

VT MOMENTUM INVESTMENT FUNDS II

**(Sub-funds VT Momentum Diversified Growth Fund and VT
Momentum Diversified Income Fund)**

**Annual Report and Financial Statements
For the year ended 31 March 2023**

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COMPANY OVERVIEW

Type of Company:

VT Momentum Investment Funds II (the Company) is an investment company with variable capital incorporated in England and Wales under registered number IC000342 and authorised by the Financial Conduct Authority with effect from 5 October 2004. The Company has unlimited duration.

The Company is a UCITS scheme and is an umbrella company (as defined in the OEIC Regulations). Each Sub-fund would be a UCITS scheme if it had a separate authorisation order.

Shareholders are not liable for the debts of the Company. A shareholder is not liable to make any further payment to the Company after he has paid the price on purchase of the shares.

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

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

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

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

DIRECTOR'S STATEMENT

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

David Fraser FCCA

David E Smith CA

Valu-Trac Investment Management Limited
Authorised Fund Manager

Date: 17 July 2023

STATEMENT OF THE DEPOSITARY'S RESPONSIBILITIES AND REPORT OF THE DEPOSITARY TO THE SHAREHOLDERS OF VT MOMENTUM INVESTMENT FUNDS II

For the year ended 31 March 2023

The Depositary must ensure that the Company is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Open-Ended Investment Companies Regulations 2001 (SI 2001/1228) (the OEIC Regulations), as amended, the Financial Services and Markets Act 2000, as amended, (together "the Regulations"), the Company's Instrument of Incorporation and Prospectus (together "the Scheme documents") as detailed below.

The Depositary must in the context of its role act honestly, fairly, professionally, independently and in the interests of the Company and its investors.

The Depositary is responsible for the safekeeping of all custodial assets and maintaining a record of all other assets of the Company in accordance with the Regulations.

The Depositary must ensure that:

- > the Company's cash flows are properly monitored and that cash of the Company is booked into the cash accounts in accordance with the Regulations;
- > the sale, issue, redemption and cancellation of shares are carried out in accordance with the Regulations;
- > the value of shares in the Company is calculated in accordance with the Regulations;
- > any consideration relating to transactions in the Company's assets is remitted to the Company within the usual time limits;
- > the Company's income is applied in accordance with the Regulations; and
- > the instructions of the Authorised Fund Manager ("the AFM") are carried out (unless they conflict with the Regulations).

The Depositary also has a duty to take reasonable care to ensure that the Company is managed in accordance with the Regulations and the Scheme documents in relation to the investment and borrowing powers applicable to the Company.

Having carried out such procedures as we consider necessary to discharge our responsibilities as Depositary of the Company, it is our opinion, based on the information available to us and the explanations provided, that in all material respects the Company, acting through the AFM:

- i) has carried out the issue, sale, redemption and cancellation, and calculation of the price of the Company's shares and the application of the Company's income in accordance with the Regulations and the Scheme documents of the Company, and
- ii) has observed the investment and borrowing powers and restrictions applicable to the Company.

NatWest Trustee and Depositary Services Limited
01 April 2023

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF VT MOMENTUM INVESTMENT FUNDS II (SUB-FUNDS VT MOMENTUM DIVERSIFIED GROWTH FUND AND VT MOMENTUM DIVERSIFIED INCOME FUND)

Opinion

We have audited the financial statements of VT Momentum Investment Funds II (the "Company") for the year ended 31 March 2023 which comprise the Statements of Total Return, Statements of Changes in Net Assets Attributable to Shareholders, Balance Sheets, the related Notes to the Financial Statements, including significant accounting policies and the Distribution Tables. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Generally Accepted Accounting Practice including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

- > give a true and fair view of the financial position of the Company at 31 March 2023 and of the net revenue and the net capital losses on the scheme property of the Company for the year then ended; and
- > have been properly prepared in accordance with the IA Statement of Recommended Practice for Authorised Funds, the rules of the Collective Investment Schemes Sourcebook of the Financial Conduct Authority and the Instrument of Incorporation.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are described further in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions Relating to Going Concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least 12 months from when the financial statements are authorised for issue.

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

Other Information

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

We have nothing to report in this regard.

Opinion on Other Matters Prescribed by the COLL Regulations

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

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

Responsibilities of the Authorised Fund Manager

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

Extent to which the audit is considered capable of detecting irregularities, including fraud

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

We assessed whether the engagement team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations by considering their experience, past performance and support available.

All engagement team members were briefed on relevant identified laws and regulations and potential fraud risks at the planning stage of the audit. Engagement team members were reminded to remain alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The most relevant frameworks we identified include:

- > UK Generally Accepted Accounting Practice including Financial Reporting Standard 102 and the IA Statement of Recommended Practice for Authorised Funds;
- > the Financial Conduct Authority's Collective Investment Schemes Sourcebook; and
- > the Company's Prospectus

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

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

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

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

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

Use of Our Report

This report is made solely to the Company's shareholders, as a body, in accordance with Rule 4.5.12 of the Collective Investment Schemes sourcebook ("the COLL Rules") issued by the Financial Conduct Authority under the Open-Ended Investment Companies Regulations 2001. Our audit work has been undertaken so that we might state to the Company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders as a body, for our audit work, for this report, or for the opinions we have formed.

Johnston Carmichael LLP
Chartered Accountants
Statutory Auditor
Elgin

Date 18 July 2023

ACCOUNTING POLICIES

For the year ended 31 March 2023

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

1 Accounting policies

- (a) The financial statements have been prepared in accordance with FRS 102, the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Association (IA) in May 2014 and the amendments to the SORP issued by the IA in June 2017. The functional currency is Sterling.
- (b) There are no material events that have been identified that may cast significant doubt about the Company's ability to continue as a going concern for at least the next twelve months from the date these financial statements are authorised for issue. The AFM believes that the Company has adequate resources to continue in operational existence for the foreseeable future and they continue to adopt the going concern basis in preparing the financial statements.
- (c) All expenses, other than those relating to the purchase and sale of investments, are charged to revenue on an accruals basis. The annual management charge in VT Momentum Diversified Income Fund is then reallocated to capital for distribution purposes.
- (d) Distributions on equities and collectives are recognised when the security is quoted ex-dividend. Interest on deposits is accounted for on an accruals basis. Revenue on debt securities is accounted for on an effective yield basis. Excess Reportable Income is recognised once reported by the relevant funds. Rebate income from underlying holdings are recognised on an accruals basis and are allocated to revenue or capital being determined by the allocation of the expense in the underlying funds. Gains and losses, including differences in valuation of investments held at the balance sheet date, including unrealised exchange differences, are treated as capital.
- (e) The ordinary element of stocks received in lieu of cash dividends is recognised as revenue of the Sub-funds, and where applicable is included in the distribution. In the case of an enhanced stock dividend the value of the enhancement is treated as capital.
- (f) Special dividends are treated as either revenue or a repayment of capital depending on the facts of each particular case. Where the receipt of a special dividend results in a significant reduction in the capital value or where the distribution arises from an underlying capital event such as a merger or disposal these would typically be deemed as capital so as to ensure that the matching principle is applied to gains and losses. Otherwise, the special dividend would typically be recognised as revenue. Where special dividends are treated as revenue, they are included in the amounts available for distribution. The tax accounting treatment follows the principal amount.
- (g) Investments are stated at their fair value at the balance sheet date. In determining fair value, the valuation point is 12noon on 31 March 2023 with reference to quoted bid prices from reliable external sources. Unlisted collective investment schemes are valued at the closing bid price for dual priced funds and the closing single price for single priced funds. Unlisted or suspended investments are valued by the AFM taking into account where appropriate, latest dealing prices, valuations from reliable sources, financial performance and other relevant factors.
- (h) All transactions in foreign currencies are converted into Sterling at the rate of exchange ruling at the dates of such transactions. Foreign currency assets and liabilities at the end of the accounting year are translated at the exchange rates at the closing valuation point on 31 March 2023.
- (i) Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay less or receive more tax.

Deferred tax assets are recognised only to the extent that the AFM considers that it is more likely than not there will be taxable profits from which underlying timing differences can be deducted.
- (j) In certain circumstances the AFM may charge a dilution levy on the sale or repurchase of shares. The levy, which is paid into the Sub-funds, is intended to cover certain charges not included in the bid market value of the Sub-funds, used in calculating the share price, which could have a diluting effect on the performance of the Sub-funds.

ACCOUNTING POLICIES (Continued)

- (k) The Sub-funds currently issue Accumulation and Income shares. VT Momentum Diversified Income Fund goes ex dividend monthly and pays any income available to the shareholders on the business day prior to the last business day of each month, one month in arrears, as a dividend distribution. VT Momentum Diversified Growth Fund goes ex dividend semi-annually and pays any income available to the shareholders two months in arrears, as a dividend distribution. Any revenue deficit at the year end is funded from capital.

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

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

Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It represents the accrued revenue included in the purchase price of the shares. It is returned with the distribution as a capital repayment. It is not liable to income tax but must be deducted from the cost of the shares for capital gains tax purposes.

SUB-FUND OVERVIEW

Name of Sub-fund	VT Momentum Diversified Growth Fund
Size of Sub-fund (£000's)	£134,624
Launch date	05 October 2004
Sub-fund objective and policy	<p>The investment objective of VT Momentum Diversified Growth Fund is to achieve capital growth over the long term (5 years). The Sub-fund aims to meet its objective by investing in a balanced and well diversified portfolio of UK and international equities which the Investment Manager expects to grow in value as well as some fixed interest securities including government and corporate bonds. Investments will also be made in regulated collective investment schemes (which may include funds managed and/or operated by the AFM or Investment Manager), money markets and cash deposits to provide further diversification to the Sub-fund in accordance with applicable regulations.</p>
Benchmark:	<p>The Sub-fund is not managed to a benchmark, and nor does the AFM use a benchmark in order to assess performance.</p> <p>However, many funds sold in the UK are grouped into sectors by the Investment Association (the "IA") (the trade body that represents UK investment managers), to help investors to compare funds with broadly similar characteristics.</p> <p>In order to assess the Sub-fund's performance, investors may find it useful to compare the Sub-fund against the performance of the IA Mixed Investments 40-85% Shares, which serves as a method of comparing the Sub-fund's performance with another fund which has broadly similar characteristics.</p>
Authorised Fund Manager (AFM)	Valu-Trac Investment Management Limited
Ex-distribution dates	31 March, 30 September
Distribution dates	31 May, 30 November
Individual Savings Account (ISA)	The Sub-Fund is a qualifying investment for inclusion in an ISA.
Minimum investment* Lump sum subscription:	<p>A Share Class (Accumulation) = £3,000 N Share Class (Accumulation) = £1,000 B Share Class (Accumulation) = £100,000 I Share Class (Accumulation) = £50,000,000</p>
Top-up:	<p>A Share Class (Accumulation) = £2,500 N Share Class (Accumulation) = £1,000 B Share Class (Accumulation) = £10,000 I Share Class (Accumulation) = £100,000</p>
Holding:	<p>A Share Class (Accumulation) = £3,000 N Share Class (Accumulation) = £1,000 B Share Class (Accumulation) = £100,000 I Share Class (Accumulation) = £50,000,000</p>
Redemption:	All share classes = Nil (provided minimum holding is maintained)

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

SUB-FUND OVERVIEW (Continued)

Redemption and switching charges Nil

Initial charge** A Share Class (Accumulation) = 5.0%
N Share Class (Accumulation) = 5.0%
B Share Class (Accumulation) = 0.0%
I Share Class (Accumulation) = 0.0%

**The AFM may waive or discount the initial charge at its discretion.

Annual management charges

The annual management charge in respect of the A Class shares is equal to 1.40% per annum of the net asset value of the A Class shares.

The annual management charge in respect of the N Class shares is equal to 1.00% per annum of the net asset value of the N Class shares.

The annual management charge in respect of the B Class shares is equal to 0.75% per annum of the net asset value of the B Class shares.

The annual management charge in respect of the I Class shares is equal to 0.50% per annum of the net asset value of the I Class shares.

Asset Allocation

Fund asset structure as at 31st March 2023

The strategic asset allocation is consistent with the Fund's investment objectives over the long term. It is, as such, likely to change infrequently, though subject to review every 12 months.

Asset Class	Fund %	Strategic Asset Allocation %
Equities	59.7	60.0
UK	25.4	20.0
North America	4.0	9.0
Europe ex UK	4.2	6.0
Japan	7.8	7.0
Emerging Markets	6.9	8.5
Asia (exc. Japan)	11.5	9.5
Credit	8.4	10.0
Specialist Assets	23.5	25.0
Cash/Managed Liquidity/Defensive Assets	8.4	5.0
Total	100.0%	100.0%

Source: Momentum Global Investment Management

Figures may not sum due to rounding

Performance

The VT Momentum Diversified Growth Fund returned -7.8% (B Share Class (Accumulation)) over the twelve-month period versus its peer group which returned -4.5% over the same period. Specialist assets was the lowest performing asset class. Within specialist assets, specialist financial generated positive returns whereas infrastructure and property suffered in the face of higher interest rates. Private equity was also hurt as growth investments sold off further. UK equities struggled as a result of the portfolio's small/mid-cap bias whereas overseas equities generated positive returns, driven by a rebound in Europe and strong performance in Japanese equities.

Portfolio Activity

UK Equities

Capita was introduced. Following an aggressive, debt-fuelled acquisition strategy by previous management, Capita fell into difficulty during 2016 with its first profit warning. CEO Jonathan Lewis was appointed in 2017 and has embarked on a protracted turnaround. There are now signs that changes over the last five years, which include significant disposals and cost cutting measures, are starting to bear fruit.

There were two new positions in January, Next Fifteen Communications and Synthomer. Led for over 30 years by CEO Tim Dyson, Next Fifteen Communications is a data-driven growth consultancy firm that offers its services via a network of brands. Services include traditional marketing communications and business transformation consultancy. Synthomer is a specialty chemicals business, providing a variety of products to several industries including health, packaging and coatings. Previous management made several acquisitions which has over-leveraged the business and has ultimately seen the dividend cut and a negotiation with lenders to relax debt covenants. A new management team is now in place, with a credible plan to reduce debt through asset disposals, along with refocusing the business.

The third addition, which we initiated in February, is Moonpig, the online market leader for greeting cards and gifting. Since Moonpig's listing in 2021, shares have fallen over 60%, as investor exuberance faded in the face of higher interest rates.

Barclays was introduced in March. Barclays is a global UK headquartered bank providing services in consumer and business banking, investment banking, and the Barclaycard credit card business. The company has been de-rating for over a decade but the bank is now better capitalised. A higher interest rate environment should also be supportive for the sector.

Portfolio Activity (Continued)

Overseas Equities

Optimism around peak inflation, peak interest rates and a soft-landing for the economy, which has been building since October, has been helped by two other developments in recent months. Europe, the epicentre of the energy crisis last year due to its dependency on Russian gas supplies, saw dramatic falls in natural gas prices. With a mild winter and reduced demand, those fears have been averted, storage facilities are likely to be at much higher levels of capacity by winter end than expected, and with supplies from the US and other countries growing sharply, the risks for next winter have also dissipated.

This has underpinned a big recovery in business and consumer confidence in Europe, to the extent that the widespread predictions of a sharp recession have been reined in, with at worst only a mild recession now anticipated. The encouraging developments in Europe have boosted confidence in these regions, with leading indicators picking up, albeit from low levels, data releases exceeding expectations, and financial markets recovering. The Invesco European Equity Income Fund returned over 10% over the twelve-month period.

Fixed Income

During the market turbulence in the latter months of 2022, investments were made across existing corporate bond funds to capture the improved yields across the credit space. The most significant part of this buying was done during September, when sterling high yield credit yields were approaching their intra-period highs of 11.9%.

Specialist Assets

Within Private Equity, we introduced Oakley Capital Investments. Oakley is focused on mid-market, European companies that operate within the consumer, education, and technology sectors. Using their network of entrepreneurs, Oakley have an excellent track record of sourcing deals at attractive valuation multiples. In addition to the initial sourcing of new deals, Oakley then provide committed funding lines to the businesses to make bolt-on acquisitions, while making operational changes to improve both revenue growth and efficiency. The addition gives further diversification across the private equity allocation.

We exited our position in Home REIT over the period due to tenant concerns. Positions were fully exited by 18th November and following this, a short seller report highlighted the same concerns which triggered a chain of events leading the shares collapsing to 38p, the publication of the annual results has been delayed, and the shares suspended from the market.

Momentum Global Investment Management
Investment Manager to the Fund
27 April 2023

PERFORMANCE RECORD

Financial Highlights

A Share Class (Accumulation)

	Year to 31 March 2023	Year to 31 March 2022	Year to 31 March 2021
Changes in net assets per share	GBp	GBp	GBp
Opening net asset value per share	348.56	333.02	233.99
Return before operating charges	(21.59)	23.41	105.55
Operating charges (note 1)	(7.61)	(7.87)	(6.52)
Return after operating charges *	(29.20)	15.54	99.03
Closing net asset value per share	319.36	348.56	333.02
Retained distribution on accumulated shares	8.14	7.10	5.50
*after direct transactions costs of:	0.23	0.17	0.15
Performance			
Return after charges	(8.38%)	4.67%	42.32%
Other information			
Closing net asset value (£000's)	£37,385	£44,822	£44,978
Closing number of shares	11,706,479	12,859,185	13,505,948
Operating charges (note 2)	2.28%	2.31%	2.30%
Direct transaction costs	0.07%	0.05%	0.05%
Prices			
Highest share price	350.94	358.19	333.49
Lowest share price	300.44	329.06	227.60

B Share Class (Accumulation)

	Year to 31 March 2023	Year to 31 March 2022	Year to 31 March 2021
Changes in net assets per share	GBp	GBp	GBp
Opening net asset value per share	214.87	203.96	142.38
Return before operating charges	(13.35)	14.39	64.44
Operating charges (note 1)	(3.37)	(3.48)	(2.86)
Return after operating charges *	(16.72)	10.91	61.58
Closing net asset value per share	198.15	214.87	203.96
Retained distribution on accumulated shares	6.35	5.73	4.49
*after direct transactions costs of:	0.14	0.10	0.09
Performance			
Return after charges	(7.78%)	5.35%	43.25%
Other information			
Closing net asset value (£000's)	£89,053	£119,499	£103,069
Closing number of shares	44,942,286	55,615,770	50,534,135
Operating charges (note 2)	1.63%	1.66%	1.65%
Direct transaction costs	0.07%	0.05%	0.05%
Prices			
Highest share price	216.35	220.47	204.22
Lowest share price	185.86	202.76	138.50

PERFORMANCE RECORD (Continued)

N Share Class (Accumulation)

	Year to 31 March 2023	Year to 31 March 2022	Year to 31 March 2021
Changes in net assets per share	GBp	GBp	GBp
Opening net asset value per share	209.39	199.26	139.45
Return before operating charges	(13.00)	14.03	63.03
Operating charges (note 1)	(3.78)	(3.90)	(3.22)
Return after operating charges *	(16.78)	10.13	59.81
Closing net asset value per share	192.61	209.39	199.26
Retained distribution on accumulated shares	5.69	5.08	3.97
*after direct transactions costs of:	0.14	0.10	0.09
Performance			
Return after charges	(8.01%)	5.08%	42.89%
Other information			
Closing net asset value (£000's)	£713	£427	£89
Closing number of shares	370,412	203,882	44,793
Operating charges (note 2)	1.88%	1.91%	1.90%
Direct transaction costs	0.07%	0.05%	0.05%
Prices			
Highest share price	210.83	214.97	199.52
Lowest share price	180.87	197.63	135.64

I Share Class (Accumulation)

	For the period 29 April 2022 to 31 March 2023^
Changes in net assets per share	GBp
Opening net asset value per share	100.00
Return before operating charges	(5.91)
Operating charges (note 1)	(1.23)
Return after operating charges *	(7.14)
Closing net asset value per share	92.86
Retained distribution on accumulated shares	2.72
*after direct transactions costs of:	0.07
Performance	
Return after charges	(7.14%)
Other information	
Closing net asset value (£000's)	£7,957
Closing number of shares	8,568,581
Operating charges (note 2)	1.38%
Direct transaction costs	0.07%
Prices	
Highest share price	100.07
Lowest share price	87.00

^ Share class launched on the 29 April 2022.

PERFORMANCE RECORD (Continued)

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

Risk profile

The risk profile of the Sub-fund is 5. The Sub-fund is ranked 5 (31 March 2022: ranked 5). because weekly historical performance data indicates that relatively high rises and falls in market prices would have occurred historically.

PORTFOLIO STATEMENT

As at 31 March 2023

Holding	Security	Value £	% of Total Net Assets %
Collective Investment Schemes (31.03.2022: 40.71%)			
1,643,029	Ninety One Global Gold	4,273,819	3.17%
26,750	Prusik Asian Equity Income	4,228,347	3.14%
370,880	Invesco European Equity Income	4,551,440	3.38%
16,318	Samarang Asian Prosperity	5,314,731	3.95%
955,000	Goodhart Partners Horizon HMG Global Emerging Market Equity**	28,650	0.02%
2,931,331	Royal London Sterling Extra Yield Bond	6,397,361	4.75%
938,994	Morant Wright Fuji Yield	2,066,321	1.53%
483	ABSALON - Emerging Market Corporate Debt	3,395,319	2.52%
22,633	Lyrical Value Fund (LUX) – U.S. Value Equity Strategy	10,416,546	7.74%
340,172	CIM Dividend Income	709,026	0.53%
7,360	Prusik Asian Equity Income	3,803,432	2.83%
372,165	Aikya Global Emerging Markets	934,894	0.69%
65,772	Neuberger Berman Uncorrelated Strategies	2,708,260	2.01%
1,727,217	Royal London Short Duration Global High Yield Bond	1,894,066	1.41%
2,541,311	Royal London Enhanced Cash Plus	2,710,016	2.01%
1,949,875	VT Downing European Unconstrained Income***	2,113,482	1.57%
		55,545,710	41.25%
Corporate Bonds (31.03.2022: 0.00%)			
4,864,287	Lehman Br 0% 29/12/2067 **	-	0.00%
		-	0.00%
Exchange Traded Commodities (31.03.2022: 1.38%)			
7,025	Invesco Physical Markets PLC	1,085,011	0.81%
		1,085,011	0.81%
Exchange Traded Funds (31.03.2022: 2.95%)			
450,000	iShares Emerging Market Dividend UCITS ETF	4,950,000	3.68%
140,000	ETFS FTSE 100 Super Short Strat2x GBP GO UCITS ETF	496,370	0.37%
		5,446,370	4.05%
Government Bonds (31.03.2022: 1.07%)			
1,550,000	UK GILT 0.125% 31/01/2024	1,502,431	1.12%
		1,502,431	1.12%
Investment Trusts (31.03.2022: 25.92%)			
1,135,935	Cordiant Digital Infrastructure Ltd	920,107	0.68%
4,035,000	Chrysalis Investments Ltd	2,239,425	1.66%
855,000	Digital 9 Infrastructure	536,940	0.40%
3,425,000	Doric Nimrod Air Three Ltd	1,712,500	1.27%
2,410,000	Doric Nimrod Air Two Ltd	2,434,100	1.81%
6,058,759	DP Aircraft I Ltd	220,324	0.16%
1,134,287	European Assets Trust NV	1,043,544	0.78%
7,215,179	Fair Oaks Income Ltd	2,798,681	2.08%
1,195,000	Gore Street Energy Storage Fund PLC	1,202,170	0.89%
597,500	Greencoat UK Wind PLC	935,685	0.70%
1,990,000	Hipgnosis Songs Fund Ltd	1,615,880	1.20%
755,000	International Public Partnerships Ltd	1,078,140	0.80%
755,000	JLEN Environmental Assets Group Limited	895,430	0.67%
140,489	Oakley Capital Investments Ltd	635,010	0.47%
1,375,000	RM Infrastructure Income PLC	1,072,500	0.80%
2,120,000	Round Hill Music Royalty Fund Limited	1,147,825	0.85%
870,000	Sequoia Economic Infrastructure Income Fund Ltd	698,610	0.52%
1,795,000	Syncona Limited Ord Npv	2,609,930	1.94%
3,240,000	TwentyFour Select Monthly Income Fund Ltd	2,378,160	1.77%
14,100,000	Schroder UK Public Private Trust PLC	1,725,840	1.28%
		27,900,801	20.73%

PORTFOLIO STATEMENT (Continued)

Holding Security	Value £	% of Total Net Assets %
Real Estate Investment Trusts (31.03.2022: 6.17%)		
1,445,315 AEW UK REIT PLC	1,335,471	0.99%
2,680,000 Ediston Property Investment Company PLC	1,666,960	1.24%
552,500 Londonmetric Property PLC	963,008	0.72%
735,000 LXI REIT PLC	721,035	0.54%
2,025,000 Life Science REIT plc	1,194,750	0.89%
1,095,998 PRS Reit PLC	878,990	0.65%
	6,760,214	5.03%
Equities (31.03.2022: 21.45%)		
4,267,783 Accrol Group Holdings PLC	1,327,281	0.99%
158,153 Aberdeen Private Equity Fund Ltd*	-	0.00%
582,672 Babcock International Group PLC	1,743,355	1.29%
680,000 Barclays PLC	994,568	0.74%
182,500 Vistry Group PLC	1,437,188	1.07%
642,500 BT Group PLC	938,371	0.70%
4,450,000 Capita PLC	1,675,870	1.24%
200,000 Conduit Holdings Ltd	972,000	0.72%
28,750 Cranswick PLC	872,275	0.65%
1,370,000 Diversified Energy Company PLC	1,284,375	0.95%
505,000 Essentra PLC	996,870	0.74%
9,150 Games Workshop Group PLC	870,165	0.65%
570,000 Halfords Group PLC	1,003,200	0.75%
770,000 Jupiter Fund Management PLC	1,034,110	0.77%
2,050,000 Kier Group PLC	1,414,500	1.05%
1,030,563 LBG Media PLC	783,228	0.58%
545,000 Legal & General Group PLC	1,307,455	0.97%
702,500 M&G PLC	1,378,305	1.02%
785,000 Marks and Spencer Group PLC	1,313,305	0.98%
3,285,000 Marstons PLC	1,193,769	0.89%
590,000 Moonpig Group PLC	729,240	0.54%
355,000 Morgan Advanced Materials PLC	1,009,975	0.75%
982,500 National Express Group PLC	1,179,000	0.88%
95,000 Next Fifteen Communications Group PLC	812,250	0.60%
317,500 OSB Group PLC	1,527,175	1.13%
187,500 Phoenix Group Holdings	1,016,625	0.76%
6,450,000 Purplebricks Group PLC	419,250	0.31%
282,500 Origin Enterprises PLC	1,029,756	0.76%
1,138,456 Senior PLC	1,771,438	1.32%
18,750,000 Speymill Deutsche Immobilien Company PLC*	-	0.00%
1,485,000 Strix Group PLC	1,480,545	1.09%
600,000 Synthomer PLC	694,800	0.51%
	34,210,244	25.40%
Investment assets (31.03.2022: 99.65%)	132,450,781	98.39%
Net other assets (31.03.2022: 0.63%)	2,172,675	1.61%
Net assets	134,623,456	100.00%
* Delisted security		
** Illiquid security		
*** Related security due to the AFM of the Sub-fund also being the AFM of this holding		

Note: The 31 March 2022 comparators percentages are based on Mid pricing and does not add up to 100%. The Mid to Bid adjustment for the year ended 31 March 2022 was (0.28%).

SUMMARY OF MATERIAL PORTFOLIO CHANGES

	£
Total sales for the year (note 14)	42,568,890
Invesco European Equity Income	3,850,000
Royal London Cash Plus	3,050,089
Morant Wright Fuji Yield	2,950,000
TwentyFour Income Fund Ltd	2,452,576
Ninety One Global Gold	2,400,000
Sequoia Economic Infrastructure Income Fund Ltd	1,613,196
International Public Partnerships Ltd	1,497,691
Invesco Physical Markets PLC	1,293,766
Home REIT plc	1,246,260
JLEN Environmental Assets Group Limited	1,212,148
Royal London Enhanced Cash Plus	1,100,000
Digital 9 Infrastructure	931,700
RM Infrastructure Income PLC	925,765
Samarang Asian Prosperity	900,001
Gore Street Energy Storage Fund PLC	864,590
BT Group PLC	848,940
Greencoat UK Wind PLC	818,169
ABSALON - Emerging Market Corporate Debt	787,841
Conduit Holdings Ltd	768,828
Lyrical Value Fund (LUX) – U.S. Value Equity Strategy	758,938

	£
Total purchases for the year (note 14)	29,030,389
Chrysalis Investments Ltd	1,783,727
Lyrical Value Fund (LUX) – U.S. Value Equity Strategy	1,416,774
Ninety One Global Gold	1,200,000
Capita PLC	1,192,517
iShares EM Dividend UCITS ETF	1,158,280
Barclays PLC	1,111,601
Strix Group PLC	994,853
Next Fifteen Communications Group PLC	988,710
Royal London Sterling Extra Yield Bond	925,000
Synthomer PLC	917,733
Halfords Group PLC	748,649
Moonpig Group PLC	744,966
ABSALON - Emerging Market Corporate Debt	724,993
Marstons PLC	715,893
LBG Media PLC	681,172
Sequoia Economic Infrastructure Income Fund Ltd	678,459
Life Science REIT plc	678,279
Vistry Group PLC	675,449
Home REIT plc	599,538
BT Group PLC	588,025

The analysis is of the top 20 largest purchases and sales during the year.

STATEMENT OF TOTAL RETURN

For the year ended 31 March

		2023	2022
	Notes	£000's	£000's
Income			
Net capital (losses)/gains	2	(17,712)	3,851
Revenue	3	6,176	5,694
Expenses	4	(1,468)	(1,586)
Interest payable and similar charges	6	(2)	(18)
Net revenue before taxation		4,706	4,090
Taxation	5	(29)	-
Net revenue after taxation		4,677	4,090
Total return before distributions		(13,035)	7,941
Finance costs: distributions	6	(4,481)	(3,965)
Changes in net assets attributable to shareholders from investment activities		(17,516)	3,976

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the year ended 31 March

	2023	2022
	£000's	£000's
Opening net assets attributable to shareholders	164,291	147,395
Amounts receivable on creation of shares	28,385	36,463
Amounts payable on cancellation of shares	(44,809)	(27,566)
Retained distributions on accumulated shares	4,273	4,023
Changes in net assets attributable to shareholders from investment activities (see above)	(17,516)	3,976
Closing net assets attributable to shareholders	134,624	164,291

BALANCE SHEET

As at		31.03.2023		31.03.2022	
	Notes	£000's	£000's	£000's	£000's
ASSETS					
Investment assets			132,451		163,255
Current assets					
Debtors	7	2,370		1,305	
Cash and bank balances	8	<u>1,543</u>		<u>943</u>	
Total current assets			<u>3,913</u>		<u>2,248</u>
Total assets			136,364		165,503
LIABILITIES					
Current liabilities					
Bank overdraft	8	-		(55)	
Creditors	9	<u>(1,740)</u>		<u>(1,157)</u>	
Total current liabilities			<u>(1,740)</u>		<u>(1,212)</u>
Net assets attributable to shareholders			134,624		164,291

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting policies

Accounting policies are detailed on pages 7-8.

2 Net capital (losses)/gains

	2023 £000's	2022 £000's
The net capital (losses)/gains comprise:		
Non-derivative securities (losses)/gains	(17,474)	3,780
Transaction charges	(3)	(6)
Currency losses	(255)	(2)
Rebates from underlying holdings	20	79
Total net capital (losses)/gains	(17,712)	3,851

3 Revenue

	2023 £000's	2022 £000's
Non-taxable dividends	5,088	4,613
Property income distributions (PIDs)	349	456
Interest on non-derivatives securities	715	624
Bank interest	24	1
Total revenue	6,176	5,694

4 Expenses

	2023 £000's	2022 £000's
Payable to the Authorised Fund Manager, associates of the Authorised Fund Manager, and agents of either of them:		
Annual management charge	1,369	1,489
Payable to the depositary, associates of the depositary, and agents of either of them:		
Depositary fee	51	53
Safe custody fee	9	11
	60	64
Other expenses:		
Audit fee	9	8
Other expenses	30	25
	39	33
Total expenses	1,468	1,586

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5 Taxation

	2023 £000's	2022 £000's
(a) Analysis of charge in the year		
Overseas withholding tax non recoverable	29	-
Total tax charge for the year (note 5b)	29	-

(b) Factors affecting current tax charge for the year

The tax assessed for the year is lower than the standard rate of corporation tax in the UK for an open-ended investment company 20.00% (2022: 20.00%) The differences are explained below:

Net revenue before UK corporation tax	4,706	4,090
Corporation tax at 20.00% (2022: 20.00%)	941	818
<u>Effects of:</u>		
Non-taxable dividends	(1,018)	(923)
Current year expenses not utilised	73	89
Tax effect of rebates in capital	4	16
Overseas withholding tax non recoverable	29	-
Total tax charge for the year (note 5a)	29	-

(c) Provision for deferred taxation

At 31 March 2023 there is a potential deferred tax asset of £2,493,000 (31 March 2022: £2,420,000) in relation to surplus management expenses. It is unlikely the Sub-fund will generate sufficient taxable profits in the future to utilise this amount and therefore no deferred tax asset has been recognised.

6 Finance costs

	2023 £000's	2022 £000's
Interim dividend distribution	2,527	2,251
Final dividend distribution	1,746	1,772
	4,273	4,023
Add: Revenue deducted on cancellation of shares	373	201
Deduct: Revenue received on issue of shares	(165)	(259)
Net distribution for the year	4,481	3,965
Interest payable and similar charges	2	18
Total finance costs	4,483	3,983
Reconciliation of distributions		
Net revenue after taxation	4,677	4,090
Balance brought forward	126	1
Balance carried forward	(322)	(126)
Net distribution for the year	4,481	3,965

NOTES TO THE FINANCIAL STATEMENTS (Continued)

7 Debtors	31.03.2023	31.03.2022
	£000's	£000's
Amounts receivable on creation of shares	174	358
Amounts receivable for unsettled trades	1,460	534
Accrued revenue:		
Non-taxable dividends receivable	479	328
Interest on non-derivatives securities receivable	39	17
Property income distributions receivable (PIDs)	24	20
Tax recoverable: overseas withholding tax	6	11
Return of capital receivable	150	-
Rebates from underlying holdings	5	5
Prepaid expenses	33	32
Total debtors	2,370	1,305

8 Cash and bank balances	31.03.2023	31.03.2022
	£000's	£000's
Cash and bank balances	1,543	943
Bank overdraft balances	-	(55)

9 Creditors	31.03.2023	31.03.2022
	£000's	£000's
Amounts payable on cancellation of shares	1,381	365
Amounts payable for unsettled trades	226	643
Amounts payable to the AFM, associates of the AFM and agents of either of them:		
Annual management charge	108	128
Amounts payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary fee	4	5
Safe custody and other custodian charges	8	6
	12	11
Other expenses	13	10
Total creditors	1,740	1,157

10 Shares held

Shares Held - A Share Class (Accumulation)

Opening shares at 01.04.2022	12,859,185
Shares issued during the year	359,355
Shares cancelled during the year	(1,448,458)
Shares converted during the year	(63,603)
Closing shares as at 31.03.2023	11,706,479

Shares Held - B Share Class (Accumulation)

Opening shares at 01.04.2022	55,615,770
Shares issued during the year	6,810,910
Shares cancelled during the year	(17,587,294)
Shares converted during the year	102,900
Closing shares as at 31.03.2023	44,942,286

Shares Held - N Share Class (Accumulation)

Opening shares at 01.04.2022	203,882
Shares issued during the year	239,485
Shares cancelled during the year	(72,955)
Shares converted during the year	-
Closing shares as at 31.03.2023	370,412

10 Shares held (continued)**Shares Held - I Share Class (Accumulation)**

Opening shares at 29.04.2022	-
Shares issued during the period	13,202,109
Shares cancelled during the period	(4,633,528)
Shares converted during the period	-
Closing shares as at 31.03.2023	8,568,581

11 Risk management

In pursuing its investment objective as stated on page 9, the Sub-fund holds a number of financial instruments. The Sub-fund's financial instruments comprise securities and other investments, cash balances, debtors and creditors that arise directly from its operations, for example, in respect of sales and purchases awaiting settlement, amounts receivable for issues and payable for redemptions and debtors for accrued revenue.

The main risks arising from financial instruments, those of its underlying holdings and the AFM's policies for managing these risks are summarised below. These policies have been applied throughout the year.

Market price risk

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

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

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

If market prices at the balance sheet had been 10% higher or lower while all other variables remained constant, the return attributable to ordinary shareholders and equity for the year ended 31.03.2023 would have increased/decreased by £13,245,000 (31.03.2022: £16,325,000).

Foreign currency risk

Foreign currency risk is the risk that the value of the Sub-fund's investment holdings will fluctuate as a result of changes in foreign currency exchange rates.

The Sub-fund's investment portfolio is invested in equities and funds that are registered overseas and collective investment schemes which invest in overseas securities, and as a result the balance sheet can be affected by movements in foreign exchange rates. The AFM may seek to manage exposure to currency movements by using forward exchange contracts or by hedging the Sterling value of investments that are priced in other currencies. Revenue received in other currencies is converted to Sterling at the date of receipt.

If exchange rates at the balance sheet had been 10% higher or lower while all other variables remained constant, the return attributable to ordinary shareholders and equity for the year ended 31.03.2023 would have increased/decreased by £1,634,000 (31.03.2022: £1,647,000).

A portion of the net assets of the Sub-fund is denominated in currencies other than Sterling with the effect that the balance sheet and total return can be affected by currency movements.

Net currency assets and liabilities consist of:

	Net monetary assets and liabilities		Non-monetary assets		Total net assets	
	£'000s		£'000s		£'000s	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022
Sterling	1,088	1,013	117,201	146,806	118,289	147,819
US Dollars	702	23	14,220	15,103	14,922	15,126
Euro	383	-	1,030	1,346	1,413	1,346
Total	2,173	1,036	132,451	163,255	134,624	164,291

11 Risk management (continued)**Interest rate risk**

Interest rate risk is the risk that the value of the Sub-fund's investment holdings will fluctuate as a result of changes in interest rates. These include cash and bank balances and inherent risk on the collectives that distributes interest.

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

	31.03.2023	31.03.2022
	£000's	£000's
Financial assets floating rate	1,543	943
Financial assets interest bearing instruments	15,037	24,900
Financial assets non-interest bearing instruments	119,784	139,660
Financial liabilities non-interest bearing instruments	(1,740)	(1,157)
Financial liabilities floating rate	-	(55)
	134,624	164,291

Maturity of financial liabilities

The financial liabilities of the Sub-fund as at 31 March 2023 are payable either within one year or on demand.

Liquidity risk

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

Credit risk

Certain transactions in securities that the Sub-fund enters into expose it to the risk that the counterparty will not deliver the investment for a purchase, or cash for a sale after the Sub-fund has fulfilled its responsibilities. The Sub-fund only buys and sells investments through brokers which have been approved by the AFM as acceptable counterparties and fund management companies. In addition, limits are set to the exposure to any individual broker that may exist at any time and changes in brokers' financial ratings are reviewed. Credit risk also arises on cash held within financial institutions and debt securities. Credit risk on cash balances is mitigated by ensuring that cash is held with financial institutions that are at least investment grade credit related. On debt securities credit risk is mitigated by ensuring that credit ratings are monitored regularly and in line with the investment objective and profile of the Sub-fund. Indirect credit risk arises from holdings in collectives that invest in debt securities as any default or perceived risk of default will affect the valuation of such holdings.

Fair value disclosure

The fair value hierarchy is intended to prioritise the inputs that are used to measure the fair value of assets and liabilities. The

Level 1: Unadjusted quoted price in an active market for an identical instrument;

Level 2: Valuation techniques using observable inputs other than quoted prices within level 1;

Level 3: Valuation techniques using unobservable inputs.

	31.03.2023		31.03.2022	
Valuation Technique	Assets (£000's)	Liabilities (£000's)	Assets (£000's)	Liabilities (£000's)
Level 1: Unadjusted quoted price in an active market for an identical instrument	76,905	-	96,361	-
Level 2: Valuation techniques using observable inputs other than quoted prices within level 1	55,517	-	66,348	-
Level 3: Valuation techniques using unobservable inputs	29	-	546	-
Total	132,451	-	163,255	-

12 Contingent assets and liabilities

At 31 March 2023, the Sub-fund had no contingent liabilities or commitments (31 March 2022: £nil)

NOTES TO THE FINANCIAL STATEMENTS (Continued)

13 Post balance sheet events

As indicated in the accounting policies in Note 1, the investments have been valued at the closing valuation point on 31 March 2023. Since that date, the Sub-fund's quoted price has moved as follows for the following share class:

Share Class	Price at 31 March 2023	Price at 14 July 2023
A Share Class (Accumulation)	319.36p	316.28p
B Share Class (Accumulation)	198.15p	196.61p
N Share Class (Accumulation)	192.61p	190.97p
I Share Class (Accumulation)	92.86p	92.20p

14 Direct transaction costs

	2023	% of total	2022	% of total
	£'000s	purchases	£'000s	purchases
Analysis of total purchase costs				
Purchases in the year before transaction costs	28,951		63,999	
Commissions	17	0.06%	17	0.03%
Taxes & levies	62	0.21%	44	0.07%
Total purchase costs	79	0.27%	61	0.10%
Total purchases including transaction costs	29,030		64,060	
Analysis of total sale costs				
Sales in the year before transaction costs	42,590		49,081	
Commissions	(21)	(0.05%)	(20)	(0.04%)
Taxes & levies	-	(0.00%)	-	(0.00%)
Total sale costs	(21)	(0.05%)	(20)	(0.04%)
Total sales net of transaction costs	42,569		49,061	

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

	2023	% of average net	2022	% of average net
	£'000s	asset value	£'000s	asset value
Commissions	38	0.03%	37	0.02%
Taxes & levies	62	0.04%	44	0.03%
	100	0.07%	81	0.05%

15 Portfolio dealing spread

The average portfolio dealing spread at 31 March 2023 is 0.73% (2022: 0.56%).

16 Related party transactions

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

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

As noted in the portfolio summary, the Sub-fund held shares in related holdings. The purchases and sales of related holdings can be found in the summary of material portfolio changes. The income received from related holdings during the year was £80,869.

DISTRIBUTION TABLES

Interim distribution in pence per share

Group 1: Shares purchased prior to 01.04.2022

Group 2 : Shares purchased on or after 01.04.2022 and on or before 30.09.2022

A Share Class (Accumulation)	Net revenue 30.11.2022	Equalisation	Distribution 30.11.2022	Distribution 30.11.2021
Group 1	4.7805p	-	4.7805p	4.1643p
Group 2	2.3883p	2.3922p	4.7805p	4.1643p

B Share Class (Accumulation)	Net revenue 30.11.2022	Equalisation	Distribution 30.11.2022	Distribution 30.11.2021
Group 1	3.6243p	-	3.6243p	3.2295p
Group 2	1.7511p	1.8732p	3.6243p	3.2295p

N Share Class (Accumulation)	Net revenue 30.11.2022	Equalisation	Distribution 30.11.2022	Distribution 30.11.2021
Group 1	3.2780p	-	3.2780p	2.9006p
Group 2	1.2560p	2.0220p	3.2780p	2.9006p

I Share Class (Accumulation)^	Net revenue 30.11.2022	Equalisation	Distribution 30.11.2022
Group 1	1.3252p	-	1.3252p
Group 2	1.0101p	0.3151p	1.3252p

Final distribution in pence per share

Group 1: Shares purchased prior to 01.10.2022

Group 2 : Shares purchased on or after 01.10.2022 and on or before 31.03.2023

A Share Class (Accumulation)	Net revenue 31.05.2023	Equalisation	Distribution 31.05.2023	Distribution 31.05.2022
Group 1	3.3584p	-	3.3584p	2.9370p
Group 2	1.2633p	2.0951p	3.3584p	2.9370p

B Share Class (Accumulation)	Net revenue 31.05.2023	Equalisation	Distribution 31.05.2023	Distribution 31.05.2022
Group 1	2.7242p	-	2.7242p	2.5000p
Group 2	1.4665p	1.2577p	2.7242p	2.5000p

N Share Class (Accumulation)	Net revenue 31.05.2022	Equalisation	Distribution 31.05.2023	Distribution 31.05.2022
Group 1	2.4089p	-	2.4089p	2.1800p
Group 2	1.7822p	0.6267p	2.4089p	2.1800p

I Share Class (Accumulation)^	Net revenue 31.05.2022	Equalisation	Distribution 31.05.2023
Group 1	1.3918p	-	1.3918p
Group 2	0.8900p	0.5018p	1.3918p

^I Share Class (Accumulation) launched 29 April 2022 therefore no comparative information.

Information for corporate shareholders

A corporate shareholder receives the distribution shown on the voucher enclosed with this report as follows;

- i) 82.38% of the total dividend allocation together with the tax credit is received as franked investment income.
- ii) 17.62% of the dividend allocation is received as an annual payment received after deduction of income tax at the lower rate and is liable to corporation tax. It is not franked investment income.

SUB-FUND OVERVIEW

Name of Sub-fund	VT Momentum Diversified Income Fund
Size of Sub-fund (£000's)	£141,991
Launch date	05 October 2004
Sub-fund objective and policy	<p>The investment objective of VT Momentum Diversified Income Fund is to provide income over the medium to long term (3-5 years). The Sub-fund aims to meet its objective by investing in a balanced and well diversified portfolio of UK and international equities which the Investment Manager expects to be able to generate income (i.e. dividends) as well as some fixed interest securities including government and corporate bonds. Investments will also be made in regulated collective investment schemes (which may include funds managed and/or operated by the AFM or Investment Manager), money markets and cash deposits to provide further diversification to the Sub-fund in accordance with applicable regulations.</p>
Benchmark:	<p>The Sub-fund is not managed to a benchmark, and nor does the AFM use a benchmark in order to assess performance.</p> <p>However, many funds sold in the UK are grouped into sectors by the Investment Association (the "IA") (the trade body that represents UK investment managers), to help investors to compare funds with broadly similar characteristics.</p> <p>In order to assess the Sub-fund's performance, investors may find it useful to compare the Sub-fund against the performance of the IA Mixed Investments 20-60% Shares, which serves as a method of comparing the Sub-fund's performance with another fund which has broadly similar characteristics.</p>
Authorised Fund Manager (AFM)	Valu-Trac Investment Management Limited
Ex-distribution dates	last business day of each month
Distribution dates	Business day prior to the last business day of each month, 1 month after the ex-distribution date
Individual Savings Account (ISA)	The Sub-fund is a qualifying investment for inclusion in an ISA.
Minimum investment* Lump sum subscription:	<p>A Share Class (Income) = £3,000 N Share Class (Income) = £1,000 B Share Class (Income and Accumulation) = £100,000 I Share Class (Income) = £50,000,000</p>
Top-up:	<p>A Share Class (Income) = £2,500 N Share Class (Income) = £1,000 B Share Class (Income and Accumulation) = £10,000 I Share Class (Income) = £100,000</p>
Holding:	<p>A Share Class (Income) = £3,000 N Share Class (Income) = £1,000 B Share Class (Income and Accumulation) = £100,000 I Share Class (Income) = £50,000,000</p>
*The AFM may waive the minimum levels at its discretion.	
Redemption:	All share classes = Nil (provided minimum holding is maintained)

SUB-FUND OVERVIEW (Continued)

Redemption and switching charges

Nil

Initial charge**

A Share Class (Income) = 5.0%

N Share Class (Income) = 5.0%

B Share Class (Income and Accumulation) = 0.0%

I Share Class (Income) = 0.0%

**The AFM may waive or discount the initial charge at its discretion.

Annual management charges

The annual management charge in respect of the A Class shares is equal to 1.40% per annum of the net asset value of the A Class shares.

The annual management charge in respect of the N Class shares is equal to 1.00% per annum of the net asset value of the N Class shares.

The annual management charge in respect of the B Class shares is equal to 0.75% per annum of the net asset value of the B Class shares.

The annual management charge in respect of the I Class shares is equal to 0.50% per annum of the net asset value of the I Class shares.

Asset Allocation

Fund structure as at 31st March 2023

The strategic asset allocation is consistent with the Fund's investment objectives over the long term. It is, as such, likely to change infrequently, though subject to review every 12 months.

Asset Class	Fund %	Strategic Asset Allocation %
Equities	33.3	37.0
UK	20.6	20.5
North America	0.0	2.5
Europe ex UK	2.9	3.5
Japan	3.8	2.5
Asia Pacific (exc. Japan)	4.0	5.0
Emerging Markets	2.0	3.0
Credit	29.7	22.5
Specialist Assets	30.2	28.0
Cash/Managed Liquidity/Defensive Assets	6.8	12.5
Total	100.0%	100.0%

Our approach to asset allocation is set by a valuation philosophy and the analysis we carry out across asset markets to determine how attractive they are in both an absolute sense and relative to each other.

Source: Momentum Global Investment Management

Figures may not sum due to rounding

Performance

The VT Momentum Diversified Income Fund returned -8.9% (B Share Class (Income)) over the twelve-month period versus its peer group which returned -4.8% over the same period. Specialist assets was the lowest performing asset class. Within specialist assets, specialist financial generated positive returns whereas infrastructure and property suffered in the face of higher interest rates. Private equity was also hurt as growth investments sold off further. UK equities struggled as a result of the portfolio's small/mid-cap bias whereas overseas equities generated positive returns, driven by a rebound in Europe and strong performance in Japanese equities. Defensive assets was the top performing asset class driven by the allocation UK gilts.

Portfolio Activity

UK Equities

Capita was introduced. Following an aggressive, debt-fuelled acquisition strategy by previous management, Capita fell into difficulty during 2016 with its first profit warning. CEO Jonathan Lewis was appointed in 2017 and has embarked on a protracted turnaround. There are now signs that changes over the last five years, which include significant disposals and cost cutting measures, are starting to bear fruit.

Synthomer was introduced in January. Synthomer is a specialty chemicals business, providing a variety of products to several industries including health, packaging and coatings. Previous management made several acquisitions which has over-leveraged the business and has ultimately seen the dividend cut and a negotiation with lenders to relax debt covenants. A new management team is now in place, with a credible plan to reduce debt through asset disposals, along with refocusing the business.

Barclays was introduced in March. Barclays is a global UK headquartered bank providing services in consumer and business banking, investment banking, and the Barclaycard credit card business. The company has been de-rating for over a decade but the bank is now better capitalised. A higher interest rate environment should also be supportive for the sector.

Overseas Equities

Optimism around peak inflation, peak interest rates and a soft-landing for the economy, which has been building since October, has been helped by two other developments in recent months. Europe, the epicentre of the energy crisis last year due to its dependency on Russian gas supplies, saw dramatic falls in natural gas prices. With a mild winter and reduced demand, those fears have been averted, storage facilities are likely to be at much higher levels of capacity by winter end than expected, and with supplies from the US and other countries growing sharply, the risks for next winter have also dissipated.

This has underpinned a big recovery in business and consumer confidence in Europe, to the extent that the widespread predictions of a sharp recession have been reined in, with at worst only a mild recession now anticipated. The encouraging developments in Europe have boosted confidence in these regions, with leading indicators picking up, albeit from low levels, data releases exceeding expectations, and financial markets recovering. The Invesco European Equity Income Fund returned over 10% over the twelve-month period.

Fixed Income

During the market turbulence in the latter months of 2022, investments were made across existing corporate bond funds to capture the improved yields across the credit space. The most significant part of this buying was done during September, when sterling high yield credit yields were approaching their intra-period highs of 11.9%.

Specialist Assets

Within Private Equity, we introduced Oakley Capital Investments. Oakley is focused on mid-market, European companies that operate within the consumer, education, and technology sectors. Using their network of entrepreneurs, Oakley have an excellent track record of sourcing deals at attractive valuation multiples. In addition to the initial sourcing of new deals, Oakley then provide committed funding lines to the businesses to make bolt-on acquisitions, while making operational changes to improve both revenue growth and efficiency. The addition gives further diversification across the private equity allocation.

We exited our position in Home REIT over the period due to tenant concerns. Positions were fully exited by 18th November and following this, a short seller report highlighted the same concerns which triggered a chain of events leading the shares collapsing to 38p, the publication of the annual results has been delayed, and the shares suspended from the market.

Momentum Global Investment Management
Investment Manager to the Fund
27 April 2023

PERFORMANCE RECORD

Financial Highlights

A Share Class (Income)

	Year to 31 March 2023	Year to 31 March 2022	Year to 31 March 2021
Changes in net assets per share	GBp	GBp	GBp
Opening net asset value per share	93.68	94.54	71.20
Return before operating charges	(6.87)	5.83	29.29
Operating charges (note 1)	(2.00)	(2.14)	(1.77)
Return after operating charges *	(8.87)	3.69	27.52
Distributions on income shares	(4.34)	(4.55)	(4.18)
Closing net asset value per share	80.47	93.68	94.54
*after direct transactions costs of:	0.05	0.05	0.09
Performance			
Return after charges	(9.47%)	3.91%	38.65%
Other information			
Closing net asset value (£000'S)	£27,574	£35,823	£32,131
Closing number of shares	34,267,105	38,238,865	33,985,148
Operating charges (note 2)	2.30%	2.27%	2.14%
Direct transaction costs	0.06%	0.05%	0.10%
Prices			
Highest share price	94.28	99.46	94.86
Lowest share price	77.38	89.73	69.50

B Share Class (Income)

	Year to 31 March 2023	Year to 31 March 2022	Year to 31 March 2021
Changes in net assets per share	GBp	GBp	GBp
Opening net asset value per share	115.32	115.62	86.51
Return before operating charges	(8.49)	7.15	35.71
Operating charges (note 1)	(1.77)	(1.87)	(1.51)
Return after operating charges *	(10.26)	5.28	34.20
Distributions on income shares	(5.36)	(5.58)	(5.09)
Closing net asset value per share	99.70	115.32	115.62
*after direct transactions costs of:	0.06	0.06	0.11
Performance			
Return after charges	(8.90%)	4.57%	39.54%
Other information			
Closing net asset value (£000's)	£104,117	£129,425	£118,948
Closing number of shares	104,425,425	112,231,920	102,877,702
Operating charges (note 2)	1.65%	1.62%	1.49%
Direct transaction costs	0.06%	0.05%	0.10%
Prices			
Highest share price	116.10	121.98	115.98
Lowest share price	95.60	110.41	84.45

PERFORMANCE RECORD (Continued)
N Share Class (Income)

	Year to 31 March 2023	Year to 31 March 2022	Year to 31 March 2021
	GBp	GBp	GBp
Changes in net assets per share			
Opening net asset value per share	112.60	113.18	84.90
Return before operating charges	(8.27)	6.99	35.00
Operating charges (note 1)	(1.99)	(2.11)	(1.72)
Return after operating charges *	(10.26)	4.88	33.28
Distributions on income shares	(5.22)	(5.46)	(5.00)
Closing net asset value per share	97.11	112.60	113.18
*after direct transactions costs of:	0.06	0.06	0.10
Performance			
Return after charges	(9.12%)	4.31%	39.20%
Other information			
Closing net asset value (£000's)	£714	£601	£639
Closing number of shares	735,638	533,849	564,460
Operating charges (note 2)	1.90%	1.87%	1.74%
Direct transaction costs	0.06%	0.05%	0.10%
Prices			
Highest share price	113.35	119.27	113.54
Lowest share price	93.22	107.82	82.87

	Year to 31 March 2023	Year to 31 March 2022	Year to 31 March 2021
	GBp	GBp	GBp
Opening net asset value per share	116.53	111.45	79.39
Return before operating charges	(8.63)	6.93	33.48
Operating charges (note 1)	(1.84)	(1.85)	(1.42)
Return after operating charges *	(10.47)	5.08	32.06
Closing net asset value per share	106.06	116.53	111.45
Distributions on accumulation shares	5.55	5.49	4.76
*after direct transactions costs of:	0.07	0.06	0.10
Performance			
Return after charges	(8.99%)	4.56%	40.38%
Other information			
Closing net asset value (£000's)	£8,853	£8,460	£4,065
Closing number of shares	8,347,787	7,259,328	3,647,821
Operating charges (note 2)	1.65%	1.62%	1.49%
Direct transaction costs	0.06%	0.05%	0.10%
Prices			
Highest share price	117.33	120.67	115.98
Lowest share price	99.02	110.73	84.45

PERFORMANCE RECORD (Continued)**I Share Class (Income)****For the period 23
May 2022 to 31
March 2023^**

Changes in net assets per share	GBp
Opening net asset value per share	100.00
Return before operating charges	(5.71)
Operating charges (note 1)	(1.13)
Return after operating charges *	(6.84)
Distributions on income shares	(4.06)
Closing net asset value per share	89.10
*after direct transactions costs of:	0.06
Performance	
Return after charges	(6.84%)
Other information	
Closing net asset value (£000's)	£1,348
Closing number of shares	1,513,036
Operating charges (note 2)	1.40%
Direct transaction costs	0.06%
Prices	
Highest share price	101.21
Lowest share price	85.32

^ Share class re-launched 23 May 2022

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

Risk profile

The risk profile of the Sub-fund is 5 (31 March 2022: ranked 5). The Sub-fund is ranked 5 because weekly historical performance data indicates that relatively high rises and falls in market prices would have occurred historically.

PORTFOLIO STATEMENT

As at 31 March 2023

Holding	Security	Value £	% of Total Net Assets %
Collective Investment Schemes (31.03.2022: 38.04%)			
926	ABSALON - Emerging Market Corporate Debt	6,852,563	4.83%
206,464	CIM Dividend Income	2,006,002	1.41%
400,000	Goodhart Partners Horizon HMG Global Emerging Market Equity**	12,000	0.01%
7,228	Samarang Asian Prosperity	1,852,042	1.30%
421,060	Invesco Perpetual European Equity Income	1,662,639	1.17%
34,352	MI TwentyFour Dynamic Bond	3,112,905	2.19%
489,251	Morant Wright Fuji Yield	5,427,411	3.82%
67,889	Muzinich Short Duration High Yield Hedged	4,766,504	3.36%
67,962	Neuberger Berman Uncorrelated Strategies	732,626	0.52%
13,083	Prusik Asian Equity Income	1,860,178	1.31%
16,350,506	Royal London Short Duration Global High Yield	12,181,127	8.58%
11,000,806	Royal London Sterling Extra Yield Bond	10,170,245	7.16%
3,065,931	Ninety One Global Gold Fund	3,282,385	2.31%
		53,918,627	37.97%
Exchange Traded Commodities (31.03.2022: 3.12%)			
12,500	Invesco Physical Markets PLC	1,930,625	1.36%
		1,930,625	1.36%
Exchange Traded Funds (31.03.2022: 0.80%)			
260,000	iShares Emerging Market Dividend UCITS ETF	2,860,000	2.01%
		2,860,000	2.01%
Government Bonds (31.03.2022: 1.05%)			
310,000	UK GILT 4.25% 07/12/2049	327,500	0.23%
		327,500	0.23%
Investment Trusts (31.03.2022: 28.80%)			
1,410,000	Cordiant Digital Infrastructure Ltd	1,142,100	0.80%
3,920,000	Chrysalis Investments Ltd	2,175,600	1.53%
1,080,000	Digital 9 Infrastructure	678,240	0.48%
4,600,000	Doric Nimrod Air Three Ltd	2,300,000	1.62%
2,500,000	Doric Nimrod Air Two Ltd	2,525,000	1.78%
6,448,319	DP Aircraft I Ltd	234,490	0.17%
7,198,150	Fair Oaks Income Ltd	2,792,076	1.97%
1,825,000	Gore Street Energy Storage Fund PLC	1,835,950	1.29%
1,395,000	Greencoat UK Wind PLC	2,184,570	1.54%
2,240,000	Hipgnosis Songs Fund Ltd	1,818,880	1.28%
1,868,500	International Public Partnerships Ltd	2,668,218	1.88%
1,435,000	JLEN Environmental Assets Group Limited	1,701,910	1.20%
2,610,168	JPMorgan European Growth & Income PLC	2,448,338	1.72%
329,348	Oakley Capital Investments Ltd	1,488,653	1.05%
1,961,996	RM Infrastructure Income PLC	1,530,357	1.08%
2,540,000	Round Hill Music Royalty Fund Limited	1,375,225	0.97%
2,108,500	Sequoia Economic Infrastructure Income Fund Ltd	1,693,126	1.19%
1,580,000	Syncona Limited Ord Npv	2,297,320	1.62%
7,090,000	TwentyFour Select Monthly Income Fund Ltd	5,204,060	3.67%
15,300,000	Schroder UK Public Private Trust PLC	1,872,720	1.32%
		39,966,833	28.16%
Real Estate Investment Trusts (31.03.2022: 8.67%)			
2,574,766	AEW UK REIT PLC	2,379,084	1.68%
3,715,000	Ediston Property Investment Company PLC	2,310,730	1.63%
850,000	Londonmetric Property PLC	1,481,550	1.04%
875,000	LXi REIT PLC	858,375	0.60%
2,825,000	Life Science REIT plc	1,666,750	1.17%
2,115,000	PRS Reit PLC	1,696,230	1.19%
		10,392,719	7.31%

PORTFOLIO STATEMENT (Continued)

Holding	Security	Value £	% of Total Net Assets %
Equities (31.03.2022: 19.73%)			
87,171	Aberdeen Private Equity Fund Ltd*	-	0.00%
2,889,051	Accrol Group Holdings PLC	898,495	0.63%
455,916	Babcock International Group PLC	1,364,101	0.96%
452,500	Barclays PLC	661,827	0.47%
910,000	BT Group PLC	1,329,055	0.94%
2,400,000	Capita PLC	903,840	0.64%
215,000	Conduit Holdings Ltd	1,044,900	0.74%
29,500	Cranswick PLC	895,030	0.63%
1,130,000	Diversified Energy Company PLC	1,059,375	0.75%
490,000	Essentra PLC	967,260	0.68%
8,375	Games Workshop Group PLC	796,463	0.56%
570,000	Halfords Group PLC	1,003,200	0.71%
930,000	Jupiter Fund Management PLC	1,248,990	0.88%
1,790,000	Kier Group PLC	1,235,100	0.87%
485,240	LBG Media PLC	368,782	0.26%
880,000	Legal & General Group PLC	2,111,120	1.49%
990,000	M&G PLC	1,942,380	1.37%
832,500	Marks and Spencer Group PLC	1,392,773	0.98%
2,200,000	Marstons PLC	799,480	0.56%
385,000	Morgan Advanced Materials PLC	1,095,325	0.77%
670,000	National Express Group PLC	804,000	0.57%
320,000	OSB Group PLC	1,539,200	1.08%
301,692	Origin Enterprises PLC	1,099,713	0.77%
280,000	Phoenix Group Holdings	1,518,160	1.07%
3,055,000	Purplebricks Group PLC	198,575	0.14%
541,620	Senior PLC	842,761	0.59%
14,000,000	Speymill Deutsche Immobilien Company PLC*	-	0.00%
191,547	Synthomer PLC	221,811	0.16%
182,500	Vistry Group PLC	1,437,188	1.01%
952,365	Strix Group PLC	949,508	0.67%
		29,728,412	20.95%
Structured Notes (31.03.2022: 0.00%)			
4,350,000	Barclays Bank PLC WTS 23/02/2018**	-	0.00%
		-	0.00%
Portfolio of investments (31.03.2022: 100.21%)		139,124,716	97.99%
Net other assets (31.03.2022: 0.12%)		2,866,028	2.01%
Net assets		141,990,744	100.00%

* Delisted security

** Illiquid security

Note: The 31 March 2022 comparators percentages are based on Mid pricing and does not add up to 100%. The Mid to Bid adjustment for the year ended 31 March 2022 was (0.33%).

SUMMARY OF MATERIAL PORTFOLIO CHANGES

	£
Total sales for the year (note 14)	54,452,711
Muzinich Short Duration High Yield Hedged	6,100,000
Royal London Sterling Extra Yield Bond	5,700,000
Royal London Short Duration Global High Yield Bond	4,800,000
Invesco Physical Markets PLC	3,914,999
Royal London Cash Plus	3,809,109
TwentyFour Income Fund Ltd	2,167,354
Ninety One Global Gold Fund	1,900,000
UK Gilt 2.25% 07/09/2023	1,817,255
Home REIT plc	1,770,277
Royal London Enhanced Cash Plus	1,679,459
iShares UK Dividend UCITS ETF	1,657,200
Morant Wright Fuji Yield	1,300,000
Digital 9 Infrastructure	1,132,502
LXi REIT PLC	1,116,418
iShares Emerging Market Dividend UCITS ETF	988,920
JLEN Environmental Assets Group Limited	944,406
Sequoia Economic Infrastructure Income Fund Ltd	896,571
International Public Partnerships Ltd	845,282
Syncona Limited Ord Npv	808,249
Origin Enterprises PLC	742,360
	£
Total purchases for the year (note 14)	42,843,659
Royal London Sterling Extra Yield Bond	6,300,000
Royal London Short Duration Global High Yield	5,980,000
Muzinich Short Duration High Yield Hedged	4,500,000
iShares Emerging Market Dividend UCITS ETF	3,146,655
iShares UK Dividend UCITS ETF	1,687,240
Chrysalis Investments Ltd	1,592,451
Oakley Capital Investments Ltd	1,366,415
ABSALON - Emerging Market Corporate Debt	1,220,000
Sequoia Economic Infrastructure Income Fund Ltd	1,083,457
Life Science REIT plc	874,439
Londonmetric Property PLC	812,476
International Public Partnerships Ltd	768,684
Schroder UK Public Private Trust PLC	761,967
Barclays PLC	752,311
Capita PLC	660,905
Ninety One Global Gold Fund	625,000
AEW UK REIT PLC	578,030
Home REIT plc	557,179
Strix Group PLC	530,581
UK GILT 5% 07/03/2025	511,962

The analysis is of the top 20 largest purchases and sales during the year.

STATEMENT OF TOTAL RETURN

For the year ended 31 March

		2023	2022
	Notes	£000's	£000's
Income			
Net capital (losses)/gains	2	(22,463)	580
Revenue	3	8,924	8,068
Expenses	4	(1,486)	(1,606)
Interest payable and similar charges	6	(1)	(12)
Net revenue before taxation		7,437	6,450
Taxation	5	(469)	(367)
Net revenue after taxation		6,968	6,083
Total return before distributions		(15,495)	6,663
Finance costs: distributions	6	(7,949)	(7,914)
Changes in net assets attributable to shareholders from investment activities		(23,444)	(1,251)

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the year ended 31 March

	2023	2022
	£000's	£000's
Opening net assets attributable to shareholders	173,552	155,125
Amounts receivable on creation of shares	23,948	50,001
Amounts payable on cancellation of shares	(32,501)	(30,654)
Distribution accumulated	436	331
Changes in net assets attributable to shareholders from investment activities (see above)	(23,444)	(1,251)
Closing net assets attributable to shareholders	141,991	173,552

BALANCE SHEET

As at		31.03.2023		31.03.2022	
	Notes	£000's	£000's	£000's	£000's
FIXED ASSETS					
Investment assets			139,125		173,343
Current assets					
Debtors	7	1,258		1,922	
Cash and bank balances	8	3,550		1,154	
Total current assets			4,808		3,076
Total assets			143,933		176,419
LIABILITIES					
Current liabilities					
Bank overdraft	8	(28)		-	
Creditors	9	(1,278)		(1,609)	
Distribution payable on income shares		(636)		(1,258)	
Total current liabilities			(1,942)		(2,867)
Net assets attributable to shareholders			141,991		173,552

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting policies

Accounting policies are detailed on pages 7-8.

2 Net capital (losses)/gains	2023	2022
The net capital (losses)/gains comprise:	£000's	£000's
Non-derivative securities (losses)/gains	(22,487)	518
Transaction charges	(2)	(5)
Currency losses	(3)	-
Rebates from underlying holdings	29	67
Total net capital (losses)/gains	<u>(22,463)</u>	<u>580</u>

3 Revenue	2023	2022
	£000's	£000's
Non-taxable dividends	5,120	4,568
Property income distributions (PIDs)	544	612
Interest on non-derivatives securities	3,251	2,886
Bank interest	9	2
Total revenue	<u>8,924</u>	<u>8,068</u>

4 Expenses	2023	2022
	£000's	£000's
Payable to the Authorised Fund Manager, associates of the Authorised Fund Manager, and agents of either of them:		
Annual management charge	1,377	1,497
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary fee	53	56
Safe custody fee	8	11
	<u>61</u>	<u>67</u>
Other expenses:		
Audit fee	9	8
Other expenses	39	34
	<u>48</u>	<u>42</u>
Total expenses	<u>1,486</u>	<u>1,606</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5 Taxation	2023 £000's	2022 £000's
(a) Analysis of charge in the year		
UK corporation tax	469	390
Prior period UK corporation tax adjustment	-	(23)
Total tax charge for the year (note 5b)	469	367

(b) Factors affecting current tax charge for the year

The tax assessed for the year is lower than the standard rate of corporation tax in the UK for an open-ended investment company 20.00% (2022: 20.00%). The differences are explained below:

Net revenue before UK corporation tax	7,437	6,450
Corporation tax at 20.00% (2022: 20.00%)	1,487	1,290
<u>Effects of:</u>		
Non-taxable dividends	(1,024)	(913)
Tax effect of rebates in capital	6	13
Prior period UK corporation tax adjustment	-	(23)
Total tax charge for the year (note 5a)	469	367

(c) Provision for deferred taxation

At 31 March 2023 there is no potential deferred tax asset or liability (31 March 2022: £nil).

6 Finance costs	2023 £000's	2022 £000's
Interim dividend distributions	7,247	6,713
Final dividend distribution	678	1,322
	7,925	8,035
Add: Revenue deducted on cancellation of shares	110	186
Deduct: Revenue received on issue of shares	(86)	(307)
Net distribution for the year	7,949	7,914
Interest payable and similar charges	1	12
Total finance costs	7,950	7,926
Reconciliation of distributions		
Net revenue after taxation	6,968	6,083
Allocations of expenses charged to capital	1,377	1,497
Relief on expenses allocated to capital	(275)	(299)
Balance brought forward	(464)	169
Balance carried forward	343	464
Net distribution for the year	7,949	7,914

NOTES TO THE FINANCIAL STATEMENTS (Continued)

7 Debtors	31.03.2023	31.03.2022
	£000's	£000's
Amounts receivable on creation of shares	341	1,136
Amounts receivable for unsettled trades	-	169
Accrued revenue:		
Non-taxable dividends receivable	644	524
Interest on non-derivatives securities receivable	72	44
Property income distributions receivable (PIDs)	35	25
Tax recoverable: Overseas withholding tax	5	8
Return of capital receivable	146	-
Rebates from underlying holdings	9	15
Prepaid expenses	6	1
Total debtors	1,258	1,922
8 Cash and bank balances	31.03.2023	31.03.2022
	£000's	£000's
Cash and bank balances	3,550	1,154
Bank overdraft	(28)	-
9 Creditors	31.03.2023	31.03.2022
	£000's	£000's
Amounts payable on cancellation of shares	450	467
Amounts payable for unsettled trades	421	597
Amounts payable to the AFM, associates of the AFM and agents of either of them:		
Annual management charge	108	129
Amounts payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary's fees	4	5
Safe custody and other custodian charges	7	6
	11	11
Other expenses	14	15
Corporation tax payable	274	390
	288	405
Total creditors	1,278	1,609

10 Shares held**Shares Held - A Share Class (Income)**

Opening shares at 01.04.2022	38,238,865
Shares issued during the year	3,391,420
Shares cancelled during the year	(6,669,940)
Shares converted during the year	(693,240)
Closing shares as at 31.03.2023	34,267,105

Shares Held - B Share Class (Income)

Opening shares at 01.04.2022	112,231,920
Shares issued during the year	15,997,278
Shares cancelled during the year	(23,967,773)
Shares converted during the year	164,000
Closing shares as at 31.03.2023	104,425,425

Shares Held - N Share Class (Income)

Opening shares at 01.04.2022	533,849
Shares issued during the year	395,852
Shares cancelled during the year	(186,279)
Shares converted during the year	(7,784)
Closing shares as at 31.03.2023	735,638

Shares Held - B Share Class (Accumulation)

Opening shares at 01.04.2022	7,259,328
Shares issued during the year	2,450,809
Shares cancelled during the year	(1,142,136)
Shares converted during the year	(220,214)
Closing shares as at 31.03.2023	8,347,787

Shares Held - I Share Class (Income)

Opening shares at 23.05.2022	-
Shares issued during the period	920,667
Shares cancelled during the period	(115,014)
Shares converted during the period	707,383
Closing shares as at 31.03.2023	1,513,036

11 Risk management

In pursuing its investment objective as stated on page 28, the Sub-fund holds a number of financial instruments. The Sub-fund's financial instruments, comprise securities and other investments, cash balances, debtors and creditors that arise directly from its operations, for example, in respect of sales and purchases awaiting settlement, amounts receivable for issues and payable for redemptions and debtors for accrued revenue.

The main risks arising from the Sub-fund's financial instruments, those of its underlying holdings and the AFM's policies for managing these risks are summarised below. These policies have been applied throughout the year.

Market price risk

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

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

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

If market prices at the balance sheet date had been 10% higher or lower while all other variables remained constant, the return attributable to ordinary shareholders and equity for the year ended 31.03.2023 would have increased/decreased by £13,913,000 (31.03.2022: £17,334,000).

11 Risk management (continued)**Foreign currency risk**

Foreign currency risk is the risk that the value of the Sub-fund's investment holdings will fluctuate as a result of changes in foreign currency exchange rates.

The Sub-fund's investment portfolio is invested in equities and funds that are registered overseas and collective investment schemes which invest in overseas securities, and as a result the balance sheet can be affected by movements in foreign exchange rates. The AFM may seek to manage exposure to overseas currency movements by using foreign exchange contracts or by hedging the Sterling value of investments that are priced in other currencies. Revenue received in other currencies is converted to Sterling at the date of receipt.

A portion of the net assets of the Sub-fund is denominated in currencies other than Sterling with the effect that the balance sheet and total return can be affected by currency movements. If foreign exchange rates at the balance sheet date had been 10% higher or lower while all other variables remained constant, the return attributable to ordinary shareholders and equity for the year ended 31.03.23 would have increased/decreased by £753,000 (2022: £903,000).

Net currency assets and liabilities consist of:

	Net monetary assets and liabilities		Non-monetary assets		Total net assets	
	£000s		£000s		£000s	
	31.03.2023	31.03.2022	31.03.2023	31.03.2022	31.03.2023	31.03.2022
Sterling	2,699	209	131,763	164,315	134,462	164,524
Euro	-	-	1,100	1,708	1,100	1,708
US Dollar	167	-	6,262	7,320	6,429	7,320
Total	2,866	209	139,125	173,343	141,991	173,552

Interest rate risk

Interest rate risk is the risk that the value of the Sub-fund's investment holdings will fluctuate as a result of changes in interest rates. These include cash and bank balances and inherent risk on the collectives that distributes interest.

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

	31.03.2023 £000's	31.03.2022 £000's
Financial assets floating rate	3,550	1,154
Financial assets interest bearing instruments	45,520	58,198
Financial assets non-interest bearing instruments	94,863	117,067
Financial liabilities non-interest bearing instruments	(1,914)	(2,867)
Financial liabilities floating rate	(28)	-
	141,991	173,552

Maturity of financial liabilities

The financial liabilities of the Sub-fund as at 31 March 2023 are payable either within one year or on demand.

Liquidity risk

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

11 Risk management (continued)

Credit risk

Certain transactions in securities that the Sub-fund enters into expose it to the risk that the counterparty will not deliver the investment for a purchase, or cash for a sale after the Sub-fund has fulfilled its responsibilities. The Sub-fund only buys and sells investments through brokers which have been approved by the AFM as acceptable counterparties and fund management companies. In addition, limits are set to the exposure to any individual broker that may exist at any time and changes in brokers' financial ratings are reviewed. Credit risk also arises on cash held within financial institutions and debt securities. Credit risk on cash balances is mitigated by ensuring that cash is held with financial institutions that are at least investment grade credit related. On debt securities credit risk is mitigated by ensuring that credit ratings are monitored regularly and in line with the investment objective and profile of the Sub-fund. Indirect credit risk arises from holdings in collectives that invest in debt securities as any default or perceived risk of default will affect the valuation of such holdings.

Fair value disclosure

The fair value hierarchy is intended to prioritise the inputs that are used to measure the fair value of assets and liabilities. The highest priority is given to quoted prices and the lowest priority to un-observable inputs. The criteria applied to the fair values levels in these financial statements are as follows:

Level 1: Unadjusted quoted price in an active market for an identical instrument;

Level 2: Valuation techniques using observable inputs other than quoted prices within level 1;

Level 3: Valuation techniques using unobservable inputs.

Valuation Technique	31.03.2023		31.03.2022	
	Assets (£000's)	Liabilities (£000's)	Assets (£000's)	Liabilities (£000's)
Level 1: Unadjusted quoted price in an active market for an identical instrument	85,206	-	107,302	-
Level 2: Valuation techniques using observable inputs other than quoted prices within level 1	53,907	-	65,812	-
Level 3: Valuation techniques using unobservable inputs	12	-	229	-
Total	139,125	-	173,343	-

12 Contingent assets and liabilities

At 31 March 2023, the Sub-fund had no contingent liabilities or commitments (31 March 2022: £nil).

13 Post balance sheet events

As indicated in the accounting policies in Note 1, the investments have been valued at the closing valuation point on 31 March 2023. Since that date, the Sub-fund's quoted price has moved as follows for each share class:

Share Class	Price at 31 March 2023	Price at 14 July 2023
A Share Class (Income)	80.47p	78.40p
B Share Class (Income)	99.70p	97.33p
N Share Class (Income)	97.11p	94.73p
B Share Class (Accumulation)	106.06p	104.93p
I Share Class (Income)	89.10p	87.03p

NOTES TO THE FINANCIAL STATEMENTS (Continued)

14 Direct transaction costs

Analysis of total purchase costs	2023	% of total	2022	% of total
	£'000s	purchases	£'000s	purchases
Purchases in the year before transaction costs	42,773		58,504	
Commissions	16	0.04%	18	0.03%
Taxes & levies	55	0.13%	47	0.08%
Total purchase costs	71	0.17%	65	0.11%
Total purchases including transaction costs	42,844		58,569	

Analysis of total sale costs	£'000s	% of total sales	£'000s	% of total sales
Sales in the year before transaction costs	54,470		38,633	
Commissions	(17)	(0.03%)	(18)	(0.05%)
Taxes & levies	-	(0.00%)	-	(0.00%)
Total sale costs	(17)	(0.03%)	(18)	(0.05%)
Total sales net of transaction costs	54,453		38,615	

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

	2023	% of average net	2022	% of average net
	£'000s	asset value	£'000s	asset value
Commissions	33	0.02%	36	0.02%
Taxes & levies	55	0.04%	47	0.03%
	88	0.06%	83	0.05%

15 Portfolio dealing spread

The average portfolio dealing spread at 31 March 2023 is 0.77% (2022: 0.66%).

16 Related party transactions

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

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

DISTRIBUTION TABLES

First Interim distribution in pence per share

Group 1: Shares purchased prior to 01.04.2022

Group 2 : Shares purchased on or after 01.04.2022 and on or before 30.04.2022

A Share Class (Income)	Net revenue 30.05.2022	Equalisation	Distribution 30.05.2022	Distribution 27.05.2021
Group 1	0.3600p	-	0.3600p	0.3400p
Group 2	0.1258p	0.2342p	0.3600p	0.3400p

B Share Class (Income)	Net revenue 30.05.2022	Equalisation	Distribution 30.05.2022	Distribution 27.05.2021
Group 1	0.4432p	-	0.4432p	0.4159p
Group 2	0.1429p	0.3003p	0.4432p	0.4159p

N Share Class (Income)	Net revenue 30.05.2022	Equalisation	Distribution 30.05.2022	Distribution 27.05.2021
Group 1	0.4327p	-	0.4327p	0.4071p
Group 2	0.4327p	0.2152p	0.6479p	0.4071p

B Share Class (Accumulation)	Net revenue 30.05.2022	Equalisation	Distribution 30.05.2022	Distribution 27.05.2021
Group 1	0.4479p	-	0.4479p	0.4009p
Group 2	0.2359p	0.2120p	0.4479p	0.4009p

Second Interim distribution in pence per share

Group 1: Shares purchased prior to 01.05.2022

Group 2 : Shares purchased on or after 01.05.2022 and on or before 31.05.2022

A Share Class (Income)	Net revenue 29.06.2022	Equalisation	Distribution 29.06.2022	Distribution 29.06.2021
Group 1	0.3600p	-	0.3600p	0.3400p
Group 2	0.0756p	0.2844p	0.3600p	0.3400p

B Share Class (Income)	Net revenue 29.06.2022	Equalisation	Distribution 29.06.2022	Distribution 29.06.2021
Group 1	0.4378p	-	0.4378p	0.4160p
Group 2	0.1311p	0.3067p	0.4378p	0.4160p

N Share Class (Income)	Net revenue 29.06.2022	Equalisation	Distribution 29.06.2022	Distribution 29.06.2021
Group 1	0.4275p	-	0.4275p	0.4071p
Group 2	0.0981p	0.3294p	0.4275p	0.4071p

B Share Class (Accumulation)	Net revenue 29.06.2022	Equalisation	Distribution 29.06.2022	Distribution 29.06.2021
Group 1	0.4558p	-	0.4558p	0.4017p
Group 2	0.1459p	0.3099p	0.4558p	0.4017p

I Share Class (Income)^	Net revenue 29.06.2022	Equalisation	Distribution 29.06.2022
Group 1	0.0322p	-	0.0322p
Group 2	0.0000p	0.0322p	0.0322p

DISTRIBUTION TABLES (continued)**Third Interim distribution in pence per share**

Group 1: Shares purchased prior to 01.06.2022

Group 2 : Shares purchased on or after 01.06.2022 and on or before 30.06.2022

A Share Class (Income)	Net revenue 28.07.2022	Equalisation	Distribution 28.07.2022	Distribution 29.07.2021
Group 1	0.3600p	-	0.3600p	0.3400p
Group 2	0.0060p	0.3540p	0.3600p	0.3400p

B Share Class (Income)	Net revenue 28.07.2022	Equalisation	Distribution 28.07.2022	Distribution 29.07.2021
Group 1	0.4441p	-	0.4441p	0.4161p
Group 2	0.0139p	0.4302p	0.4441p	0.4161p

N Share Class (Income)	Net revenue 28.07.2022	Equalisation	Distribution 28.07.2022	Distribution 29.07.2021
Group 1	0.4334p	-	0.4334p	0.4072p
Group 2	0.0012p	0.4322p	0.4334p	0.4072p

B Share Class (Accumulation)	Net revenue 28.07.2022	Equalisation	Distribution 28.07.2022	Distribution 29.07.2021
Group 1	0.4516p	-	0.4516p	0.4027p
Group 2	0.0002p	0.4514p	0.4516p	0.4027p

I Share Class (Income)^	Net revenue 28.07.2022	Equalisation	Distribution 28.07.2022
Group 1	0.4187p	-	0.4187p
Group 2	0.0073p	0.4114p	0.4187p

Fourth Interim distribution in pence per share

Group 1: Shares purchased prior to 01.07.2022

Group 2 : Shares purchased on or after 01.07.2022 and on or before 31.07.2022

A Share Class (Income)	Net revenue 30.08.2022	Equalisation	Distribution 30.08.2022	Distribution 30.08.2021
Group 1	0.3600p	-	0.3600p	0.3400p
Group 2	0.0119p	0.3481p	0.3600p	0.3400p

B Share Class (Income)	Net revenue 30.08.2022	Equalisation	Distribution 30.08.2022	Distribution 30.08.2021
Group 1	0.4439p	-	0.4439p	0.4165p
Group 2	0.0000p	0.4439p	0.4439p	0.4165p

N Share Class (Income)	Net revenue 30.08.2022	Equalisation	Distribution 30.08.2022	Distribution 30.08.2021
Group 1	0.4332p	-	0.4332p	0.4074p
Group 2	0.0000p	0.4332p	0.4332p	0.4074p

B Share Class (Accumulation)	Net revenue 30.08.2022	Equalisation	Distribution 30.08.2022	Distribution 30.08.2021
Group 1	0.4532p	-	0.4532p	0.4052p
Group 2	0.0000p	0.4532p	0.4532p	0.4052p

I Share Class (Income)^	Net revenue 30.08.2022	Equalisation	Distribution 30.08.2022
Group 1	0.4034p	-	0.4034p
Group 2	0.0000p	0.4034p	0.4034p

DISTRIBUTION TABLES (Continued)

Fifth Interim distribution in pence per share

Group 1: Shares purchased prior to 01.08.2022

Group 2 : Shares purchased on or after 01.08.2022 and on or before 31.08.2022

A Share Class (Income)	Net revenue 29.09.2022	Equalisation	Distribution 29.09.2022	Distribution 29.09.2021
Group 1	0.3600p	-	0.3600p	0.3400p
Group 2	0.0433p	0.3167p	0.3600p	0.3400p

B Share Class (Income)	Net revenue 29.09.2022	Equalisation	Distribution 29.09.2022	Distribution 29.09.2021
Group 1	0.4442p	-	0.4442p	0.4165p
Group 2	0.1332p	0.3110p	0.4442p	0.4165p

N Share Class (Income)	Net revenue 29.09.2022	Equalisation	Distribution 29.09.2022	Distribution 29.09.2021
Group 1	0.4333p	-	0.4333p	0.4074p
Group 2	0.0624p	0.3709p	0.4333p	0.4074p

B Share Class (Accumulation)	Net revenue 29.09.2022	Equalisation	Distribution 29.09.2022	Distribution 29.09.2021
Group 1	0.4556p	-	0.4556p	0.4061p
Group 2	0.0935p	0.3621p	0.4556p	0.4061p

I Share Class (Income)^	Net revenue 29.09.2022	Equalisation	Distribution 29.09.2022
Group 1	0.3976p	-	0.3976p
Group 2	0.1927p	0.2049p	0.3976p

Sixth Interim distribution in pence per share

Group 1: Shares purchased prior to 01.09.2022

Group 2 : Shares purchased on or after 01.09.2022 and on or before 30.09.2022

A Share Class (Income)	Net revenue 28.10.2022	Equalisation	Distribution 28.10.2022	Distribution 28.10.2021
Group 1	0.3600p	-	0.3600p	0.3400p
Group 2	0.1071p	0.2529p	0.3600p	0.3400p

B Share Class (Income)	Net revenue 28.10.2022	Equalisation	Distribution 28.10.2022	Distribution 28.10.2021
Group 1	0.4444p	-	0.4444p	0.4161p
Group 2	0.0943p	0.3501p	0.4444p	0.4161p

N Share Class (Income)	Net revenue 28.10.2022	Equalisation	Distribution 28.10.2022	Distribution 28.10.2021
Group 1	0.4335p	-	0.4335p	0.4070p
Group 2	0.1204p	0.3131p	0.4335p	0.4070p

B Share Class (Accumulation)	Net revenue 28.10.2022	Equalisation	Distribution 28.10.2022	Distribution 28.10.2021
Group 1	0.4575p	-	0.4575p	0.4066p
Group 2	0.0451p	0.4124p	0.4575p	0.4066p

I Share Class (Income)^	Net revenue 28.10.2022	Equalisation	Distribution 28.10.2022
Group 1	0.3969p	-	0.3969p
Group 2	0.2410p	0.1559p	0.3969p

DISTRIBUTION TABLES (Continued)
Seventh Interim distribution in pence per share

Group 1: Shares purchased prior to 01.10.2022

Group 2 : Shares purchased on or after 01.10.2022 and on or before 31.10.2022

A Share Class (Income)	Net revenue 29.11.2022	Equalisation	Distribution 29.11.2022	Distribution 29.11.2021
Group 1	0.3600p	-	0.3600p	0.3600p
Group 2	0.0385p	0.3215p	0.3600p	0.3600p

B Share Class (Income)	Net revenue 29.11.2022	Equalisation	Distribution 29.11.2022	Distribution 27.11.2021
Group 1	0.4446p	-	0.4446p	0.4413p
Group 2	0.0356p	0.4090p	0.4446p	0.4413p

N Share Class (Income)	Net revenue 29.11.2022	Equalisation	Distribution 29.11.2022	Distribution 27.11.2021
Group 1	0.4336p	-	0.4336p	0.4315p
Group 2	0.0011p	0.4325p	0.4336p	0.4315p

B Share Class (Accumulation)	Net revenue 29.11.2022	Equalisation	Distribution 29.11.2022	Distribution 27.11.2021
Group 1	0.4600p	-	0.4600p	0.4332p
Group 2	0.0289p	0.4311p	0.4600p	0.4332p

I Share Class (Income)^	Net revenue 29.11.2022	Equalisation	Distribution 29.11.2022
Group 1	0.3969p	-	0.3969p
Group 2	0.2874p	0.1095p	0.3969p

Eighth Interim distribution in pence per share

Group 1: Shares purchased prior to 01.11.2022

Group 2 : Shares purchased on or after 01.11.2022 and on or before 30.11.2022

A Share Class (Income)	Net revenue 29.12.2022	Equalisation	Distribution 29.12.2022	Distribution 30.12.2021
Group 1	0.3600p	-	0.3600p	0.3600p
Group 2	0.0915p	0.2685p	0.3600p	0.3600p

B Share Class (Income)	Net revenue 29.12.2022	Equalisation	Distribution 29.12.2022	Distribution 30.12.2021
Group 1	0.4448p	-	0.4448p	0.4415p
Group 2	0.1366p	0.3082p	0.4448p	0.4415p

N Share Class (Income)	Net revenue 29.12.2022	Equalisation	Distribution 29.12.2022	Distribution 30.12.2021
Group 1	0.4337p	-	0.4337p	0.4316p
Group 2	0.1945p	0.2392p	0.4337p	0.4316p

B Share Class (Accumulation)	Net revenue 29.12.2022	Equalisation	Distribution 29.12.2022	Distribution 30.12.2021
Group 1	0.4614p	-	0.4614p	0.4339p
Group 2	0.1452p	0.3162p	0.4614p	0.4339p

I Share Class (Income)^	Net revenue 29.12.2022	Equalisation	Distribution 29.12.2022
Group 1	0.3971p	-	0.3971p
Group 2	0.3971p	-	0.3971p

DISTRIBUTION TABLES (Continued)
Ninth Interim distribution in pence per share

Group 1: Shares purchased prior to 01.12.2022

Group 2 : Shares purchased on or after 01.12.2022 and on or before 31.12.2022

A Share Class (Income)	Net Revenue 30.01.2023	Equalisation	Distribution 30.01.2023	Distribution 28.01.2022
Group 1	0.3600p	-	0.3600p	0.3600p
Group 2	0.0701p	0.2899p	0.3600p	0.3600p

B Share Class (Income)	Net Revenue 30.01.2023	Equalisation	Distribution 30.01.2023	Distribution 28.01.2022
Group 1	0.4452p	-	0.4452p	0.4428p
Group 2	0.1316p	0.3136p	0.4452p	0.4428p

N Share Class (Income)	Net Revenue 30.01.2023	Equalisation	Distribution 30.01.2023	Distribution 28.01.2022
Group 1	0.4339p	-	0.4339p	0.4328p
Group 2	0.1115p	0.3224p	0.4339p	0.4328p

B Share Class (Accumulation)	Net Revenue 30.01.2023	Equalisation	Distribution 30.01.2023	Distribution 28.01.2022
Group 1	0.4655p	-	0.4655p	0.4411p
Group 2	0.0876p	0.3779p	0.4655p	0.4411p

I Share Class (Income)^	Net Revenue 30.01.2023	Equalisation	Distribution 30.01.2023
Group 1	0.3975p	-	0.3975p
Group 2	0.1826p	0.2149p	0.3975p

Tenth Interim distribution in pence per share

Group 1: Shares purchased prior to 01.01.2023

Group 2 : Shares purchased on or after 01.01.2023 and on or before 31.01.2023

A Share Class (Income)	Net Revenue 27.02.2023	Equalisation	Distribution 27.02.2023	Distribution 25.02.2022
Group 1	0.3600p	-	0.3600p	0.3600p
Group 2	0.0001p	0.3599p	0.3600p	0.3600p

B Share Class (Income)	Net Revenue 27.02.2023	Equalisation	Distribution 27.02.2023	Distribution 25.02.2022
Group 1	0.4454p	-	0.4454p	0.4426p
Group 2	0.0074p	0.4380p	0.4454p	0.4426p

N Share Class (Income)	Net Revenue 27.02.2023	Equalisation	Distribution 27.02.2023	Distribution 25.02.2022
Group 1	0.4340p	-	0.4340p	0.4325p
Group 2	0.0720p	0.3620p	0.4340p	0.4325p

B Share Class (Accumulation)	Net Revenue 27.02.2023	Equalisation	Distribution 27.02.2023	Distribution 25.02.2022
Group 1	0.4674p	-	0.4674p	0.4407p
Group 2	0.0000p	0.4674p	0.4674p	0.4407p

I Share Class (Income)^	Net Revenue 27.02.2023	Equalisation	Distribution 27.02.2023
Group 1	0.3978p	-	0.3978p
Group 2	0.0001p	0.3977p	0.3978p

DISTRIBUTION TABLES (Continued)**Eleventh Interim distribution in pence per share**

Group 1: Shares purchased prior to 01.02.2023

Group 2 : Shares purchased on or after 01.02.2023 and on or before 28.02.2023

A Share Class (Income)	Net Revenue 30.03.2023	Equalisation	Distribution 30.03.2023	Distribution 30.03.2022
Group 1	0.3600p	-	0.3600p	0.3600p
Group 2	0.0707p	0.2893p	0.3600p	0.3600p
B Share Class (Income)	Net Revenue 30.03.2023	Equalisation	Distribution 30.03.2023	Distribution 30.03.2022
Group 1	0.4455p	-	0.4455p	0.4426p
Group 2	0.0913p	0.3542p	0.4455p	0.4426p
N Share Class (Income)	Net Revenue 30.03.2023	Equalisation	Distribution 30.03.2023	Distribution 30.03.2022
Group 1	0.4341p	-	0.4341p	0.4325p
Group 2	0.0898p	0.3443p	0.4341p	0.4325p
B Share Class (Accumulation)	Net Revenue 30.03.2023	Equalisation	Distribution 30.03.2023	Distribution 30.03.2022
Group 1	0.4679p	-	0.4679p	0.4411p
Group 2	0.0841p	0.3838p	0.4679p	0.4411p
I Share Class (Income)^	Net Revenue 30.03.2023	Equalisation	Distribution 30.03.2023	
Group 1	0.3978p	-	0.3978p	
Group 2	0.3978p	-	0.3978p	

Final distribution in pence per share

Group 1: Shares purchased prior to 01.03.2023

Group 2 : Shares purchased on or after 01.03.2023 and on or before 31.03.2023

A Share Class (Income)	Net revenue 27.04.2023	Equalisation	Distribution 27.04.2023	Distribution 28.04.2022
Group 1	0.3829p	-	0.3829p	0.7112p
Group 2	0.1090p	0.2739p	0.3829p	0.7112p
B Share Class (Income)	Net revenue 27.04.2023	Equalisation	Distribution 27.04.2023	Distribution 28.04.2022
Group 1	0.4744p	-	0.4744p	0.8748p
Group 2	0.2638p	0.2106p	0.4744p	0.8748p
N Share Class (Income)	Net revenue 27.04.2023	Equalisation	Distribution 27.04.2023	Distribution 28.04.2022
Group 1	0.4620p	-	0.4620p	0.8545p
Group 2	0.1564p	0.3056p	0.4620p	0.8545p
B Share Class (Accumulation)	Net revenue 27.04.2023	Equalisation	Distribution 27.04.2023	Distribution 28.04.2022
Group 1	0.5029p	-	0.5029p	0.8744p
Group 2	0.3312p	0.1717p	0.5029p	0.8744p
I Share Class (Income)^	Net revenue 27.04.2023	Equalisation	Distribution 27.04.2023	
Group 1	0.4238p	-	0.4238p	
Group 2	0.3423p	0.0815p	0.4238p	

^ I Share Class (Income) launched 23 May 2022 therefore no comparative rates.

Information for corporate shareholders

A corporate shareholder receives the distribution shown on the voucher enclosed with this report as follows;

- 57.37% of the total dividend allocation together with the tax credit is received as franked investment income.
- 42.63% of the dividend allocation is received as an annual payment received after deduction of income tax at the lower rate and is liable to corporation tax. It is not franked investment income.

INFORMATION FOR INVESTORS

Authorised Status

VT Momentum Investment Funds II is incorporated in England and Wales as an ICVC under registration number IC000342. The shareholders are not liable for the debts of the Company.

The Company is authorised by the FCA as a UCITS Scheme under the COLL Sourcebook and is an umbrella company for the purposes of the OEIC Regulations. Each Sub-fund would be a UCITS Scheme if they had a separate authorisation order. The effective date of the authorisation order made by the FSA (predecessor of the FCA) was 5 October 2004.

Head Office

Valu-Trac Investment Management Limited, Level 13, Broadgate Tower, 20 Primrose Street, London, EC2A 2EW.

Base Currency

The base currency of the Company is Pounds Sterling.

Share Capital

The minimum share capital of the Company is £1 and the maximum is £100,000,000,000.

Structure of the Company

VT Momentum Investment Funds II is structured as an umbrella company. Provision exists for an unlimited number of sub-funds, and at the date of this report two Sub-funds, VT Momentum Diversified Growth Fund and VT Momentum Diversified Income Fund are authorised.

Classes of Shares

The Company can issue different classes of share in respect to any Sub-fund.

Holders of income shares are entitled to be paid the revenue attributable to such shares in respect of each accounting period.

Valuation Point

The scheme property of the Company and each Sub-fund will normally be valued at 12:00 mid day on each dealing day for the purpose of calculating the price at which shares in the Company may be issued, sold, repurchased or redeemed.

The AFM reserves the right to revalue the Company or any Sub-Fund at any time if it considers it desirable to do so, with the Depositary's approval.

Buying and Selling of Shares

The AFM will accept orders for the purchase and sale of shares on normal business days between 8.30am to 5.30pm. Instructions to buy or sell shares may either be in writing to:

Valu-Trac Investment Management Limited
Orton, Fochabers, Moray, IV32 7QE
Or by email to;
momentum@valu-trac.com

A contract note will be issued by close of business on the next business day after the dealing date to confirm the transaction.

Pricing Basis

There is a single price for buying, selling and switching shares in a Sub-fund which represents the net asset value of the Sub-fund concerned. The share price is calculated on a forward pricing basis, that is at the next valuation point after the purchase or redemption is deemed to be accepted by the AFM.

The prices of shares are published daily by the Investment Association. Neither, the AFM nor the Company can be held responsible for any errors in the publication of the prices. The shares in the Company will be issued and redeemed on a forward pricing basis which means that the price will not necessarily be the same as the published price.

Other information

The Instrument of Incorporation, Prospectus, Key Investor Information Document and the most recent interim and annual reports may be inspected free of charge at the office of the AFM which is also the Head Office of the Company and copies may be obtained upon application.

INFORMATION FOR INVESTORS (Continued)

Remuneration

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

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

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

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

30.09.2022	Number of Beneficiaries	Fixed Remuneration	Variable Remuneration Paid	Total Remuneration Paid
Total remuneration paid by the AFM during the year	95	£ 2,760,167	£ nil	£ 2,760,167
Remuneration paid to employees of the AFM who have a material impact on the risk profile of the UK UCITS	8	£ 492,146	£ nil	£ 492,146
Senior Management	18	£ 1,042,368	£ nil	£ 1,042,368
Control Functions	13	£ 652,722	£ nil	£ 652,722
Employees receiving total remuneration that takes them into the same remuneration brackets as senior management and risk takers	3	£ 149,085	£ nil	£ 149,085

Further information is available in the AFM's Remuneration Policy document which can be obtained from <https://www.valu-trac.com/Pillar%203%202021-09.pdf>. A paper copy of the remuneration policy is available on request from the registered office of the Authorised Fund Manager free of charge.

Value assessment

The AFM conducts an assessment of value for the Sub-funds each year. The assessment of value reports are available on the AFM's website.

CORPORATE DIRECTORY

Authorised Fund Manager, Administrator & Registrar	Valu-Trac Investment Management Limited Orton Fochabers Moray IV32 7QE Telephone: 01343 880344 Fax: 01343 880267 Email: momentum@valu-trac.com Authorised and regulated by the Financial Conduct Authority Registered in England No 2428648
Director	Valu-Trac Investment Management Limited as AFM
Investment Manager	Momentum Global Investment Management Limited The Rex Building 62 Queen Street London EC4R 1EB Authorised and regulated by the Financial Conduct Authority
Depository	NatWest Trustee and Depositary Services Limited House A, Floor 0 175 Glasgow Road Gogarburn Edinburgh EH12 1HQ Authorised and regulated by the Financial Conduct Authority
Auditor	Johnston Carmichael LLP Chartered Accountants Commerce House South Street Elgin IV30 1JE