tax	84,627	90,759
<b>Effects of:</b>		
Movement in excess management expenses	(7,925)	(7,879)
Revenue not subject to corporation tax	(76,702)	(82,880)
<b>Total tax charge for the year</b>	-	-

OEICs are exempt from tax on capital gains in the UK. Therefore, any capital return is not included within the reconciliation above.

### ***(c) Provision for deferred tax***

There is no provision required for deferred taxation at the Balance Sheet date in the current year (2021: Nil).

### ***(d) Factors that may affect future tax charges***

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £4,633 (2021: £12,558) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise this amount and therefore no deferred tax asset has been recognised in the year.

### Notes to the Financial Statements (continued) For the year ended 31 May 2022

#### 7 Finance costs

##### **Distributions**

The distributions take account of revenue received on the issue of Shares and revenue deducted on the cancellation of Shares and comprise:

	01/06/21 to 31/05/22	01/06/20 to 31/05/21
	£	£
Final	412,123	512,225
Add: Revenue paid on cancellation of Shares	61,069	64,309
Deduct: Revenue received on issue of Shares	(48,038)	(122,365)
<b>Net distribution for the year</b>	<b>425,154</b>	<b>454,172</b>

##### **Reconciliation of net revenue after taxation to distributions**

Net revenue after taxation	423,133	453,798
Expenses charged to capital	2,044	374
Net movement in revenue account	(23)	-
<b>Net distribution for the year</b>	<b>425,154</b>	<b>454,172</b>

Details of the distributions per Share are set out in the distribution table on page 101.

#### 8 Debtors

	31/05/22	31/05/21
	£	£
Amounts due for rebates from underlying funds	-	227
Amounts receivable for creation of Shares	32,913	314,453
<b>Total debtors</b>	<b>32,913</b>	<b>314,680</b>

#### 9 Cash and bank balances

	31/05/22	31/05/21
	£	£
Cash and bank balances	3,907,291	1,343,403
<b>Total cash and bank balances</b>	<b>3,907,291</b>	<b>1,343,403</b>

### Notes to the Financial Statements (continued) For the year ended 31 May 2022

<b>10 Creditors</b>	<b>31/05/22</b>	<b>31/05/21</b>
	<b>£</b>	<b>£</b>
Amounts payable for cancellation of Shares	215,182	65,743
	215,182	65,743
<i>Accrued expenses</i>		
<i>Manager and Agents</i>		
AMC fees	13,670	14,471
Fund accounting fees	1,500	1,786
Registration fees	21,889	6,163
	37,059	22,420
<i>Depositary and Agents</i>		
Depositary fees	2,762	2,307
Safe custody fees	7,775	1,201
Transaction charges	1,247	45
	11,784	3,553
<i>Other accrued expenses</i>		
Audit fees	11,190	9,469
FCA fees	20	44
	11,210	9,513
<b>Total creditors</b>	<b>275,235</b>	<b>101,229</b>

### 11 Related party transactions

The monies received and paid by the ACD through the issue and cancellation of Shares are disclosed in the Statement of Change in Shareholders' Net Assets and amounts due at the year end are disclosed in notes 8 and 10.

The ACD and its associates (including other authorised investment funds managed by the ACD) have no Shareholdings in the Company at the year end.

### 12 Share Classes

The Share Class and ACD's Annual Management Charges applicable to the Fund are as follows:

<b>Share Class</b>	<b>%</b>
A Accumulation	0.35
Z Accumulation	0.00

Each Share Class has equal rights in the event of the wind up of any Fund.



**Notes to the Financial Statements (continued)**  
**For the year ended 31 May 2022**
**12 Share Classes (continued)**

The reconciliation of the opening and closing numbers of Shares of each class is shown below:

	31/05/21	Issued	Cancelled	Converted	31/05/22
A Accumulation	39,423,170	5,567,208	(6,170,279)	-	38,820,099
Z Accumulation	6,581,344	1,072,978	(922,461)	-	6,731,861

**13 Capital commitments and contingent liabilities**

There were no contingent liabilities or outstanding commitments at the balance sheet date (2021: Nil).

**14 Derivatives and other financial instruments**

The main risks from the Fund's holding of financial instruments, together with the ACD's policy for managing these risks, are disclosed in note 2 on pages 15 to 17.

**(a) Foreign currency risk**

The table below shows the foreign currency risk profile at the balance sheet date:

Currency	Net foreign currency assets		
	Monetary exposures	Non-monetary exposures	Total
	£	£	£
<b>31/05/22</b>			
US Dollar	-	1,262,000	1,262,000
<b>Total foreign currency exposure</b>	<b>-</b>	<b>1,262,000</b>	<b>1,262,000</b>
Sterling	2,415,461	50,058,139	52,473,600
<b>Total net assets</b>	<b>2,415,461</b>	<b>51,320,139</b>	<b>53,735,600</b>

If GBP to foreign currency exchange rates had strengthened/increased by 10% as at the balance sheet date, the net asset value of the Fund would have decreased by £114,727 (2021: £Nil). If GBP to foreign currency exchange rates had weakened/decreased by 10% as at the balance sheet date, the net asset value of the Fund would have increased by £140,222 (2021: £Nil). These calculations assume all other variables remain constant.

**Notes to the Financial Statements (continued)**
**For the year ended 31 May 2022**
**14 Derivatives and other financial instruments (continued)**
**(b) Interest rate risk profile of financial assets and liabilities**

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

<b>Currency Assets</b>	<b>Floating rate financial assets £</b>	<b>Financial assets not carrying interest £</b>	<b>Total £</b>
<b>31/05/22</b>			
Sterling	3,907,291	48,841,562	52,748,853
US Dollar	-	1,262,000	1,262,000
<b>Total</b>	<b>3,907,291</b>	<b>50,103,562</b>	<b>54,010,853</b>
<b>31/05/21</b>			
Sterling	-	2,650,531	2,650,531
US Dollar	1,343,403	53,600,600	54,944,003
<b>Total</b>	<b>1,343,403</b>	<b>56,251,131</b>	<b>57,594,534</b>

<b>Currency Liabilities</b>	<b>Floating rate financial liabilities £</b>	<b>Financial liabilities not carrying interest £</b>	<b>Total £</b>
<b>31/05/22</b>			
Sterling	-	275,235	275,235
<b>Total</b>	<b>-</b>	<b>275,235</b>	<b>275,235</b>
<b>31/05/21</b>			
Sterling	-	101,229	101,229
<b>Total</b>	<b>-</b>	<b>101,229</b>	<b>101,229</b>

Changes in interest rates would have no material impact to the valuation of floating rate financial assets or liabilities as at the balance sheet date. Consequently, no sensitivity analysis has been presented.

**(c) Market Risk**

If market prices had increased by 10% as at the balance sheet date, the net asset value of the Fund would have increased by the amounts set out in the table below.

If market prices had decreased by 10% as at the balance sheet date, the net asset value of the Fund would have decreased by the amounts set out in the table below.

These calculations have been applied to non-derivative securities only (see note 2 (h) for an explanation of the Fund's leverage during the period). These calculations assume all other variables remain constant.

	<b>Increase £</b>	<b>Decrease £</b>
2022	5,007,065	5,007,065
2021	5,593,645	5,593,645

**Notes to the Financial Statements (continued)**

**For the year ended 31 May 2022**

**14 Derivatives and other financial instruments (continued)**

**(d) Leverage**

The Fund did not employ any significant leverage as at 31 May 2022, other than that available to the Fund as a result of its ability to borrow up to 10% of its value on a permanent basis.

<b>15 Portfolio transaction costs</b>	<b>01/06/21 to 31/05/22</b>		<b>01/06/20 to 31/05/21</b>	
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Analysis of total purchase costs</b>				
Purchases in year before transaction costs:				
Collective Investment Schemes	8,579,288		39,192,857	
	8,579,288		39,192,857	
Commissions - Collective Investment Schemes	-		-	
Fees - Collective Investment Schemes	-		-	
Total purchase costs		-		-
<b>Gross purchase total</b>	<b>8,579,288</b>		<b>39,192,857</b>	
<b>Analysis of total sale costs</b>				
Gross sales in year before transaction costs:				
Collective Investment Schemes	11,308,092		31,693,622	
	11,308,092		31,693,622	
Commissions - Collective Investment Schemes	-		-	
Fees - Collective Investment Schemes	-		-	
Total sale costs		-		-
<b>Total sales net of transaction costs</b>	<b>11,308,092</b>		<b>31,693,622</b>	

The portfolio transaction costs table above includes direct transaction costs suffered by the Fund during the year.

For the Fund's investment in Collective Investment Scheme holdings there will potentially be dealing spread costs applicable to purchases and sales. However additionally there are indirect transaction costs suffered in those underlying funds, throughout the holding period for the instruments, which are not separately identifiable and do not form part of the analysis above.

**Notes to the Financial Statements (continued)**  
**For the year ended 31 May 2022**

**15 Portfolio transaction costs (continued)**

	01/06/21 to 31/05/22 %	01/06/20 to 31/05/21 %
<b>Transaction costs as percentage of principal amounts</b>		
Purchases - Commissions		
Collective Investment Schemes	0.0000%	0.0000%
Purchases - Fees		
Collective Investment Schemes	0.0000%	0.0000%
Sales - Commissions		
Collective Investment Schemes	0.0000%	0.0000%
Sales - Fees		
Collective Investment Schemes	0.0000%	0.0000%
	<b>01/06/21 to 31/05/22</b>	<b>01/06/20 to 31/05/21</b>
<b>Transaction costs as percentage of average net asset value</b>	<b>%</b>	<b>%</b>
Commissions	0.0000%	0.0000%
Fees	0.0000%	0.0000%

**16 Post balance sheet events**

There are no post balance sheet events which require adjustments at the year end.

**17 Fair value disclosure**

	31/05/22		31/05/21	
	Assets	Liabilities	Assets	Liabilities
Valuation technique	£	£	£	£
Level 1: The unadjusted quoted price in an active market for identical assets or liabilities	-	-	-	-
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly	50,070,649	-	55,936,451	-
Level 3: Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability*	-	-	-	-
	<b>50,070,649</b>	<b>-</b>	<b>55,936,451</b>	<b>-</b>

\*\* The valuation techniques and the ACD's policy is disclosed in note 1(i) on page 14.

## Volare Growth Fund

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### Distribution Table

As at 31 May 2022

#### Final Distribution in pence per Share

Group 1 Shares purchased prior to 1 June 2021

Group 2 Shares purchased on or after 1 June 2021 to 31 May 2022

	Net revenue (p)	Equalisation (p)	Distribution payable 31/07/22 (p)	Distribution paid 31/07/21 (p)
<b>Share Class A Accumulation</b>				
Group 1	0.8459	-	0.8459	1.0649
Group 2	0.3515	0.4944	0.8459	1.0649
<b>Share Class Z Accumulation</b>				
Group 1	1.2440	-	1.2440	1.4040
Group 2	0.4274	0.8166	1.2440	1.4040

### Investment Manager's Report For the year ended 31 May 2022

#### Investment Objective

The Fund aims to achieve an income target of 3.5% over a rolling five year period.

#### Investment Policy

The Fund will aim to achieve its objective through investment in a variety of asset classes across multiple geographic areas and markets, including:

- Between 0% and 75% in shares in companies, Real Estate Investment Trusts (REITs), Exchange Traded Funds (ETFs) and Exchange Traded Commodities (ETCs).
- Between 0% and 60% in cash, near cash, bonds and money market instruments.

The Fund will aim to have at least 80% of its exposure to these asset classes indirectly by holding units in collective investment schemes which invest in these assets. The collective investment schemes in which the Fund invests will typically have investment strategies which seek to achieve income.

The Fund will be managed in a manner that maintains eligibility for ISAs.

The Fund may hold certain financial contracts known as derivatives (which are investments whose value is linked to another investment, or the performance of a stock exchange or to some other variable factor, such as interest rates) for efficient portfolio management purposes. Efficient portfolio management is where the Fund is managed in a way that is designed to reduce risk or cost and/or generate extra income or growth. It is not intended that the use of derivatives in this way will change the risk profile of the Fund. On giving Shareholders 60 days' notice, the Funds will be able to also use derivatives for investment purposes.

#### Investment Review

In the third quarter ("Q3") of 2021 we took a decision to reduce duration and take profits on the Treasury Inflation-Protected Securities (TIPS) position we held. We chose to do this by switching out of the CG Dollar Fund and into the existing Neuberger Berman Emerging Markets Debt Blend fund while also adding a small amount of equity exposure via the Evenlode Global Income fund. The fund invests in high quality companies at a reasonable price. The fund's portfolio companies should be able to protect against inflation by passing on higher costs to the end consumer.

Coming into 2022 we reduced our position in Fundsmith and used this to increase our holding of the Morgan Stanley Global Brands Equity Income fund. This was part of an ongoing theme where we were taking profits on some of our larger positions, particularly in the global equity space in order to diversify manager risk. The Morgan Stanley Strategy has a similar bias towards high quality businesses but employs an option overlay strategy to generate a higher level of income.

Whilst we still had conviction in the Fundsmith strategy, we felt it was prudent to moderate the position further. The fund continues to grow in size and they may struggle to initiate positions in the kind of stocks they were historically able to add.

#### Outlook

We expect volatility to remain elevated over the coming months with sharp moves across all asset classes. The next few months will be critical in monitoring the impact of the US Federal Reserve's ("the Fed's") rate rises on inflation, economic growth and consumer sentiment. If the rate rises start to have an impact on wage growth, job demand and inflation, then the Fed may decide to pause the rate rises or even take a more dovish stance. This could simply be by reverting back to 0.25% rate rises instead of the mooted 0.50% or 0.75%, which some analysts expect at the next two Fed meetings. The key will lie in the inflation and growth data, but also within the Fed minutes where we will glean useful information on the future trajectory of rate rises, the terminal rate of interest, and how hawkish Fed is likely to be.

### Investment Manager's Report (continued) For the year ended 31 May 2022

#### Outlook (continued)

The key metric that we are looking at is whether inflation is becoming more entrenched and likely to settle at a much higher future level. If we believe that this will happen, then we would consider shifting the portfolio into assets that would be beneficiaries of this environment such as commodity producers, energy companies and gold. We continue to assess the viability of including real assets exposure in the portfolios. If recessionary indicators rise, then we would look towards Treasuries. If not, then might look towards higher yielding fixed interest exposure.

Our cash levels have been raised at a couple of points this year, in order to provide more optionality and protection. Our view is to redeploy this into the markets, where we have seen depressed levels of valuation, but only once the time is right. Whilst many of the highly valued companies have come down (typically those tech names in the US), they were at really lofty levels before the re-rating.

We expect that volatility will remain elevated over the coming months as the market digests new inflation data and the Fed tries to tackle inflation and bring economic growth down through a series of rate rises but also tries to avert a full-blown recession. We continue to have a strong preference towards high quality companies because we believe that this type of business is more resilient across the cycle and more likely to allow us to compound earnings at a suitable level of risk.

#### Investment Manager

LGT Wealth Management UK LLP  
28 June 2022

## Volare Strategic Income Fund

### Performance record

As at 31 May 2022

	A Income			Z Income**
	31/05/22 (p)	31/05/21 (p)	31/05/20 (p)	31/05/20 (p)
Change in net assets per Share				
Opening net asset value per Share	102.14	93.34	97.86	97.96
Return before operating charges*	1.49	13.23	0.26	0.27
Operating charges	(1.24)	(1.32)	(1.31)	(0.97)
Return after operating charges*	0.25	11.91	(1.05)	(0.70)
Distributions	(3.24)	(3.11)	(3.47)	(3.41)
Retained distributions on accumulation	-	-	-	-
Closing net asset value per Share	99.15	102.14	93.34	93.85
* after direct transaction costs of:	0.00	0.00	0.00	0.00
Performance				
Return after operating charges	0.24%	12.76%	(1.07%)	(0.71%)
Other information				
Closing net asset value	£4,046,959	£4,225,372	£3,538,255	£42,395
Closing number of Shares	4,081,693	4,136,891	3,790,779	45,172
Operating charges	1.28%	1.33%	1.36%	1.01%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%
Prices				
Highest Share price	106.77	103.19	103.05	103.51
Lowest Share price	96.65	93.16	81.76	82.16

Highest and lowest share prices are based on official published daily NAVs.

\*\*Share Class Z income was fully redeemed on 17 September 2020 and closed on 1 April 2021.



## Volare Strategic Income Fund

### Performance Information

As at 31 May 2022

#### Operating Charges

Date	AMC* (%)	Other expenses (%)	Synthetic expense ratio** (%)	Investment Manager subsidy (%)	Transaction costs (%)	Operating Charges (%)
31/05/22						
Share Class A	0.35	1.32	0.68	(1.11)	0.04	1.28
31/05/21						
Share Class A	0.35	1.71	0.73	(1.61)	0.15	1.33

\* Annual Management Charge

\*\*The methodology for calculation of synthetic expense ratio has changed. Following guidance issued by the Investment Association on 2 July 2020, the synthetic OCF calculation has been expanded to include closed ended vehicles such as investment trusts.

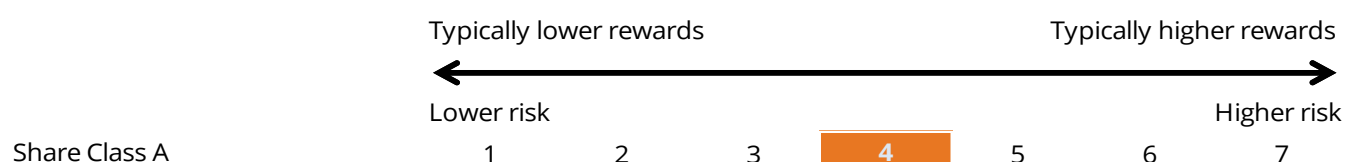
The Operating Charge is the total expenses paid by the Fund in the year, annualised, against its average Net Asset Value. This will fluctuate as underlying costs change.

The Fund has invested in Collective Investment Schemes during the year and the expenses incurred by these schemes are included in the above as the Synthetic expense ratio.

An operating charges cap of 0.60% for the A income share class is currently in effect. This is excluding any impact from the Synthetic expense ratio. Investment manager subsidy will be provided from the sponsor to ensure operating charge ratios do not exceed these limits.

#### Risk and Reward Profile

As at 31 May 2022



- The 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 to remain unchanged and may shift over time.
- The lowest category does not mean 'risk free'.
- The Fund appears as a '4' on the scale. This is partly because the Fund invests in a mixture of investments, some of which have values that may fluctuate widely.
- The Fund does not provide its investors with any guarantee on performance, nor on monies invested in it.

#### Risk Warning

An investment in an Open-Ended Investment Company should be regarded as a medium to long term investment. Investors should be aware that the price of Shares and the income from them may fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency of a fund are subject to fluctuation in exchange rates, which may be favourable or unfavourable.

## Volare Strategic Income Fund

### Portfolio Statement As at 31 May 2022

Holdings or Nominal Value	Investments	Market value £	% of Total Net Assets
<b>Collective Investment Schemes 92.15% [96.59%]</b>			
304,179	AXA US Short Duration High Yield Inc	264,089	6.53
223,796	Fidelity Global Dividend	303,243	7.49
13,234	Fundsmith Equity	76,119	1.88
300,001	Jupiter Strategic Bond	268,921	6.65
135,657	Lazard Global Listed Infrastructure Equity	256,907	6.35
68,050	LF Ruffer Diversified Return	72,589	1.79
42,489	Lindsell Train Global Equity	165,991	4.10
21,897	M&G Strategic Corporate Bond	225,745	5.58
81,917	Marlborough Multi Cap Income	121,310	3.00
15,106	Morgan Stanley Global Brands	200,303	4.95
1,119	Muzinich Emerging Markets Short Duration	96,166	2.38
1,719	Muzinich Global Tactical Credit	167,510	4.14
23,301	Neuberger Berman Emerging Market Debt Blend	187,572	4.64
1,943	RWC Enhanced Income	157,190	3.88
493,463	Schroder Asian Income Maximiser	254,281	6.28
326,193	Schroder Income Maximiser	153,441	3.79
387,159	Schroder US Equity Income Maximiser	250,376	6.19
29,018	Stewart Investors Asia Pacific Leaders Sustainability	87,018	2.15
74,675	TB Evenlode Global Income C Acc	114,619	2.83
106,316	TB Evenlode Global Income F Inc	149,692	3.70
561	Threadneedle UK Equity Income	844	0.02
80,818	Threadneedle UK Equity Income L Inc	155,170	3.83
		<b>3,729,096</b>	<b>92.15</b>
<b>Portfolio of investments</b>		<b>3,729,096</b>	<b>92.15</b>
Net other assets		317,863	7.85
<b>Net assets</b>		<b>4,046,959</b>	<b>100.00</b>

The investments have been valued in accordance with note 1(i) of the Accounting Policies and Financial Instruments.

Comparative figures shown above in square brackets relate to 31 May 2021.

Gross purchases for the year: £940,804 [2021: £1,906,933] (See Note 15).

Total sales net of transaction costs for the year: £1,203,245 [2021: £1,719,577] (See Note 15).

## Volare Strategic Income Fund

### Statement of Total Return For the year ended 31 May 2022

		01/06/21 to 31/05/22		01/06/20 to 31/05/21	
	Note	£	£	£	£
Income					
Net capital (losses)/gains	2		(95,545)		340,206
Revenue	3	141,961		123,984	
Expenses	4	(26,617)		(16,742)	
Interest paid and similar charges	5	(152)		(319)	
Net revenue before taxation		115,192		106,923	
Taxation	6	(4,397)		(6,286)	
Net revenue after taxation			110,795		100,637
Total return before distributions			15,250		440,843
Finance costs: Distributions	7		(137,462)		(117,381)
<b>Change in net assets attributable to Shareholders from investment activities</b>			<b>(122,212)</b>		<b>323,462</b>

### Statement of Change in Net Assets Attributable to Shareholders For the year ended 31 May 2022

		01/06/21 to 31/05/22		01/06/20 to 31/05/21	
		£	£	£	£
<b>Opening net assets attributable to Shareholders</b>			4,225,372		3,580,650
Amounts received on issue of Shares		760,413		1,978,968	
Less: Amounts paid on cancellation of Shares		(816,614)		(1,657,711)	
			(56,201)		321,257
Change in net assets attributable to Shareholders from investment activities (see above)			(122,212)		323,462
Undistributed income			-		3
<b>Closing net assets attributable to Shareholders</b>			<b>4,046,959</b>		<b>4,225,372</b>

## Volare Strategic Income Fund

### Balance Sheet

As at 31 May 2022

		31/05/22		31/05/21	
	Note	£	£	£	£
<b>Assets</b>					
Fixed assets:					
Investments			3,729,096		4,081,203
Current assets:					
Debtors	8	101,652		46,665	
Cash and bank balances	9	274,688		148,185	
Total current assets			376,340		194,850
Total assets			4,105,436		4,276,053
<b>Liabilities</b>					
Creditors:					
Distribution payable on income Shares		(31,054)		(28,676)	
Other creditors	10	(27,423)		(22,005)	
Total creditors			(58,477)		(50,681)
Total liabilities			(58,477)		(50,681)
<b>Net assets attributable to Shareholders</b>					
			4,046,959		4,225,372

## Notes to the Financial Statements For the year ended 31 May 2022

### 1 Accounting Basis And Policies

The Funds' Financial Statements have been prepared on the basis detailed on pages 12 to 14.

2 Net capital (losses)/gains	01/06/21 to 31/05/22 £	01/06/20 to 31/05/21 £
<b>The net capital (losses)/gains during the year</b>		
Currency (losses)/gains	(106)	-
Non-derivative securities	(93,829)	345,535
Rebates from underlying investments	-	(1)
Transaction charges	(1,610)	(5,328)
<b>Net capital (losses)/gains</b>	<b>(95,545)</b>	<b>340,206</b>
3 Revenue	01/06/21 to 31/05/22 £	01/06/20 to 31/05/21 £
Bank interest	-	1
Franked dividends from Collective Investment Schemes	68,642	95,456
Interest income from Collective Investment Schemes	32,275	834
Offshore funds dividends	24,563	27,693
Offshore funds interest	16,481	-
<b>Total revenue</b>	<b>141,961</b>	<b>123,984</b>
4 Expenses	01/06/21 to 31/05/22 £	01/06/20 to 31/05/21 £
<b>Payable to the ACD, associates of the ACD, and agents of either of them</b>		
AMC fees	14,523	13,269
Fund accounting fees	17,791	20,539
Investment manager subsidy	(45,928)	(60,055)
Registration fees	5,235	6,431
	(8,379)	(19,816)
<b>Payable to the Depositary, associates of the Depositary, and agents of either of them</b>		
Depositary's fees	12,613	18,020
Safe custody fees	3,247	1,901
	15,860	19,921
<b>Other expenses</b>		
Audit fees*	11,150	9,519
EMX/Calastone fees	3,070	7,072
FCA fees	95	46
Legal fees	3,591	-
LEI licence fee	78	-
Printing, postage, stationery and typesetting costs	1,152	-
	19,136	16,637
<b>Total expenses</b>	<b>26,617</b>	<b>16,742</b>

\* Audit fees of £9,325 + VAT have been charged in the current year (2021: £7,900 + VAT).

**Notes to the Financial Statements (continued)**  
**For the year ended 31 May 2022**

<b>5 Interest paid and similar charges</b>	<b>01/06/21 to 31/05/22</b>	<b>01/06/20 to 31/05/21</b>
	<b>£</b>	<b>£</b>
Bank Interest	152	319
<b>Total Interest paid and similar charges</b>	<b>152</b>	<b>319</b>

<b>6 Taxation</b>	<b>01/06/21 to 31/05/22</b>	<b>01/06/20 to 31/05/21</b>
	<b>£</b>	<b>£</b>
<b><i>(a) Analysis of the tax charge in the year</i></b>		
Adjustments in respect of prior periods	-	65
Corporation tax	4,397	6,221
<b>Total current tax charge (Note 6 (b))</b>	<b>4,397</b>	<b>6,286</b>
Deferred tax (Note 6 (c))	-	-
<b>Total taxation for the year</b>	<b>4,397</b>	<b>6,286</b>

***(b) Factors affecting current tax charge for the year***

The tax assessed for the year is different from that calculated when the standard rate of corporation tax for an open ended investment company of 20% (2021: 20%) is applied to the net revenue before taxation

The differences are explained below:

	<b>01/06/21 to 31/05/22</b>	<b>01/06/20 to 31/05/21</b>
	<b>£</b>	<b>£</b>
Net revenue before taxation	115,192	106,923
Net revenue for the year multiplied by the standard rate of corporation tax	23,038	21,385
<b>Effects of:</b>		
Adjustments in respect of prior periods	-	65
Revenue not subject to corporation tax	(18,641)	(15,164)
<b>Total tax charge for the year</b>	<b>4,397</b>	<b>6,286</b>

OEICs are exempt from tax on capital gains in the UK. Therefore, any capital return is not included within the reconciliation above.

***(c) Provision for deferred tax***

There is no provision required for deferred taxation at the Balance Sheet date in the current year (2021: Nil).

### Notes to the Financial Statements (continued) For the year ended 31 May 2022

#### 7 Finance costs

##### *Distributions*

The distributions take account of revenue received on the issue of Shares and revenue deducted on the cancellation of Shares and comprise:

	01/06/21 to 31/05/22	01/06/20 to 31/05/21
	£	£
Interim	107,325	92,960
Final	31,054	28,676
Add: Revenue paid on cancellation of Shares	3,803	8,233
Deduct: Revenue received on issue of Shares	(4,720)	(12,488)
<b>Net distribution for the year</b>	<b>137,462</b>	<b>117,381</b>

##### **Reconciliation of net revenue after taxation to distributions**

Net revenue after taxation	110,795	100,637
Expenses charged to capital	26,669	16,742
Net movement in revenue account	(2)	-
Undistributed income brought forward	-	3
<b>Net distribution for the year</b>	<b>137,462</b>	<b>117,381</b>

Details of the distributions per Share are set out in the distribution table on page 116.

#### 8 Debtors

	31/05/22	31/05/21
	£	£
Accrued revenue	5,462	16,654
Amounts receivable for creation of Shares	75,736	-
Investment manager subsidy	20,454	30,011
<b>Total debtors</b>	<b>101,652</b>	<b>46,665</b>

#### 9 Cash and bank balances

	31/05/22	31/05/21
	£	£
Cash and bank balances	274,688	148,185
<b>Total cash and bank balances</b>	<b>274,688</b>	<b>148,185</b>

## Notes to the Financial Statements (continued) For the year ended 31 May 2022

10 Creditors	31/05/22	31/05/21
	£	£
Amounts payable for cancellation of Shares	89	-
Corporation tax payable	4,397	6,221
	4,486	6,221
<i>Accrued expenses</i>		
<i>Manager and Agents</i>		
AMC fees	1,169	1,244
Fund accounting fees	1,500	1,932
Registration fees	3,401	1,092
	6,070	4,268
<i>Depositary and Agents</i>		
Depositary fees	2,407	1,701
Safe custody fees	2,000	89
Transaction charges	1,250	162
	5,657	1,952
<i>Other accrued expenses</i>		
Audit fees	11,190	9,519
FCA fees	20	45
	11,210	9,564
<b>Total creditors</b>	<b>27,423</b>	<b>22,005</b>

## 11 Related party transactions

The monies received and paid by the ACD through the issue and cancellation of Shares are disclosed in the Statement of Change in Shareholders' Net Assets and amounts due at the year end are disclosed in notes 8 and 10.

The ACD and its associates (including other authorised investment funds managed by the ACD) have no Shareholdings in the Company at the year end.

### Significant Shareholdings

FundRock Partners Limited, as the Fund's Authorised Corporate Director, wishes to disclose to the Fund's Shareholders that 31.37% (2021: 25.12%) of the Fund's shares in issue are under the control of a single nominee and its related parties.

## 12 Share Classes

The Share Class and ACD's Annual Management Charges applicable to the Fund are as follows:

Share Class	%
A Income	0.35

Each Share Class has equal rights in the event of the wind up of any Fund.

The reconciliation of the opening and closing numbers of Shares of each class is shown below:

	31/05/21	Issued	Cancelled	Converted	31/05/22
A Income	4,136,891	384,729	(439,927)	-	4,081,693



## Notes to the Financial Statements (continued) For the year ended 31 May 2022

### 13 Capital commitments and contingent liabilities

There were no contingent liabilities or outstanding commitments at the balance sheet date (2021: nil).

### 14 Derivatives and other financial instruments

The main risks from the Fund's holding of financial instruments, together with the ACD's policy for managing these risks, are disclosed in note 2 on pages 15 to 17.

#### (a) Foreign currency risk

The functional currency of the Fund is Sterling. All assets and liabilities of the Fund are denominated in Pound Sterling. There was no direct foreign currency exposure within the Fund at the balance sheet date. However, there was a significant foreign currency exposure within the Fund's holdings of Collective Investment Schemes since a proportion of their assets are denominated in currencies other than Sterling, with the effect their balance sheet and total returns can be affected by exchange rate fluctuations.

#### (b) Interest rate risk profile of financial assets and liabilities

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

Currency Assets	Floating rate financial assets £	Financial assets not carrying interest £	Total £
<b>31/05/22</b>			
Sterling	274,688	3,830,748	4,105,436
<b>Total</b>	<b>274,688</b>	<b>3,830,748</b>	<b>4,105,436</b>
<b>31/05/21</b>			
Sterling	148,185	4,127,868	4,276,053
<b>Total</b>	<b>148,185</b>	<b>4,127,868</b>	<b>4,276,053</b>

Currency Liabilities	Floating rate financial liabilities £	Financial liabilities not carrying interest £	Total £
<b>31/05/22</b>			
Sterling	-	58,477	58,477
<b>Total</b>	<b>-</b>	<b>58,477</b>	<b>58,477</b>
<b>31/05/21</b>			
Sterling	-	50,681	50,681
<b>Total</b>	<b>-</b>	<b>50,681</b>	<b>50,681</b>

Changes in interest rates would have no material impact to the valuation of floating rate financial assets or liabilities as at the balance sheet date. Consequently, no sensitivity analysis has been presented.

## Notes to the Financial Statements (continued)

For the year ended 31 May 2022

### 14 Derivatives and other financial instruments (continued)

#### (c) Market Risk

If market prices had increased by 10% as at the balance sheet date, the net asset value of the Fund would have increased by the amounts set out in the table below.

If market prices had decreased by 10% as at the balance sheet date, the net asset value of the Fund would have decreased by the amounts set out in the table below.

These calculations have been applied to non-derivative securities only (see note 2 (h) for an explanation of the Fund's leverage during the period). These calculations assume all other variables remain constant.

	Increase	Decrease
	£	£
2022	372,910	372,910
2021	408,120	408,120

#### (d) Leverage

The Fund did not employ any significant leverage as at 31 May 2022, other than that available to the Fund as a result of its ability to borrow up to 10% of its value on a permanent basis.

15 Portfolio transaction costs	01/06/21 to 31/05/22		01/06/20 to 31/05/21	
	£	£	£	£
<b>Analysis of total purchase costs</b>				
Purchases in year before transaction costs:				
Collective Investment Schemes		940,804		1,906,933
		940,804		1,906,933
Commissions - Collective Investment Schemes	-		-	
Fees - Collective Investment Schemes	-		-	
Total purchase costs		-		-
<b>Gross purchase total</b>		<b>940,804</b>		<b>1,906,933</b>
<b>Analysis of total sale costs</b>				
Gross sales in year before transaction costs				
Collective Investment Schemes		1,203,245		1,719,577
		1,203,245		1,719,577
Commissions - Collective Investment Schemes	-		-	
Fees - Collective Investment Schemes	-		-	
Total sale costs		-		-
<b>Total sales net of transaction costs</b>		<b>1,203,245</b>		<b>1,719,577</b>

## Notes to the Financial Statements (continued)

For the year ended 31 May 2022

### 15 Portfolio transaction costs (continued)

The portfolio transaction costs table above includes direct transaction costs suffered by the Fund during the year.

For the Fund's investment in Collective Investment Scheme holdings there will potentially be dealing spread costs applicable to purchases and sales. However additionally there are indirect transaction costs suffered in those underlying funds, throughout the holding period for the instruments, which are not separately identifiable and do not form part of the analysis above.

	01/06/21 to 31/05/22	01/06/20 to 31/05/21
Transaction costs as percentage of principal amounts	%	%
Purchases - Commissions		
Collective Investment Schemes	0.0000%	0.0000%
Purchases - Fees		
Collective Investment Schemes	0.0000%	0.0000%
Sales - Commissions		
Collective Investment Schemes	0.0000%	0.0000%
Sales - Fees		
Collective Investment Schemes	0.0000%	0.0000%
	01/06/21 to 31/05/22	01/06/20 to 31/05/21
Transaction costs as percentage of average net asset value	%	%
Commissions	0.0000%	0.0000%
Fees	0.0000%	0.0000%

### 16 Post balance sheet events

There are no post balance sheet events which require adjustments at the year end.

### 17 Fair value disclosure

	31/05/22		31/05/21	
Valuation technique	Assets	Liabilities	Assets	Liabilities
	£	£	£	£
Level 1: The unadjusted quoted price in an active market for identical assets or liabilities	-	-	-	-
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly	3,729,096	-	4,081,203	-
Level 3: Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability*	-	-	-	-
	<b>3,729,096</b>	<b>-</b>	<b>4,081,203</b>	<b>-</b>

\*\* The valuation techniques and the ACD's policy is disclosed in note 1(i) on page 14.

## Volare Strategic Income Fund

### Distribution Table As at 31 May 2022

#### First Distribution in pence per Share

Group 1 Shares purchased prior to 1 June 2021

Group 2 Shares purchased on or after 1 June 2021 to 31 August 2021

	Net revenue (p)	Equalisation (p)	Distribution paid 31/10/21 (p)	Distribution paid 31/10/20 (p)
<b>Share Class A Income</b>				
Group 1	0.6931	-	0.6931	0.8523
Group 2	0.2038	0.4893	0.6931	0.8523

#### Second Distribution in pence per Share

Group 1 Shares purchased prior to 1 September 2021

Group 2 Shares purchased on or after 1 September 2021 to 30 November 2021

	Net revenue (p)	Equalisation (p)	Distribution paid 31/01/22 (p)	Distribution paid 31/01/21 (p)
<b>Share Class A Income</b>				
Group 1	0.9168	-	0.9168	0.7345
Group 2	0.2732	0.6436	0.9168	0.7345

#### Third Distribution in pence per Share

Group 1 Shares purchased prior to 1 December 2021

Group 2 Shares purchased on or after 1 December 2021 to 28 February 2022

	Net revenue (p)	Equalisation (p)	Distribution paid 30/04/22 (p)	Distribution paid 30/04/21 (p)
<b>Share Class A Income</b>				
Group 1	0.8703	-	0.8703	0.8273
Group 2	0.0151	0.8552	0.8703	0.8273

#### Final Distribution in pence per Share

Group 1 Shares purchased prior to 1 March 2022

Group 2 Shares purchased on or after 1 March 2022 to 31 May 2022

	Net revenue (p)	Equalisation (p)	Distribution payable 31/07/22 (p)	Distribution paid 31/07/21 (p)
<b>Share Class A Income</b>				
Group 1	0.7608	-	0.7608	0.6931
Group 2	0.1867	0.5741	0.7608	0.6931

### General Information

#### Classes of Shares

The Company can issue different classes of Shares in respect of the Fund. Holders of Income Shares are entitled to be paid the revenue attributable to such Shares, in respect of each annual accounting period, with the exception of Strategic Income Fund which pays quarterly distributions as detailed below (see Distribution Payment Dates). Holders of Accumulation Shares are not entitled to be paid the revenue attributable to such Shares, but that revenue is retained and accumulated for the benefit of Shareholders and is reflected in the price of Shares.

#### Buying and Selling Shares

The ACD will accept orders to deal in the Shares on normal business days between 9.00 am and 5.00 pm. Instructions to buy or sell Shares may be either in writing to: FundRock Partners Limited - LGT WM, PO Box 12391, Chelmsford, CM99 2EU or by telephone on 01268 445772\* (UK only) or +44 1268 445772\* (outside the UK) or by fax on 01268 441498\* (UK only) or +44 1268 441498\* (outside the UK). A contract note will be issued by close of business on the next business day after the dealing date to confirm the transaction.

#### Valuation Point

The valuation point for the Fund is 12 noon on each dealing day (being each day which is a business day in London). Valuations may be made at other times under the terms contained within the Prospectus.

#### Prices

The prices of Shares for each class in the Fund will be posted via a link on [www.fundlistings.com](http://www.fundlistings.com) and prices can also be obtained by telephoning the Administrator on 01268 445772\* (UK only) or +44 1268 445772\* (outside the UK) during the ACD's normal business hours.

#### Report

The annual report of the Company will normally be published within two months of each annual accounting period, although the ACD reserves the right to publish the annual report at a later date but not later than four months from the end of each annual accounting period.

Interim Financial Statements period ended:	30 November
Annual Financial Statements year ended:	31 May

#### Distribution Payment Dates

Interim	31 January, 30 April, 31 October (Strategic Income Fund)
Annual	31 July

\* Please note that telephone calls may be recorded for monitoring and training purposes and to confirm investors' instructions.

### General Information (continued)

#### Remuneration Information

Under the UCITS V Directive, the ACD must establish and apply remuneration policies and practices that are consistent with and promote sound and effective risk management. Under the COLL Sourcebook, FundRock Partners (FP) as UK UCITS Manager, are required to disclose details on how those individuals whose actions can have a material impact on the Fund are remunerated (known as Identified Staff or 'Material Risk Takers').

The remuneration strategy across FundRock Partners is governed by the FundRock Partners' Board. FundRock Partners has chosen not to establish a Remuneration Committee. The FundRock Partners' Board has established a Remuneration Policy designed to ensure the UCITS Remuneration Code in the UK Financial Authority handbook is met proportionately for all UCITS Remuneration Code Staff.

FundRock Partners considers its activities as non complex due to the fact that regulation limits the UCITS strategies conducted and the scope of investment in such a way that investor risk is mitigated. The discretion of FundRock Partners and the portfolio manager is strictly controlled within certain pre-defined parameters as determined in the prospectus of each UK UCITS.

In its role as an UK UCITS Manager, FundRock Partners deems itself as lower risk due to the nature of the activities it conducts. Therefore FundRock Partners has provided a basic overview of how staff whose actions have a material impact on the Funds are remunerated.

May 22	Number of Beneficiaries <sup>1</sup>	Total remuneration paid <sup>2</sup>	Fixed remuneration	Variable remuneration paid	Carried interest paid by the UCITS
Total remuneration paid by FP during the financial year	27	2,167,614	1,968,530	199,084	0
Remuneration paid to employees of FP who have a material impact on the risk profile of the UCITS	5	487,393	369,431	117,962	0
Senior Management	5	487,393	369,431	117,962	0
Control functions	5	487,393	369,431	117,962	0
Employees receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers	0	0	0	0	0

<sup>1</sup>Number of beneficiaries represents employees of the FundRock Partners who are fully or partially involved in the activities of the UK UCITS as at 31 May 2022.

<sup>2</sup>Total remuneration paid represents total compensation of those employees of FundRock Partners who are fully or partially involved in the activities of the UK UCITS based on their time in the role during the reporting period. Due to FundRock Partners' operational structure, the information needed to provide a further breakdown of remuneration attributable to the Company is not readily available and would not be relevant or reliable.

### General Information (continued)

#### Remuneration Information (continued)

As at 31 December 2021, the number of beneficiaries involved in the activities of UK UCITS has increased because of organisational changes at FP. There were no material changes in FP's remuneration policy since the previous year end.

#### Other Information

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

Shareholders who have any complaints about the operation of the Company should contact the ACD or the Depositary in the first instance. In the event that a Shareholder finds the response unsatisfactory they may make their complaint direct to the Financial Ombudsman Service at Exchange Tower, Harbour Exchange Square, London E14 9SR.

#### Data Protection

Shareholders' names will be added to a mailing list which may be used by the ACD, its associates or third parties to inform investors of other products by sending details of such products. Shareholders who do not want to receive such details should write to the ACD requesting their removal from any such mailing list.

#### Effects of Personal Taxation

Investors should be aware that unless their Shares are held within an ISA, selling Shares is treated as a disposal for the purpose of Capital Gains tax.

#### Risk Warning

An investment in an Open Ended Investment Company should be regarded as a medium to long term investment. Investors should be aware that the price of Shares and the income from them may fall as well as rise and investors may not receive back the full amount invested. Past performance is not a guide to future performance. Investments denominated in currencies other than the base currency of a fund are subject to fluctuation in exchange rates, which may be favourable or unfavourable.

#### Value Assessment

With effect from 30 September 2019, an authorised fund manager ("AFM") or a UCITS management company authorised by the FCA must perform a detailed assessment on whether its funds are providing value to investors and then publish an annual statement summarising the outcome. This statement can be part of a fund's annual long report or AFMs can produce a composite report covering two or more funds. In carrying out the value assessment, the AFMs must consider several criteria: quality of service, performance, AFM costs, economies of scale, comparable market rates, comparable services and classes of units. FundRock Partners Limited has chosen to use the composite report approach. The assessment will be published on the FundRock website within four months after the reference date - 30 June. <https://www.fundrock.com/investor-information/lgt-wealth-management-uk-llp/>

### Contact Information

#### The Company and its Head Office

Volare UCITS Portfolios  
6th Floor,  
Bastion House,  
140 London Wall,  
London, EC2Y 5DN  
Incorporated in England and Wales  
under registration number IC001079  
Website address: [www.fundrock.com](http://www.fundrock.com)  
(Authorised and regulated by the FCA)

#### Directors of the ACD

T. Gregoire  
S. Gunson  
X. Parain  
P. Spendiff

#### Non-executive Directors

E. Personne  
M. Vareika

#### Registrar

SS&C Financial Services International Ltd  
Head Office:  
SS&C House,  
St Nicholas Lane,  
Basildon,  
Essex SS15 5FS

#### Customer Service Centre

FundRock Partners Limited - LGT WM  
PO Box 12391,  
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Telephone: 01268 445 772\* (within UK only)  
Outside the UK: +44 1268 445 772\*  
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#### Auditor

Deloitte LLP  
Statutory Auditor  
110 Queen Street,  
Glasgow G1 3BX

#### Authorised Corporate Director ("ACD")

FundRock Partners Limited  
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Bastion House,  
140 London Wall,  
London, EC2Y 5DN  
(Authorised and regulated by the FCA and  
a member of the Investment Association)

#### Investment Manager and Sponsor

LGT Wealth Management UK LLP  
14 Cornhill,  
London EC3V 3NR  
(Authorised and regulated by the FCA)

#### Depository

to 20 November 2021  
Societe General S.A. (London Branch),  
One Bank Street,  
Canary Wharf,  
London E14 4SG  
(Authorised by the Prudential Regulation  
Authority ('PRA') and regulated by the  
PRA and FCA)

from 20 November 2021  
Citibank UK Limited,  
Citigroup Centre,  
Canada Square,  
Canary Wharf,  
London E14 5LB  
(Authorised by the Prudential Regulation  
Authority ('PRA') and regulated by the  
PRA and FCA)

#### Fund Administrator

to 20 November 2021  
Societe General S.A. (London Branch),  
One Bank Street,  
Canary Wharf,  
London E14 4SG

from 20 November 2021  
Apex Fund Services (UK) Limited  
6th Floor,  
140 London Wall,  
London EC2Y 5DN

\* Please note that telephone calls may be recorded for monitoring and training purposes, and to confirm investors' instructions.





**FUNDROCK**

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