

Quilter Investors Multi-Asset OEIC

Annual Report and Financial Statements
For the year ended 30 April 2023

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* Collectively, these form the Authorised Corporate Director's report.

Company Information

Authorised Corporate Director (“ACD”) and Alternative Investment Fund Manager (“AIFM”)

Quilter Investors Limited
Senator House
85 Queen Victoria Street
London
EC4V 4AB

Authorised and regulated by the Financial Conduct Authority.

Directors of the ACD and AIFM

D Bowden (resigned 30 June 2022)
S Levin
L Williams
T Breedon – Non-Executive Director
S Fromson – Non-Executive Director
R Skelt – Non-Executive Director (resigned on 28 February 2023)

Depository

Citibank UK Limited
Citigroup Centre
Canada Square
Canary Wharf
London
E14 5LB

Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

Legal Adviser

Macfarlanes LLP
20 Cursitor Street
London
EC4A 1LT

Independent Auditor

PricewaterhouseCoopers LLP
Atria One
144 Morrison Street
Edinburgh
EH3 8EX

Administrator

Citibank Europe Plc
1, North Wall Quay
Dublin 1
Ireland

Authorised by the Central Bank of Ireland (Central Bank) under the Investment Intermediaries Act 1995.

Registrar

SS&C
SS&C House
Saint Nicholas Lane
Basildon
Essex
SS15 5FS

The register of shareholders can be inspected at the above address.

Authorised Corporate Director's report

Directors' report

The Directors present the report and financial statements for Quilter Investors Multi-Asset OEIC (the "Company") for the year from 1 May 2022 to 30 April 2023.

Authorised status

The Company is an Open-Ended Investment Company incorporated as an Investment Company with Variable Capital ("ICVC") under Regulation 12 (authorisation) of the Open-Ended Investment Companies Regulations 2001 (SI 2001/1228) (the "OEIC Regulations"). It is incorporated in England and Wales and authorised by the Financial Conduct Authority under the OEIC Regulations and the Financial Conduct Authority's Collective Investment Schemes Sourcebook (the "COLL Sourcebook"). The Company is a non-UCITS retail scheme for the purposes of the COLL Sourcebook and an umbrella scheme. The Company is also an Alternative Investment Fund for the purposes of the Alternative Investment Fund Managers Directive 2011/61/EU ("AIFMD") as it applies in the UK from time to time.

Liability

The Company is under the "protected cell" regime. As such each sub-fund has a specific portfolio of securities to which that sub-fund's assets and liabilities are attributable. So far as investors are concerned each sub-fund will be treated as a separate entity. The assets of a sub-fund shall not be used or made available to discharge (directly or indirectly) the liabilities of, or claims against, any other person or body, including the Company and any other sub-fund and shall not be available for any such purpose.

Russian invasion of Ukraine

The Russian invasion of Ukraine is being monitored and assessed by the ACD to ensure any potential disruption for our clients is kept to a minimum. The sub-funds did not have any direct exposure to Russia, Ukraine or Belarus. The impact of the invasion has resulted in an increase in overall global market volatility. The sub-funds continue to be managed according to their investment objectives and policies during this period of uncertainty. Valuations of the sub-funds are carried out without any necessary deviation from the ACD's valuation policy.

Developments

From 1 July 2023, a discount will be applied when Quilter Investors funds reach a certain threshold of assets under management ("AUM"). The move will see a discount of up to 0.05% applied to the Fixed Ongoing Charge of the funds when a fund's AUM reaches £3bn. The discounts will begin to be applied when a fund reaches more than £750m AUM. The discount is available to all share classes of Quilter Investors funds domiciled in the UK, except for Quilter Investors Global Dynamic Equity Fund and Quilter Cheviot Global Income and Growth Fund at this time. These funds operate different charging structure with existing discount provisions. Further information is available at the ACD's website at <https://www.quilter.com/news-and-views/all-articles/aum-discounts-on-fund-and-portfolio-pricing>.

Assessment of value

The COLL Sourcebook requires the ACD to conduct an "assessment of value" at least annually for each of the sub-funds in the Company which includes, amongst other things,

- (i) an assessment of whether the payments out of scheme property set out in the Prospectus are justified in the context of the overall value delivered to shareholders;
- (ii) an assessment of the range and quality of services provided to shareholders;
- (iii) an assessment of performance over an appropriate timescale; and
- (iv) an assessment of comparable market rates for the services provided by the ACD.

The ACD's assessment of value of the sub-funds in the Company as at 31 March 2023 was published on 31 July 2023. The report provided the assessment of value for all schemes managed by the ACD. The report is available on the ACD's website at <https://www.quilter.com/siteassets/documents/quilter-investors/legal/assessment-of-value-report-2023-for-multi-asset-investment-portfolios.pdf>.

Authorised Corporate Director's report (continued)

Additional information

These financial statements have been prepared in accordance with the Statement of Recommended Practice ("SORP") for Authorised Funds issued by the Investment Association (formerly the Investment Management Association) in May 2014 and as amended in June 2017.

The Company is an umbrella scheme which complies with the COLL Sourcebook and as at 30 April 2023 had seven sub-funds (listed below). Additional sub-funds may be launched in the future.

Sub-fund name	Launch date
Quilter Investors Creation Adventurous Portfolio	3 July 2017
Quilter Investors Creation Balanced Portfolio	28 April 2008
Quilter Investors Creation Conservative Portfolio	28 April 2008
Quilter Investors Creation Dynamic Portfolio	28 April 2008
Quilter Investors Creation Moderate Portfolio	28 April 2008
Quilter Investors Monthly Income Portfolio	26 June 2019
Quilter Investors Monthly Income and Growth Portfolio	26 June 2019

In accordance with the requirements of the Financial Services and Markets Act 2000, we hereby certify these financial statements on behalf of the ACD.



L Williams

For and on behalf of Quilter Investors Limited
Director

30 August 2023

Authorised Corporate Director's report (continued)

The purpose of this report is to provide details of the progress of the Company, and the sub-funds contained within. The report provides details of the performance and the portfolio of each of the sub-funds.

Net asset value of sub-funds

	30 April 2023			30 April 2022		
	Net asset value of sub-fund by share class	Shares in issue	Net asset value pence per share	Net asset value of sub-fund by share class	Shares in issue	Net asset value pence per share
Quilter Investors Creation Adventurous Portfolio						
- Accumulation 'A'	£1,296,928	1,034,509	125.37	£1,313,934	1,073,066	122.45
- Accumulation 'R'	£248,968	190,169	130.92	£264,404	208,326	126.92
- Accumulation 'U2'	£894,274	677,010	132.09	£951,972	744,532	127.86
Quilter Investors Creation Balanced Portfolio						
- Accumulation 'A'	£42,363,195	54,404,743	77.87	£49,944,030	64,069,079	77.95
- Accumulation 'R'	£9,052,129	10,939,776	82.75	£11,375,689	13,810,481	82.37
- Accumulation 'U1'	£1,261,612	988,672	127.61	£1,483,564	1,169,311	126.87
- Accumulation 'U2'	£69,303,813	54,155,861	127.97	£85,848,990	67,470,858	127.24
Quilter Investors Creation Conservative Portfolio						
- Accumulation 'A'	£21,982,248	30,960,970	71.00	£27,287,446	37,680,506	72.42
- Accumulation 'R'	£5,777,689	7,655,146	75.47	£6,762,309	8,837,031	76.52
- Accumulation 'U1'	£564,745	495,280	114.03	£728,581	630,963	115.47
- Accumulation 'U2'	£33,930,985	29,032,960	116.87	£44,784,237	37,839,689	118.35
Quilter Investors Creation Dynamic Portfolio						
- Accumulation 'A'	£24,608,994	27,274,513	90.23	£28,867,560	32,545,122	88.70
- Accumulation 'R'	£7,165,402	7,430,702	96.43	£8,109,790	8,619,043	94.09
- Accumulation 'U1'	£1,227,014	811,520	151.20	£1,307,652	887,674	147.31
- Accumulation 'U2'	£40,997,821	26,783,260	153.07	£46,336,162	31,069,389	149.14
Quilter Investors Creation Moderate Portfolio						
- Accumulation 'A'	£90,671,863	107,737,690	84.16	£104,445,736	125,041,440	83.53
- Accumulation 'R'	£18,667,902	20,846,726	89.55	£21,260,022	24,073,200	88.31
- Accumulation 'U1'	£1,617,144	1,154,246	140.10	£2,394,227	1,734,814	138.01
- Accumulation 'U2'	£145,215,808	103,683,331	140.06	£166,673,157	120,810,960	137.96
Quilter Investors Monthly Income Portfolio						
- Accumulation 'F'	£62,419,598	58,488,277	106.72	£81,304,244	75,045,225	108.34
- Income 'F'	£48,646,851	52,476,795	92.70	£58,705,621	59,939,959	97.94
- Accumulation 'A'	£2,660,184	2,645,253	100.56	£2,870,904	2,794,294	102.74
- Income 'A'	£10,830,938	11,723,327	92.39	£11,238,299	11,421,310	98.40
- Accumulation 'U1'	£13,340,071	12,597,125	105.90	£12,879,678	11,956,951	107.72
- Income 'U1'	£24,067,292	26,186,359	91.91	£16,433,792	16,882,071	97.34
Quilter Investors Monthly Income and Growth Portfolio						
- Accumulation 'F'	£74,748,644	65,522,703	114.08	£85,361,436	74,948,145	113.89
- Income 'F'	£34,744,533	34,680,620	100.18	£42,293,586	40,741,243	103.81
- Accumulation 'A'	£22,675,481	19,756,198	114.78	£24,858,563	21,556,399	115.32
- Income 'A'	£119,341	114,544	104.19	£599,450	551,005	108.79
- Accumulation 'U1'	£18,288,217	16,142,399	113.29	£18,185,768	16,046,740	113.33
- Income 'U1'	£40,484,113	40,740,241	99.37	£30,210,661	29,266,633	103.23

Cross Holdings

There were no cross holdings held by the sub-funds throughout the year to 30 April 2023 (30 April 2022: No cross holdings).

Securities Financing Transactions Regulation Disclosure

The Company does not currently undertake securities financing transactions (as defined in Article 3 of Regulation (EU) 2015/2365) or use total return swaps.

Statement of the Authorised Corporate Director's Responsibilities

The COLL Sourcebook requires the ACD to prepare financial statements for each annual and semi-annual accounting period which give a true and fair view of the financial position of the Company and of the net revenue and net capital gains or losses on the property of the Company for the year.

In preparing the financial statements the ACD is responsible for:

- selecting suitable accounting policies and then applying them consistently;
- making judgements and estimates that are reasonable and prudent;
- following UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland;
- complying with the disclosure requirements of the SORP for UK Authorised Funds issued by the Investment Association (formerly the Investment Management Association) in May 2014 and as amended in June 2017;
- keeping proper accounting records which enable it to demonstrate that the financial statements as prepared comply with the above requirements;
- assessing the Company and its sub-funds' ability to continue as a going concern, disclosing, as applicable, matters related to going concern;
- using the going concern basis of accounting unless it either intends to liquidate the Company or its sub-funds or to cease operations, or has no realistic alternative but to do so;
- such internal control as it determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; and
- taking reasonable steps for the prevention and detection of fraud and irregularities.

The ACD is responsible for the management of the Company in accordance with its Instrument of Incorporation, the Prospectus and the COLL Sourcebook.

Alternative Investment Fund Managers Directive (AIFMD)

Remuneration Disclosure AIF Annual Report and Accounts

Remuneration Policy

Sub-funds under the Quilter Investors Multi-Asset OEIC umbrella are managed by Quilter Investors Limited ("QIL"), which is a wholly owned subsidiary of Quilter plc.

The board of QIL has established an AIFM Remuneration Policy encompassing the specific requirements of the Alternative Investment Fund Managers Directive (AIFMD). This policy applies to QIL and the Alternative Investment Funds (AIFs) it manages.

Remuneration philosophy and alignment with risk management

QIL's remuneration philosophy is focused on pay for performance, where the performance is delivered within the risk appetite of the firm and the funds it manages. Remuneration is structured in a way to attract, motivate and retain the individuals needed to lead and develop the business. Remuneration structures are designed to support the delivery of QIL's strategy and align the interests of executives, shareholders and customers.

Remuneration is comprised of fixed pay, variable pay (cash bonus with deferral and long-term incentive arrangements for eligible senior managers), non-contributory defined contribution pension and other market competitive benefits. A proportion of the annual bonus is deferred into approved funds or Quilter plc shares. QIL has taken a proportionality assessment which takes into account criteria including but not limited to:

- the conservative and low volatility strategies of the funds it manages;
- the low number of remuneration code staff and risk takers in QIL; and
- the low number of investment strategies and styles and restricted portfolio of funds it manages.

The Remuneration Committee monitors the compensation process and ensures that proposals do not reward senior staff for excessive risk-taking.

The deferred element of the annual bonus vests in equal tranches on an annual basis over three years after award. During the deferral period the unvested bonus award remains at risk of forfeiture or reduction. This helps promote sound risk management and discourage risk taking that exceeds the firm's level of tolerated risk or that of QIL's client funds. Through the use of deferral into funds or shares the interests of staff are closely aligned to the long-term interests of investors and shareholders.

Long-term incentive arrangements are provided in the form of either a performance-based share award or an award of Restricted Stock Units ("RSUs"), which are designed to align senior management reward to the success of the company in achieving its strategic priorities and growing the value of the business. Awards under the plan have a vesting period of three years and are subject to clawback for a further two years.

A copy of the Remuneration Policy is available upon request.

Financial and non-financial criteria

Variable remuneration is based on a rounded assessment of firm and individual performance. The assessment of corporate performance covers both financial and non-financial performance including risk management.

Individual performance is assessed against the individual's objectives and includes an employee's compliance with controls and applicable company standards including the Quilter plc Code of Ethics.

Conflicts of interest

The approach to and management of remuneration contain a number of measures to avoid conflicts of interest.

- Guidance is provided to managers to assist them in determining appropriate remuneration recommendations for their staff. Remuneration proposals are subject to approval by department or functional heads. For senior employees these proposals are subject to moderation as part of a broader Quilter process. No employee may determine their own remuneration.
- Employees engaged in control functions (e.g. Risk, Compliance and Internal Audit) have functional line management structures outside of the business units they oversee to ensure that remuneration decisions are not directly determined by the business units they oversee. Variable remuneration for control function employees is determined on the achievement of meeting their own functional objectives as set in their appraisal.
- The Quilter Remuneration Committee signs off the remuneration of higher paid staff.
- Personal hedging strategies which may undermine the risk alignment of variable remuneration are not permissible (e.g. entering into an arrangement with a third party under which payments will be linked to the person's remuneration or deferred consideration). Personal Account dealing policies are in place, which prohibit dealing on a personal basis or by any connected party, unless it is in compliance with the relevant policy(ies).

Employee remuneration disclosure

The table below provides an overview of the following:

- Aggregate total remuneration of QIL entire staff; and
- Aggregate total remuneration of QIL 'Material Risk Takers' ("MRTs")

The MRTs are those employees who are considered could have a material impact on the risk profile of QIL or the AIFs it manages. This broadly includes senior management, risk takers and control functions. For the purposes of this disclosure, 'MRTs' does not include employees of entities to which activities have been delegated.

Amounts shown reflect payments made during the financial reporting period of QIL.

Alternative Investment Fund Managers Directive (AIFMD) (continued)

	Headcount	Total Remuneration	AIF proportion ³
Quilter Investors Staff¹	100	£7,584,632	£316,390
of which			
Fixed remuneration		£5,745,957	£239,690
Variable remuneration		£1,838,675	£76,700
QIL Material Risk Takers²	12	£10,882,760	£453,969
of which			
Senior Management	5	£7,069,267	£294,891
Other Material Risk Takers	7	£3,813,493	£159,078

1 Total remuneration costs represent the total headcount and costs associated for QIL as at 31 December 2022.

2 The MRTs are those that have been either identified as a Qualitative Risk Taker or Quantitative Risk Taker for the QIL Business as approved by the Remuneration Committee (as at 31 December 2022).

3 This figure represents an apportioned amount of the total remuneration attributable to the sub-funds allocated on an Assets Under Management ("AUM") basis (as at 31 December 2022).

Statement of the Depositary's Responsibilities in Respect of the Scheme and Report of the Depositary to the Shareholders of the Company

for the year from 1 May 2022 to 30 April 2023

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

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

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

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

Citibank UK Limited
Depositary
30 August 2023

Independent auditors' report to the Shareholders of Quilter Investors Multi-Asset OEIC

Report on the audit of the financial statements

Opinion

In our opinion, the financial statements of Quilter Investors Multi-Asset OEIC (the "Company"):

- give a true and fair view of the financial position of the Company and each of the sub-funds as at 30 April 2023 and of the net revenue and the net capital gains/losses on the scheme property of the Company and each of the sub-funds for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law), the Statement of Recommended Practice for UK Authorised Funds, the Collective Investment Schemes sourcebook and the Instrument of Incorporation.

Quilter Investors Multi-Asset OEIC is an Open Ended Investment Company ('OEIC') with 7 sub-funds. The financial statements of the Company comprise the financial statements of each of the sub-funds. We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the balance sheets as at 30 April 2023; the statements of total return, the statements of change in net assets attributable to shareholders for the year then ended; the distribution tables; the Accounting policies; and the notes to the financial statements.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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 or any sub-funds' ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements are authorised for issue.

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

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Company's or any sub-funds' ability to continue as a going concern.

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

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The Authorised Corporate Director is responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, 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 audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

Based on our work undertaken in the course of the audit, the Collective Investment Schemes sourcebook requires us also to report certain opinions as described below.

Authorised Corporate Director's Report

In our opinion, the information given in the Authorised Corporate Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Responsibilities for the financial statements and the audit

Responsibilities of the Authorised Corporate Director for the financial statements

As explained more fully in the Statement of the Authorised Corporate Director's Responsibilities, the Authorised Corporate Director is responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Authorised Corporate Director is also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Authorised Corporate Director is responsible for assessing the Company's and each of the sub-funds ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the Authorised Corporate Director either intends to wind up or terminate the Company or individual sub-fund, or has no realistic alternative but to do so.

Independent auditors' report to the Shareholders of Quilter Investors Multi-Asset OEIC (continued)

Auditors' 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 auditors' 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.

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

Based on our understanding of the Company/industry, we identified that the principal risks of non-compliance with laws and regulations related to breaches of the Collective Investment Schemes sourcebook, and we considered the extent to which non-compliance might have a material effect on the financial statements, in particular those parts of the sourcebook which may directly impact on the determination of amounts and disclosures in the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase revenue or to increase the net asset value of the Company or the sub-funds. Audit procedures performed included:

- Discussions with the Authorised Corporate Director, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reviewing relevant meeting minutes, including those of the Authorised Corporate Director's board of directors;
- Identifying and testing journal entries, specifically any journals posted as part of the financial year end close process; and
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

Use of this report

This report, including the opinions, has been prepared for and only for the Company's shareholders as a body in accordance with paragraph 4.5.12 of the Collective Investment Schemes sourcebook as required by paragraph 67(2) of the Open-Ended Investment Companies Regulations 2001 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Opinion on matter required by the Collective Investment Schemes sourcebook

In our opinion, we have obtained all the information and explanations we consider necessary for the purposes of the audit.

Collective Investment Schemes sourcebook exception reporting

Under the Collective Investment Schemes sourcebook we are also required to report to you if, in our opinion:

- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records.

We have no exceptions to report arising from this responsibility.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Edinburgh
30 August 2023

Quilter Investors Creation Adventurous Portfolio

Launch date	3 July 2017
IA Sector	Flexible Investment
Investment Manager	Quilter Investors Limited
Net asset value	£2,440,170

Objective

To achieve capital growth over a period of five years or more.

The portfolio is diversified across asset classes, with exposure to equities between 80% and 100% and with volatility of between 15% and 19%.*

*The volatility range is a target, based on long term actuarial assumptions and the sub-fund is managed to stay within this range most of the time. The volatility range is regularly reviewed and may change from time to time due to changes in these assumptions.

Policy

The sub-fund invests in a diversified portfolio of assets. It is expected that exposure will be to equities, fixed income, cash, money market instruments and currencies. Such investment will be made either directly by investing in such instruments or indirectly by investing in collective investment schemes. In addition, the portfolio may indirectly hold property and commodities by investing in collective investment schemes, transferable securities and derivatives. The collective investment schemes in which the sub-fund invests may include schemes which are managed or operated by the ACD or an associate of the ACD.

The sub-fund targets a volatility level reflective of its asset allocation.

The sub-fund may use derivative instruments for investment purposes or Efficient Portfolio Management. The use of derivatives for the purpose of investment may affect the risk profile of the sub-fund although this is not the ACD's intention. The use of derivatives for Efficient Portfolio Management is unlikely to affect the risk profile of the sub-fund.

Investment Manager's review

Market Review

At the start of the review period, global stock markets fell as investors became increasingly concerned that interest rate rises driven by persistent inflation would cause a recession. Inflation climbed to multi-decade highs, particularly in the US and UK, where consumer prices increased at the fastest pace for 40 years, prompting interest-rate hikes from major central banks. Inflation remained elevated largely due to energy prices, which stayed high as the war in Ukraine continued.

The US Federal Reserve ("Fed") increased interest rates by 0.5% in May and 0.75% in June to bring its benchmark rate to 1.75%. US stock markets jumped in July on hopes that the Fed may consider cutting interest rates in 2023, owing to fears around slowing economic growth. However, such hopes were dashed in August as the Fed crystallised its commitment to raising interest rates.

The European Central Bank ("ECB") was forced to raise interest rates twice – its first upward move in over a decade. The ECB hiked interest rates by 0.75% in October, as euro area annual inflation was forecast to come in at 10.7%, up from 9.9% the previous month. The Bank of England's ("BoE") more cautious approach to rate rises, compared with the Fed, contributed to sterling weakness during the period.

The US was the top performing region, despite disappointing financial results from some of the tech giants, including Meta (Platforms (formally named Facebook) and Amazon. Meanwhile, UK and European equity markets stabilised in the second half of the review period.

Emerging market equities declined, as emerging market economies were buffered by both inflation and the slowdown in economic growth. In China, negative sentiment surrounding the country's zero-COVID policy also weighed on equity markets.

Widespread inflation and expectations of further interest-rate hikes globally meant that bond markets suffered. In the UK, September's mini-budget sparked a mass sell-off with questions over its fiscal sustainability triggering a sharp rise in UK gilt yields, forcing the BoE to intervene to calm the market. In the US, bond markets began pricing in the Fed's next 0.75% rate hike.

In the latter half of the review period, growth stocks generally outperformed value stocks and larger companies outperformed smaller ones. This difference was most stark in US markets where mega cap tech companies such as Meta more than doubled, driving the NASDAQ 100 Index to a 6.4% gain in Sterling. Conversely the Russell 200 Index, representative of small and medium sized companies, fell 12.0% in Sterling.

Fixed Income generally delivered small but positive returns. Medium and long-term Interest rates stabilised as investors looked forward to the end of central bank policy rate hikes and credit spreads for corporate bonds tightened in lockstep with the rising equity markets.

Performance Review

Over the twelve-month period under review, the sub-fund outperformed the Performance Comparator and returned 2.83%. The sub-fund ended the year in the first quartile of its peer group.

The speed and magnitude of the moves in government bond markets were notable during the period and were the result of continued heightened levels of inflation, as well as the desire for central banks to raise rates to get inflation levels back to target.

The portfolio's underweight to expensive government bonds – particularly at the lower-risk end – helped to mitigate losses.

It was, generally, a period in which equity managers with a value style outperformed those more focussed on growth. However, what had more impact in the portfolios was the weakness within the small-cap space, particularly in the UK.

It was a tumultuous period for the UK, with two changes in government leadership over the period, including the calamitous 'mini budget', which sparked weakness in sterling and increases in bond yields.

Against this backdrop, expectations shifted to a more challenged domestic growth picture which, in turn, fed into weakness in the domestic-facing smaller cap stock market. Managers with more of a bias in this space, like Quilter Investors UK Equity Mid Cap Growth, were the weak performers – this fund fell 19.2% respectively, versus the FTSE All Share's 6.3% decline.

Fixed income was a challenge for the portfolios, although the lower exposure to government bonds and minimal risky bond exposure helped the portfolios to avoid losses. Alternatives also softened losses, with positive returns from long/short fixed income managers and relative outperformance from infrastructure holdings. There was, however, weakness from long/short equity managers and commodity exposures.

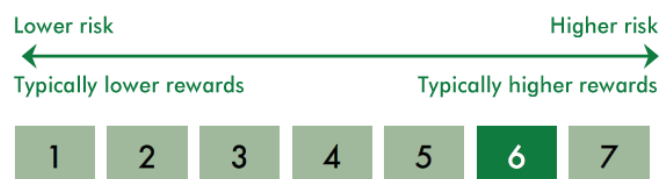
In the second half of the period, the portfolios' bond exposures contained an overweight to US Dollar denominated bonds and an underweight to Sterling denominated bonds (relative to the peer groups) and this was one of the key drivers of positive performance.

During this time, equity markets broadly rallied when the returns in GBP were considered, with all regions up between 6% and 18%, apart from the US market (MSCI North America total return in GBP was -1.2% over the period) due to the strength of the pound/weakness of the dollar. The portfolios' relatively low weight to US equities was a tailwind here. The portfolios best performing equity holding was the Quilter Investors Europe (ex UK) fund managed by Janus Henderson, which rallied 16.5% in Sterling in a strong environment for European equities as a warm winter meant less pressure on gas prices and gas storage reserves as the continent tried to wean itself off Russian fuel.

Alternatives were marginally positive over the period with the best performance coming from the Allianz Fixed Income Macro Fund, whose global interest rate positioning contributed positively over the period.

Quilter Investors Creation Adventurous Portfolio

Risk and Reward Profile



The calculated risk and reward category, as shown above, uses a method of calculation derived from EU rules. It is based on the rate at which the returns of the sub-fund have moved up and down in the past (i.e. volatility) and is not a guide to the future risk and reward category of the sub-fund. The category shown is not a target or guarantee and may shift over time. Even the lowest category 1 does not mean a risk-free investment. The seven-category scale is nonlinear, for example, 2 is not twice as risky as 1.

Sub-funds in category 6 have in the past shown relatively high volatility. With a sub-fund of category 6, you have a relatively high risk of losing money but your chance for gains is also relatively high.

Investment risk - there is no guarantee that the sub-fund will achieve its objective. A capital loss of some or all of the amount invested may occur.

Strategy risk - as the sub-fund invests in other collective investment schemes, which themselves invest in assets such as bonds, company shares, cash and currencies, it will be subject to the collective risks of these other sub-funds. This may include emerging markets risk, sub-investment grade bond credit risk and smaller companies risk.

Company shares (i.e. equities) risk - the value of company shares may rise and fall due to the performance of individual companies or because of general market and economic conditions.

Emerging markets risk - less developed countries may face more political, economic or structural challenges than developed countries.

Credit risk - the issuer of a bond or a similar investment within the sub-fund may not pay income or repay capital to the sub-fund when due. Bonds which are rated below investment grade are considered to have a higher risk exposure with respect to meeting their payment obligations.

Interest rate risk - investments in bonds are affected by interest rates and inflation trends which may affect the value of the sub-fund.

Liquidity risk - some investments may become hard to value or sell at a desired time and price. In extreme circumstances this may affect the sub-fund's ability to meet redemption requests upon demand.

Currency risk - the sub-fund is denominated in British Pounds but may hold assets denominated in, or with exposure to, other currencies. The value of your shares may rise and fall as a result of exchange rate movements.

Derivative risk - the sub-fund may use derivatives for investment purposes and/or for Efficient Portfolio Management (EPM). Using derivatives can involve a higher level of risk. A small movement in the price of an underlying investment may result in a disproportionately large movement in the price of the derivative investment. Derivatives also involve counterparty risk where the institutions acting as counterparty to derivatives may not meet their contractual obligations.

Capital erosion risk - the sub-fund takes its charges from the income of the sub-fund in the first instance. The impact of sub-fund charges may be material on the value of any income you receive from your investment. There is potential for capital erosion if insufficient income is generated by the sub-fund to cover these charges. Capital erosion may have the effect of reducing the level of income generated.

For a more detailed explanation of risks, please refer to the "Risks" section of the Prospectus.

Performance records

Comparative Tables

Accumulation 'A'	1 May 2022 to 30 April 2023 p/share	1 May 2021 to 30 April 2022 p/share	1 May 2020 to 30 April 2021 p/share
Change in net assets per share			
Opening net asset value per share	122.45	124.25	96.01
Return before operating charges*	5.16	0.53	30.27
Operating charges**	(2.24)	(2.33)	(2.03)
Return after operating charges*	2.92	(1.80)	28.24
Distributions	(0.80)	(0.24)	(0.16)
Retained distributions	0.80	0.24	0.16
Closing net asset value per share	125.37	122.45	124.25
* after direct transaction costs of***	-	-	-
Performance			
Return after charges	2.38%	(1.45)%	29.41%
Other information			
Closing net asset value (£)	1,296,928	1,313,934	1,260,973
Closing number of shares	1,034,509	1,073,066	1,014,866
Operating charges****	1.85%	1.85%	1.85%
Direct transaction costs***	-	-	-
Prices	pence per share	pence per share	pence per share
Highest share price	129.4	132.4	124.4
Lowest share price	113.1	114.4	93.26
Accumulation 'R'	1 May 2022 to 30 April 2023 p/share	1 May 2021 to 30 April 2022 p/share	1 May 2020 to 30 April 2021 p/share
Change in net assets per share			
Opening net asset value per share	126.92	127.85	98.06
Return before operating charges*	5.39	0.50	31.03
Operating charges**	(1.39)	(1.43)	(1.24)
Return after operating charges*	4.00	(0.93)	29.79
Distributions	(1.78)	(1.18)	(0.90)
Retained distributions	1.78	1.18	0.90
Closing net asset value per share	130.92	126.92	127.85
* after direct transaction costs of***	-	-	-
Performance			
Return after charges	3.15%	(0.73)%	30.38%
Other information			
Closing net asset value (£)	248,968	264,403	195,161
Closing number of shares	190,169	208,326	152,650
Operating charges****	1.10%	1.10%	1.10%
Direct transaction costs***	-	-	-
Prices	pence per share	pence per share	pence per share
Highest share price	134.9	136.8	128.0
Lowest share price	117.5	118.5	95.25

Performance records (continued)

Comparative Tables (continued)

Accumulation 'U1'†	1 May 2021 to 30 April 2022 p/share	1 May 2020 to 30 April 2021 p/share
Change in net assets per share		
Opening net asset value per share	129.26	98.81
Return before operating charges*	(2.60)	31.46
Operating charges**	(0.07)	(1.01)
Return after operating charges*	(2.67)	30.45
Distributions	-	(1.03)
Retained distributions	-	1.03
Redemption value	(126.59)	-
Closing net asset value per share	-	129.26
* after direct transaction costs of***	-	-
Performance		
Return after charges	(2.07)%	30.82%
Other information		
Closing net asset value (£)	-	1,025
Closing number of shares	-	793
Operating charges****	0.95%	0.95%
Direct transaction costs***	-	-
Prices	pence per share	pence per share
Highest share price	129.8	129.4
Lowest share price	125.0	95.99

Accumulation 'U2'	1 May 2022 to 30 April 2023 p/share	1 May 2021 to 30 April 2022 p/share	1 May 2020 to 30 April 2021 p/share
Change in net assets per share			
Opening net asset value per share	127.86	128.62	98.49
Return before operating charges*	5.43	0.48	31.20
Operating charges**	(1.20)	(1.24)	(1.07)
Return after operating charges*	4.23	(0.76)	30.13
Distributions	(1.98)	(1.38)	(1.08)
Retained distributions	1.98	1.38	1.08
Closing net asset value per share	132.09	127.86	128.62
* after direct transaction costs of***	-	-	-
Performance			
Return after charges	3.31%	(0.59)%	30.59%
Other information			
Closing net asset value (£)	894,274	951,972	737,099
Closing number of shares	677,010	744,532	573,094
Operating charges****	0.95%	0.95%	0.95%
Direct transaction costs***	-	-	-
Prices	pence per share	pence per share	pence per share
Highest share price	136.1	137.7	128.8
Lowest share price	118.4	119.3	95.67

† The share class closed on 15 June 2021.

** The operating charges include all costs borne by the sub-fund, except for direct transaction costs. They include the operating charges of any collective investment schemes in which the sub-fund invests.

*** The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties. They do not include any difference between the quoted bid and offer prices or internal administrative or holding costs. These costs arise as a result of transactions undertaken both for efficient portfolio management and the meeting of the sub-fund's objectives. These costs exclude any effect of dilution adjustments used to offset the costs.

**** The operating charges percentage is the ratio of the sub-fund's ongoing charges (including the ongoing charges of any collective investment schemes in which the sub-fund invests but excluding interest on borrowings) to the average net assets of the sub-fund. This includes a synthetic element of 0.28% (30.04.2022 - 0.27%) (30.04.2021 - 0.27%) to incorporate the ongoing charge figures of the underlying sub-funds.

Performance

	1 year to 30 April 2023	3 years to 30 April 2023	5 years to 30 April 2023
Quilter Investors Creation Adventurous Portfolio*	2.83%	33.52%	26.47%
Relative to IA Flexible Investment (sector average)	4.21%	11.26%	5.53%
Quartile ranking	1	1	2

* Accumulation 'R' shares

Data Source – FactSet. Figures are calculated on a total return and single price basis, with net income reinvested into the sub-fund.

Portfolio allocation	Percentage of total net assets	Major holdings	Percentage of total net assets
Collective Investment Schemes Overseas Equities	70.61	Quilter Investors Global Dynamic Equity Fund - A Accumulation	17.58
Collective Investment Schemes United Kingdom Equities	28.40	iShares UK Equity Index Fund (UK) - L Accumulation	16.92
		iShares Continental European Equity Index Fund (UK) - L Accumulation	12.29
Net other assets	0.99	iShares North American Equity Index Fund (UK) - L Accumulation	4.75
Total	100.00	iShares Japan Equity Index Fund (UK) - L Accumulation	4.30
Asset allocation		JO Hambro UK Dynamic Fund - B Accumulation	3.16
		M&G Japan Fund - I Accumulation (GBP)	3.12
Collective Investment Schemes	99.01	Quilter Investors UK Equity Large-Cap Income Fund - U2 Accumulation	3.11
Net other assets	0.99	Fidelity Asia Pacific Opportunities Fund - W Accumulation	2.71
		Liontrust UK Growth Fund	2.67
Total	100.00	Number of holdings	26

Portfolio statement

as at 30 April 2023

Holding	Investment	Market Value £'000	Percentage of total net assets %
Collective Investment Schemes 99.01% (30 April 2022 98.76%)			
Liquidity Funds 0.00% (30 April 2022 0.00%)†			
2	BlackRock Institutional Cash Series Sterling Ultra Short Bond Fund - J Accumulation*	-	-
2	BlackRock Institutional Sterling Liquidity Fund - Premier Accumulation*	-	-
United Kingdom Equities 28.40% (30 April 2022 29.09%)			
148,549	iShares UK Equity Index Fund (UK) - L Accumulation	413	16.92
22,599	JO Hambro UK Dynamic Fund - B Accumulation	77	3.16
51,098	Liontrust UK Growth Fund	65	2.67
45,466	Quilter Investors UK Equity Large-Cap Income Fund - U2 Accumulation¥	76	3.11
48,392	Quilter Investors UK Equity Mid-Cap Growth Fund - A Accumulation¥	62	2.54
		693	28.40
Overseas Equities 70.61% (30 April 2022 69.67%)			
33,645	BNY Mellon US Equity Income Fund - F Accumulation	53	2.17
23,824	Fidelity Asia Pacific Opportunities Fund - W Accumulation	66	2.71
85,885	iShares Continental European Equity Index Fund (UK) - L Accumulation	300	12.29
7,683	iShares Edge MSCI Europe Value Factor UCITS ETF	51	2.09
22,214	iShares Emerging Markets Equity Index Fund (UK) - L Accumulation	39	1.60
40,274	iShares Japan Equity Index Fund (UK) - L Accumulation	105	4.30
8,347	iShares MSCI World Health Care Sector ESG UCITS ETF	48	1.97
19,847	iShares North American Equity Index Fund (UK) - L Accumulation	116	4.75
2,688	Jupiter Global Emerging Markets Focus Fund - U2 Accumulation (GBP)	49	2.01
2,382	M&G Japan Fund - I Accumulation (GBP)	76	3.12
15,575	Premier Miton European Opportunities Fund - F Accumulation	44	1.80
23,080	Quilter Investors Emerging Markets Equity Growth Fund - U2 Accumulation¥	47	1.93
22,435	Quilter Investors Europe (ex UK) Equity Fund - U2 Income¥	48	1.97
268,118	Quilter Investors Global Dynamic Equity Fund - A Accumulation¥	429	17.58
18,094	Quilter Investors Global Equity Growth Fund - U2 Accumulation¥	51	2.09
23,554	Quilter Investors Global Equity Value Fund - U2 Accumulation (GBP) ¥	61	2.50
26,476	Quilter Investors US Equity Growth Fund - U2 Accumulation¥	62	2.54
9,610	Schroder Oriental Income Fund	25	1.02
4,317	Wellington Durable Enterprises Fund - T Accumulation (USD)	53	2.17
		1,723	70.61
Investment assets		2,416	99.01
Net other assets		24	0.99
Total net assets		2,440	100.00

† Cash equivalents.

* Market value less than £500.

¥ Managed by Quilter Investors Limited.

All investments are approved securities being either officially listed in a member state or traded on or under the rules of an eligible securities market or collective investment schemes permitted under the COLL Sourcebook.

Portfolio statement (continued)

as at 30 April 2023

Analysis of investments by asset class

	Market Value £'000	Percentage of total net assets %
Collective Investment Schemes	2,292	93.93
Equities	124	5.08
Portfolio of investments	2,416	99.01
Net other assets	24	0.99
Total net assets	2,440	100.00

Summary of material purchases and sales

for the year from 1 May 2022 to 30 April 2023

Purchases	Cost £'000	Sales	Proceeds £'000
iShares UK Equity Index Fund (UK) - L Accumulation	190	Jupiter UK Alpha Fund - I Accumulation	165
iShares North American Equity Index Fund (UK) - L Accumulation	135	Quilter Investors Global Dynamic Equity Fund - A Accumulation	165
JO Hambro UK Dynamic Fund - B Accumulation	82	Quilter Investors UK Equity Mid-Cap Growth Fund - A Accumulation	124
Liontrust UK Growth Fund	67	iShares UK Equity Index Fund (UK) - L Accumulation	95
iShares Continental European Equity Index Fund (UK) - L Accumulation	67	iShares Continental European Equity Index Fund (UK) - L Accumulation	76
Quilter Investors Global Dynamic Equity Fund - A Accumulation	63	Wellington Durable Enterprises Fund - T Accumulation (USD)	70
Quilter Investors Global Equity Value Fund - U2 Accumulation (GBP)	63	Quilter Investors Europe (ex UK) Equity Fund - U2 Income	66
iShares Edge MSCI Europe Value Factor UCITS ETF	55	Quilter Investors Global Equity Growth Fund - U2 Accumulation	62
Premier Miton European Opportunities Fund - F Accumulation	46	Fidelity Asia Pacific Opportunities Fund - W Accumulation	52
iShares Japan Equity Index Fund (UK) - L Accumulation	33	iShares MSCI World Health Care Sector ESG UCITS ETF	44

Statement of total return

for the year from 1 May 2022 to 30 April 2023

	Note	01.05.22 to 30.04.23 £'000	01.05.22 to 30.04.23 £'000	01.05.21 to 30.04.22 £'000	01.05.21 to 30.04.22 £'000
Income					
Net capital gains/(losses)	2		42		(46)
Revenue	3	46		36	
Expenses	4	(27)		(29)	
Net revenue before taxation		19		7	
Taxation	5	-		-	
Net revenue after taxation			19		7
Total return before distributions			61		(39)
Distributions	6		(25)		(15)
Change in net assets attributable to shareholders from investment activities			36		(54)

Statement of change in net assets attributable to shareholders

for the year from 1 May 2022 to 30 April 2023

	01.05.22 to 30.04.23 £'000	01.05.22 to 30.04.23 £'000	01.05.21 to 30.04.22 £'000	01.05.21 to 30.04.22 £'000
Opening net assets attributable to shareholders		2,530		2,194
Amounts received on issue of shares	173		978	
Amounts paid on cancellation of shares	(324)		(604)	
		(151)		374
Dilution adjustment		-		1
Change in net assets attributable to shareholders from investment activities		36		(54)
Retained distributions on accumulation shares		25		15
Closing net assets attributable to shareholders		2,440		2,530

The notes on pages 24 to 31 form an integral part of these financial statements.

Balance sheet

as at 30 April 2023

	Note	30.04.23 £'000	30.04.22 £'000
Assets			
Fixed assets			
Investments		2,416	2,499
Current assets			
Debtors	7	107	5
Cash and bank balances	8	14	39
Total assets		2,537	2,543
Liabilities			
Creditors			
Other creditors	9	(97)	(13)
Total liabilities		(97)	(13)
Net assets attributable to shareholders		2,440	2,530

The notes on pages 24 to 31 form an integral part of these financial statements.

Notes to the financial statements

for the year from 1 May 2022 to 30 April 2023

1 Accounting policies

The applicable accounting policies adopted by the Quilter Investors Creation Adventurous Portfolio are included on pages 183 to 184.

2 Net capital gains/(losses)

	01.05.22 to 30.04.23 £'000	01.05.21 to 30.04.22 £'000
The net capital gains/(losses) on investments comprise:		
Gains/(losses) on non-derivative securities	40	(52)
(Losses)/gains on derivative contracts	(1)	5
Gains/(losses) on forward currency contracts	1	(1)
Gains on currency contracts	1	-
Authorised Corporate Director's capitalised fee rebates	1	2
Net capital gains/(losses) on investments	42	(46)
Realised gains*	32	222
Unrealised gains/(losses)*	8	(270)
Total realised/unrealised gains/(losses)	40	(48)

* Where realised gains include gains/losses arising in previous periods, a corresponding loss/gain is included in unrealised gains/(losses).

3 Revenue

	01.05.22 to 30.04.23 £'000	01.05.21 to 30.04.22 £'000
Authorised Corporate Director's fee rebates	10	11
Franked distributions on Collective Investment Schemes	33	23
Non-taxable distributions on Offshore Funds	1	2
Taxable distributions on Offshore Funds	1	-
UK dividends	1	-
Total revenue	46	36

4 Expenses

	01.05.22 to 30.04.23 £'000	01.05.21 to 30.04.22 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Fixed Ongoing Charge*	27	29
Total expenses	27	29

* These figures represent the Fixed Ongoing Charge, exclusive of the synthetic element, which covers all fees payable by the sub-fund to the Authorised Corporate Director, Depositary (including associates etc.) and other expenses. The Audit fee for the year, excluding VAT, was £13,750 (30 April 2022: £12,500).

Notes to the financial statements (continued)

for the year from 1 May 2022 to 30 April 2023

5 Taxation

a) Analysis of tax charge in the year

	01.05.22 to 30.04.23 £'000	01.05.21 to 30.04.22 £'000
Overseas tax suffered	-	-
Total current tax charge for the year	-	-
Deferred tax charge for the year (see note 5(c))	-	-
Total taxation for the year (see note 5(b))	-	-

b) Factors affecting tax charge for the year

	01.05.22 to 30.04.23 £'000	01.05.21 to 30.04.22 £'000
The taxation assessed for the year is lower (2022: lower) than the standard rate of corporation tax in the UK for an open-ended investment company 20% (2022: 20%). The differences are explained below:		
Net revenue before taxation	19	7
Corporation tax at 20% (2022: 20%)	4	1
Effects of:		
Capitalised revenue subject to taxation	-	1
Excess management expenses for which no relief is taken	3	3
Revenue not subject to taxation – UK	(7)	(5)
Total tax charge for the year (see note 5(a))	-	-

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

c) Movement in deferred tax liability

	01.05.22 to 30.04.23 £'000	01.05.21 to 30.04.22 £'000
Deferred tax liability at the start of the year	-	-
Deferred tax charge for the year (see note 5(a))	-	-
Deferred tax liability at the end of the year	-	-

At 30 April 2023 the sub-fund had surplus management expenses of £85,594 (30 April 2022: £69,889) which can be utilised against profits chargeable to corporation tax in future years. It is unlikely that the sub-fund will generate sufficient taxable profits in the future to utilise these expenses and, therefore, no deferred tax asset has been recognised.

Notes to the financial statements (continued)

for the year from 1 May 2022 to 30 April 2023

6 Distributions

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

	01.05.22 to 30.04.23 £'000	01.05.21 to 30.04.22 £'000
Interim – Accumulation shares (31 October)	17	9
Final – Accumulation shares (30 April)	8	6
	25	15
Revenue deducted on cancellation of shares	1	1
Revenue received on issue of shares	(1)	(1)
Total distribution	25	15
Reconciliation of distributions:		
Net revenue after taxation	19	7
Equalisation on Collective Investment Schemes	6	8
Total distribution	25	15

Details of the interim and final distributions per share are set out in the tables on page 32.

7 Debtors

	30.04.23 £'000	30.04.22 £'000
Accrued Authorised Corporate Director's fee rebates	2	2
Accrued revenue	-	1
Amount receivable on issue of shares	105	-
Sales awaiting settlement	-	2
Total debtors	107	5

8 Cash and bank balances

	30.04.23 £'000	30.04.22 £'000
Cash and bank balances	14	39
Total cash and bank balances	14	39

Notes to the financial statements (continued)

for the year from 1 May 2022 to 30 April 2023

9 Other creditors

	30.04.23 £'000	30.04.22 £'000
Accrued expenses	2	3
Purchases awaiting settlement	95	10
Other creditors	97	13

10 Related party transactions

Quilter Investors Limited, as ACD, is a related party, and acts as principal in respect of all transactions of shares in each sub-fund. The aggregate monies received on issue and paid on cancellation are disclosed in the Statement of change in net assets attributable to shareholders on page 22. Any amounts due to or from the ACD at the end of the accounting year in respect of transactions of shares in each sub-fund are disclosed in notes 7 and 9. Amounts paid to the ACD in respect of expenses are disclosed in note 4 and amounts due to it at the year end are disclosed in note 9. A portion of the authorised corporate director's fee rebates received by the sub-fund are from investment funds managed by Quilter Investors Limited. During the year £8,000 (2022: £10,000) has been recognised and is included in the total rebate amounts disclosed in notes 2 and 3. The balance due to the sub-fund at the year end in respect of this amounted to £1,000 (2022: £1,000) and is included in the total rebate amount disclosed in note 7. The sub-fund recognised £6,000 (2022: £4,000) gross revenue from investment funds managed by Quilter Investors Limited. The balance due at the year end in respect of the gross revenue amounted to £1,000 (2022: £Nil). Details of the investments held at the year end are identified in the portfolio statement.

11 Derivatives and other financial instruments

a) Financial instrument risk

The sub-fund has little direct exposure to credit or cash flow risk. The sub-fund is indirectly exposed to credit risk through the bond funds in which it invests. There are no material borrowings or unlisted securities and so little exposure to liquidity risk.

The main risks it faces arising from its financial instruments are (i) interest rate risk, and (ii) other price risk, being the risk that the value of investment holdings will fluctuate as a result of changes in market prices caused by factors other than interest rate movements. In addition, the sub-fund may hold financial instruments such as forward currency contracts, futures or options contracts for the purpose of efficient portfolio management.

These risks are monitored by the Investment Manager in pursuance of the investment objectives and policy set out in page 14.

Adherence to the investment guidelines and the investment and borrowing powers as set out in the Prospectus and in the rules of the COLL Sourcebook also mitigates the risk of excessive exposure to any particular type of security or issuer.

The Investment Manager regularly considers the asset allocation of the portfolio in order to minimise the risk associated with particular market or industry sectors. Stock selection is based on financial, market and sector analysis.

b) Market risk

i) Foreign currency risk

A proportion of the sub-fund's financial assets and liabilities are invested overseas. As a result, movements in exchange rates may affect the market price of investments and, due to timing differences between the transaction dates of investment sales, purchases and income, and actual cash settlement, create currency exchange gains/losses. The Investment Manager does seek to reduce some of this risk by using forward currency contracts.

The foreign currency exposure of the sub-fund as at 30 April 2023 was as follows:

Currency	Net foreign currency assets			Net foreign currency assets		
	Monetary	Non-monetary	Total	Monetary	Non-monetary	Total
	exposures*	exposures		exposures*	exposures	
	30.04.23 £'000	30.04.23 £'000	30.04.23 £'000	30.04.22 £'000	30.04.22 £'000	30.04.22 £'000
Euro	-	51	51	-	-	-
US dollar	-	101	101	-	189	189
Total	-	152	152	-	189	189

* For the purpose of the above disclosure, monetary is taken to include only cash or near-cash items.

Notes to the financial statements (continued)

for the year from 1 May 2022 to 30 April 2023

11 Derivatives and other financial instruments (continued)

b) Market risk (continued)

ii) Interest rate risk

Interest rate risk is the risk of movements in the value of financial instruments as a result of fluctuations in interest rates.

The interest rate risk profile of the sub-fund's financial assets and liabilities at 30 April 2023 was as follows:

Currency	Variable rate financial assets £'000	Fixed rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
30.04.23				
Euro	-	-	51	51
Sterling	14	-	2,371	2,385
US dollar	-	-	101	101
Total	14	-	2,523	2,537

Currency	Variable rate financial assets £'000	Fixed rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
30.04.22				
Sterling	39	-	2,315	2,354
US dollar	-	-	189	189
Total	39	-	2,504	2,543

Currency	Variable rate financial liabilities £'000	Financial liabilities not carrying interest £'000	Total £'000
30.04.23			
Sterling	-	(97)	(97)
Total	-	(97)	(97)

Currency	Variable rate financial liabilities £'000	Financial liabilities not carrying interest £'000	Total £'000
30.04.22			
Sterling	-	(13)	(13)
Total	-	(13)	(13)

iii) Other price risk

Other price risk arises from uncertainty about future prices of financial instruments held. The main source of risk to the sub-fund is the potential movement in the value of financial instruments held as a result of price fluctuations. Stock market prices can move erratically and be unpredictably affected by diverse factors including political and economic events but also rumours and sentiment. The ACD adheres to the investment guidelines and borrowing powers set out within the Prospectus and the COLL Sourcebook. In this way the ACD monitors and controls the exposure to risk from any type of security, sector or issuer. The sub-fund may also use derivative instruments to mitigate risk and reduce cost.

c) Credit risk

Credit risk is the risk of suffering loss due to another party not meeting its financial obligation. The risk is managed by the Investment Manager who monitors the credit profile of financial instruments in accordance with the objective and policy of the sub-fund.

Adherence to the investment guidelines and the investment and borrowing powers as set out in the Prospectus and in the rules of the COLL Sourcebook also mitigates the risk of excessive exposure to any particular type of security or issuer.

d) Counterparty risk

Certain transactions in financial instruments that a sub-fund enters into have the risk that the counterparty will not meet its financial obligations, i.e. the investment (purchase) or cash (sale) after the sub-fund has fulfilled its responsibilities.

The sub-fund will only buy and sell investments through brokers which have been approved by the ACD and Investment Manager as an acceptable counterparty. This is overseen by the Depositary to ensure that the exposure to any counterparty remains appropriate for investors.

e) Liquidity risk

The sub-fund's assets comprise mainly of readily realisable securities which can be sold promptly to meet liquidity requirements. The main source of this risk comes from the obligation to shareholders to meet any cancellation of shares. Assets from a sub-fund may need to be sold to meet any redemption proceeds. As part of its operating duties the ACD regularly monitors the liquidity levels held on each sub-fund (cash and underlying securities) to ensure any redemptions can be readily met. Some investments may be less liquid than other securities and can be more sensitive to economic factors. The rules of the COLL Sourcebook mitigate the risk of excessive exposure to assets which are not readily realisable.

Notes to the financial statements (continued)

for the year from 1 May 2022 to 30 April 2023

11 Derivatives and other financial instruments (continued)

f) Fair value of financial assets and financial liabilities

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

Basis of valuation	30.04.23		30.04.22	
	Assets £'000	Liabilities £'000	Assets £'000	Liabilities £'000
Level 1: Quoted prices	124	-	89	-
Level 2: Observable market data	2,292	-	2,410	-
Level 3: Unobservable data	-	-	-	-
Total	2,416	-	2,499	-

g) Sensitivity analysis

The Investment Manager assesses the market risk of the Quilter Investors Creation Adventurous Portfolio, including any derivative exposures, using an absolute Value at Risk ('VaR') methodology. VaR is a process that provides the Investment Manager with an estimate of the maximum potential loss that could be expected to occur as a result of changes in market prices over a given period of time in all but a given percentage of circumstances. As the sub-fund adopts an absolute VaR Model to measure the global market risk, the daily VaR limit for the sub-fund cannot be greater than 20% of the Net Asset Value of the sub-fund. The VaR is calculated using a one-tailed 99 per cent confidence level, a one month holding period and the historical period of one year (250 Business Days). Derivatives are used to efficiently manage the tactical asset allocation positioning of the sub-fund, Quilter Investors Creation Adventurous Portfolio. The sub-fund uses absolute methodology to measure Value at Risk (VaR). The VaR for the sub-fund at 30 April 2023 was 8.83% (30 April 2022: 14.27%).

The minimum, average and maximum VaR of the sub-fund over the year was 8.54%, 9.74% and 10.41% (30 April 2022: 13.96%, 14.17% and 14.45%).

The Gross sum of notionals ("GSON") leverage figures are prepared with no hedging or netting of any asset class. Across the range of asset classes exposures are treated differently. For instance, currency forwards are treated by valuing both legs of the underlying and expressing them as a percentage of the NAV. Physical assets are excluded to get the incremental exposure resulting from derivatives.

The sub-fund is limited to 200% gross leverage. Using the GSON methodology, the average leverage for the year ended 30 April 2023 was 0.00% (30 April 2022: 0.00%).

Leverage figures for fund of funds do not include a look through of the funds held.

12 Contingent liabilities

The sub-fund had no contingent liabilities at the balance sheet date (30 April 2022: £Nil).

Notes to the financial statements (continued)

for the year from 1 May 2022 to 30 April 2023

13 Portfolio transaction costs

Analysis of total purchase costs	Value	Commissions		Other costs	
01.05.22 to 30.04.23	£'000	£'000	%	£'000	%
Collective Investment Schemes	1,003	-	-	-	-
Total	1,003	-		-	
Total purchases including transaction costs	1,003				

Analysis of total purchase costs	Value	Commissions		Other costs	
01.05.21 to 30.04.22	£'000	£'000	%	£'000	%
Collective Investment Schemes	1,933	-	-	-	-
Total	1,933	-		-	
Total purchases including transaction costs	1,933				

Analysis of total sale costs	Value	Commissions		Other costs	
01.05.22 to 30.04.23	£'000	£'000	%	£'000	%
Collective Investment Schemes	1,162	-	-	-	-
Total	1,162	-		-	
Total sales including transaction costs	1,162				

Analysis of total sale costs	Value	Commissions		Other costs	
01.05.21 to 30.04.22	£'000	£'000	%	£'000	%
Collective Investment Schemes	1,701	-	-	-	-
Total	1,701	-		-	
Total sales including transaction costs	1,701				

Transaction costs as a percentage of average Net Assets	30.04.23	30.04.22
Commissions:	0.00%	0.00%
Other costs:	0.00%	0.00%

There were commissions on derivative transactions of £5 (30 April 2022: £39). There were no taxes on derivative transactions (30 April 2022: £Nil).

In the case of shares, transaction costs are paid by the sub-fund on each transaction. Commissions relate to those paid to agents, advisers, brokers and dealers in the buying and selling of securities. Other costs include any additional fees that may be paid to agents, advisers, brokers and dealers as well as levies by regulatory agencies and security exchanges and any transfer taxes or duties. In addition, there is a dealing spread between the buying and selling prices of the underlying investments. Unlike shares, other types of investments have no separately identifiable transaction costs; these costs form part of the dealing spread. Dealing spreads may vary considerably depending on the transaction value and market sentiment. At the balance sheet date the dealing spread was 0.11% (30 April 2022: 0.28%), this is representative of the average spread on the assets held during the year.

14 Shareholders' funds

The sub-fund currently has three share classes; Accumulation 'A', Accumulation 'R' and Accumulation 'U2'. The net asset value of each share class, net asset value per share and the number of shares in issue are given in the sub-fund's comparative table.

The share classes currently in issue and the Fixed Ongoing Charge, inclusive of the synthetic element, of each share class are shown below.

	30.04.23	30.04.22
- Accumulation 'A'	1.85%	1.85%
- Accumulation 'R'	1.10%	1.10%
- Accumulation 'U2'	0.95%	0.95%

Share class movement reconciliation	Opening	Issued	Redeemed	Closing
01.05.22				30.04.23
- Accumulation 'A'	1,073,066	20,810	(59,367)	1,034,509
- Accumulation 'R'	208,326	20,149	(38,306)	190,169
- Accumulation 'U2'	744,532	92,467	(159,989)	677,010

Notes to the financial statements (continued)

for the year from 1 May 2022 to 30 April 2023

15 Post balance sheet date events

The table below shows the net asset values per share as at the balance sheet date, compared against values as at 24 August 2023 and the percentage movement in that period:

	30.04.23 pence per share	24.08.23 pence per share	% Movement
- Accumulation 'A'	125.37	124.10	(1.01)
- Accumulation 'R'	130.92	130.00	(0.70)
- Accumulation 'U2'	132.09	131.20	(0.67)

Distribution tables

Final distribution

Group 1: Shares purchased prior to 1 November 2022
Group 2: Shares purchased from 1 November 2022 to 30 April 2023

	Revenue pence per share	Equalisation pence per share*	Distribution paid 30.06.23 pence per share	Distribution paid 30.06.22 pence per share
Accumulation 'A' Shares				
Group 1	0.1975	-	0.1975	0.0070
Group 2	0.0000	0.1975	0.1975	0.0070
Accumulation 'R' Shares				
Group 1	0.6811	-	0.6811	0.4943
Group 2	0.4405	0.2406	0.6811	0.4943
Accumulation 'U2' Shares				
Group 1	0.7814	-	0.7814	0.5963
Group 2	0.0313	0.7501	0.7814	0.5963

Interim distribution

Group 1: Shares purchased prior to 1 May 2022
Group 2: Shares purchased from 1 May 2022 to 31 October 2022

	Revenue pence per share	Equalisation pence per share*	Distribution paid 30.12.22 pence per share	Distribution paid 31.12.21 pence per share
Accumulation 'A' Shares				
Group 1	0.6014	-	0.6014	0.2358
Group 2	0.6014	0.0000	0.6014	0.2358
Accumulation 'R' Shares				
Group 1	1.0970	-	1.0970	0.6850
Group 2	0.7861	0.3109	1.0970	0.6850
Accumulation 'U2' Shares				
Group 1	1.2001	-	1.2001	0.7877
Group 2	0.8225	0.3776	1.2001	0.7877

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

Quilter Investors Creation Balanced Portfolio

Launch date	28 April 2008
IA Sector	Mixed Investment 20-60% Shares
Investment Manager	Quilter Investors Limited
Net asset value	£121,980,749

Objective

To achieve capital growth over a period of five years or more.

The portfolio is diversified across asset classes, with exposure to equities between 15% and 55% and with volatility of between 6% and 10%.*

*The volatility range is a target, based on long term actuarial assumptions and the sub-fund is managed to stay within this range most of the time. The volatility range is regularly reviewed and may change from time to time due to changes in these assumptions.

Policy

The sub-fund invests in a diversified portfolio of assets. It is expected that exposure will be to equities, fixed income, cash, money market instruments and currencies. Such investment will be made either directly by investing in such instruments or indirectly by investing in collective investment schemes. In addition, the portfolio may indirectly hold property and commodities by investing in collective investment schemes, transferable securities and derivatives. The collective investment schemes in which the sub-fund invests may include schemes which are managed or operated by the ACD or an associate of the ACD.

The sub-fund targets a volatility level reflective of its asset allocation.

The sub-fund may use derivative instruments for investment purposes or Efficient Portfolio Management. The use of derivatives for the purpose of investment may affect the risk profile of the sub-fund although this is not the ACD's intention. The use of derivatives for Efficient Portfolio Management is unlikely to affect the risk profile of the sub-fund.

Investment Manager's review

Market Review

At the start of the review period, global stock markets fell as investors became increasingly concerned that interest rate rises driven by persistent inflation would cause a recession. Inflation climbed to multi-decade highs, particularly in the US and UK, where consumer prices increased at the fastest pace for 40 years, prompting interest-rate hikes from major central banks. Inflation remained elevated largely due to energy prices, which stayed high as the war in Ukraine continued.

The US Federal Reserve ("Fed") increased interest rates by 0.5% in May and 0.75% in June to bring its benchmark rate to 1.75%. US stock markets jumped in July on hopes that the Fed may consider cutting interest rates in 2023, owing to fears around slowing economic growth. However, such hopes were dashed in August as the Fed crystallised its commitment to raising interest rates.

The European Central Bank ("ECB") was forced to raise interest rates twice – its first upward move in over a decade. The ECB hiked interest rates by 0.75% in October, as euro area annual inflation was forecast to come in at 10.7%, up from 9.9% the previous month. The Bank of England's ("BoE") more cautious approach to rate rises, compared with the Fed, contributed to sterling weakness during the period.

The US was the top performing region, despite disappointing financial results from some of the tech giants, including Meta (Platforms (formally named Facebook) and Amazon. Meanwhile, UK and European equity markets stabilised in the second half of the review period.

Emerging market equities declined, as emerging market economies were buffered by both inflation and the slowdown in economic growth. In China, negative sentiment surrounding the country's zero-COVID policy also weighed on equity markets.

Widespread inflation and expectations of further interest-rate hikes globally meant that bond markets suffered. In the UK, September's mini-budget sparked a mass sell-off with questions over its fiscal sustainability triggering a sharp rise in UK gilt yields, forcing the BoE to intervene to calm the market. In the US, bond markets began pricing in the Fed's next 0.75% rate hike.

In the latter half of the review period, growth stocks generally outperformed value stocks and larger companies outperformed smaller ones. This difference was most stark in US markets where mega cap tech companies such as Meta more than doubled, driving the NASDAQ 100 Index to a 6.4% gain in Sterling. Conversely the Russell 200 Index, representative of small and medium sized companies, fell 12.0% in Sterling.

Fixed Income generally delivered small but positive returns. Medium and long-term Interest rates stabilised as investors looked forward to the end of central bank policy rate hikes and credit spreads for corporate bonds tightened in lockstep with the rising equity markets.

Performance Review

Over the twelve-month period under review, the sub-fund outperformed the Performance Comparator and returned 0.39%. The sub-fund ended the year in the first quartile of its peer group.

The speed and magnitude of the moves in government bond markets were notable during the period and were the result of continued heightened levels of inflation, as well as the desire for central banks to raise rates to get inflation levels back to target.

The portfolio's underweight to expensive government bonds – particularly at the lower-risk end – helped to mitigate losses.

It was, generally, a period in which equity managers with a value style outperformed those more focussed on growth. However, what had more impact in the portfolios was the weakness within the small-cap space, particularly in the UK.

It was a tumultuous period for the UK, with two changes in government leadership over the period, including the calamitous 'mini budget', which sparked weakness in sterling and increases in bond yields.

Against this backdrop, expectations shifted to a more challenged domestic growth picture which, in turn, fed into weakness in the domestic-facing smaller cap stock market. Managers with more of a bias in this space, like Quilter Investors UK Equity Mid Cap Growth, were the weak performers – this fund fell 19.2% respectively, versus the FTSE All Share's 6.3% decline.

Fixed income was a challenge for the portfolios, although the lower exposure to government bonds and minimal risky bond exposure helped the portfolios to avoid losses. Alternatives also softened losses, with positive returns from long/short fixed income managers and relative outperformance from infrastructure holdings. There was, however, weakness from long/short equity managers and commodity exposures.

In the second half of the period, the portfolios' bond exposures contained an overweight to US Dollar denominated bonds and an underweight to Sterling denominated bonds (relative to the peer groups) and this was one of the key drivers of positive performance.

During this time, equity markets broadly rallied when the returns in GBP were considered, with all regions up between 6% and 18%, apart from the US market (MSCI North America total return in GBP was -1.2% over the period) due to the strength of the pound/weakness of the dollar. The portfolios' relatively low weight to US equities was a tailwind here. The portfolios best performing equity holding was the Quilter Investors Europe (ex UK) fund managed by Janus Henderson, which rallied 16.5% in Sterling in a strong environment for European equities as a warm winter meant less pressure on gas prices and gas storage reserves as the continent tried to wean itself off Russian fuel.

Alternatives were marginally positive over the period with the best performance coming from the Allianz Fixed Income Macro Fund, whose global interest rate positioning contributed positively over the period.

Quilter Investors Creation Balanced Portfolio

Risk and Reward Profile



The calculated risk and reward category, as shown above, uses a method of calculation derived from EU rules. It is based on the rate at which the returns of the sub-fund have moved up and down in the past (i.e. volatility) and is not a guide to the future risk and reward category of the sub-fund. The category shown is not a target or guarantee and may shift over time. Even the lowest category 1 does not mean a risk-free investment. The seven-category scale is nonlinear, for example, 2 is not twice as risky as 1. The risk and reward indicator changed from 4 to 5 on 6 April 2023.

Sub-funds in category 5 have in the past shown moderately high volatility. With a sub-fund of category 5, you have a moderately high risk of losing money but your chance for gains is also moderately high.

Investment risk - there is no guarantee that the sub-fund will achieve its objective. A capital loss of some or all of the amount invested may occur.

Strategy risk - as the sub-fund invests in other collective investment schemes, which themselves invest in assets such as bonds, company shares, cash and currencies, it will be subject to the collective risks of these other sub-funds. This may include emerging markets risk, sub-investment grade bond credit risk and smaller companies risk.

Company shares (i.e. equities) risk - the value of company shares may rise and fall due to the performance of individual companies or because of general market and economic conditions.

Emerging markets risk - less developed countries may face more political, economic or structural challenges than developed countries.

Credit risk - the issuer of a bond or a similar investment within the sub-fund may not pay income or repay capital to the sub-fund when due. Bonds which are rated below investment grade are considered to have a higher risk exposure with respect to meeting their payment obligations.

Interest rate risk - investments in bonds are affected by interest rates and inflation trends which may affect the value of the sub-fund.

Liquidity risk - some investments may become hard to value or sell at a desired time and price. In extreme circumstances this may affect the sub-fund's ability to meet redemption requests upon demand.

Currency risk - the sub-fund is denominated in British Pounds but may hold assets denominated in, or with exposure to, other currencies. The value of your shares may rise and fall as a result of exchange rate movements.

Derivative risk - the sub-fund may use derivatives for investment purposes and/or for Efficient Portfolio Management (EPM). Using derivatives can involve a higher level of risk. A small movement in the price of an underlying investment may result in a disproportionately large movement in the price of the derivative investment. Derivatives also involve counterparty risk where the institutions acting as counterparty to derivatives may not meet their contractual obligations.

Capital erosion risk - the sub-fund takes its charges from the income of the sub-fund in the first instance. The impact of sub-fund charges may be material on the value of any income you receive from your investment. There is potential for capital erosion if insufficient income is generated by the sub-fund to cover these charges. Capital erosion may have the effect of reducing the level of income generated.

For a more detailed explanation of risks, please refer to the "Risks" section of the Prospectus.

Performance records

Comparative Tables

Accumulation 'A'	1 May 2022 to 30 April 2023 p/share	1 May 2021 to 30 April 2022 p/share	1 May 2020 to 30 April 2021 p/share
Change in net assets per share			
Opening net asset value per share	77.95	80.98	70.61
Return before operating charges*	1.34	(1.53)	11.78
Operating charges**	(1.42)	(1.50)	(1.41)
Return after operating charges*	(0.08)	(3.03)	10.37
Distributions	(0.51)	(0.31)	(0.33)
Retained distributions	0.51	0.31	0.33
Closing net asset value per share	77.87	77.95	80.98
* after direct transaction costs of***	0.01	0.01	-
Performance			
Return after charges	(0.10)%	(3.74)%	14.69%
Other information			
Closing net asset value (£)	42,363,195	49,944,030	60,569,628
Closing number of shares	54,404,743	64,069,079	74,796,801
Operating charges****	1.85%	1.85%	1.85%
Direct transaction costs***	0.01%	0.02%	-
Prices	pence per share	pence per share	pence per share
Highest share price	78.93	83.23	81.20
Lowest share price	73.11	76.29	69.54
Accumulation 'R'	1 May 2022 to 30 April 2023 p/share	1 May 2021 to 30 April 2022 p/share	1 May 2020 to 30 April 2021 p/share
Change in net assets per share			
Opening net asset value per share	82.37	85.03	73.70
Return before operating charges*	1.27	(1.72)	12.21
Operating charges**	(0.89)	(0.94)	(0.88)
Return after operating charges*	0.38	(2.66)	11.33
Distributions	(1.00)	(0.85)	(0.83)
Retained distributions	1.00	0.85	0.83
Closing net asset value per share	82.75	82.37	85.03
* after direct transaction costs of***	0.01	0.01	-
Performance			
Return after charges	0.46%	(3.13)%	15.37%
Other information			
Closing net asset value (£)	9,052,129	11,375,689	13,889,484
Closing number of shares	10,939,776	13,810,481	16,334,634
Operating charges****	1.10%	1.10%	1.10%
Direct transaction costs***	0.01%	0.02%	-
Prices	pence per share	pence per share	pence per share
Highest share price	83.76	87.60	85.25
Lowest share price	77.44	80.54	72.59

Performance records (continued)

Comparative Tables (continued)

Accumulation 'U1'	1 May 2022 to 30 April 2023 p/share	1 May 2021 to 30 April 2022 p/share	1 May 2020 to 30 April 2021 p/share
Change in net assets per share			
Opening net asset value per share	126.87	130.81	113.25
Return before operating charges*	1.93	(2.69)	18.72
Operating charges**	(1.19)	(1.25)	(1.16)
Return after operating charges*	0.74	(3.94)	17.56
Distributions	(1.69)	(1.47)	(1.43)
Retained distributions	1.69	1.47	1.43
Closing net asset value per share	127.61	126.87	130.81
* after direct transaction costs of***	0.02	0.02	-
Performance			
Return after charges	0.58%	(3.01)%	15.51%
Other information			
Closing net asset value (£)	1,261,612	1,483,564	1,638,016
Closing number of shares	988,672	1,169,311	1,252,167
Operating charges****	0.95%	0.95%	0.95%
Direct transaction costs***	0.01%	0.02%	-
Prices	pence per share	pence per share	pence per share
Highest share price	129.1	134.9	131.1
Lowest share price	119.3	124.0	111.5
Accumulation 'U2'	1 May 2022 to 30 April 2023 p/share	1 May 2021 to 30 April 2022 p/share	1 May 2020 to 30 April 2021 p/share
Change in net assets per share			
Opening net asset value per share	127.24	131.19	113.58
Return before operating charges*	1.92	(2.70)	18.78
Operating charges**	(1.19)	(1.25)	(1.17)
Return after operating charges*	0.73	(3.95)	17.61
Distributions	(1.70)	(1.47)	(1.42)
Retained distributions	1.70	1.47	1.42
Closing net asset value per share	127.97	127.24	131.19
* after direct transaction costs of***	0.02	0.02	-
Performance			
Return after charges	0.57%	(3.01)%	15.50%
Other information			
Closing net asset value (£)	69,303,813	85,848,990	103,899,053
Closing number of shares	54,155,861	67,470,858	79,195,806
Operating charges****	0.95%	0.95%	0.95%
Direct transaction costs***	0.01%	0.02%	-
Prices	pence per share	pence per share	pence per share
Highest share price	129.5	135.2	131.5
Lowest share price	119.7	124.4	111.9

** The operating charges include all costs borne by the sub-fund, except for direct transaction costs. They include the operating charges of any collective investment schemes in which the sub-fund invests.

*** The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties. They do not include any difference between the quoted bid and offer prices or internal administrative or holding costs. These costs arise as a result of transactions undertaken both for efficient portfolio management and the meeting of the sub-fund's objectives. These costs exclude any effect of dilution adjustments used to offset the costs.

**** The operating charges percentage is the ratio of the sub-fund's ongoing charges (including the ongoing charges of any collective investment schemes in which the sub-fund invests but excluding interest on borrowings) to the average net assets of the sub-fund. This includes a synthetic element of 0.28% (30.04.2022 - 0.25%) (30.04.2021 - 0.26%) to incorporate the ongoing charge figures of the underlying sub-funds.

Performance

	1 year to 30 April 2023	3 years to 30 April 2023	5 years to 30 April 2023
Quilter Investors Creation Balanced Portfolio*	0.39%	12.18%	9.13%
Relative to IA Mixed Investment 20-60% Shares (sector average)	3.03%	1.72%	0.02%
Quartile ranking	1	2	3

* Accumulation 'R' shares

Data Source – FactSet. Figures are calculated on a total return and single price basis, with net income reinvested into the sub-fund.

Portfolio allocation	Percentage of total net assets	Major holdings	Percentage of total net assets
Collective Investment Schemes Overseas Equities	36.29	iShares \$ Treasury Bond UCITS ETF - Distributing (GBP) Hedged	12.16
Collective Investment Schemes Overseas Bonds	30.72	Quilter Investors Global Dynamic Equity Fund - A Accumulation	10.92
Collective Investment Schemes United Kingdom Equities	14.25	iShares UK Equity Index Fund (UK) - L Accumulation	6.10
Collective Investment Schemes Liquidity Funds	7.57	BlackRock Institutional Sterling Liquidity Fund - Premier Accumulation	5.05
Collective Investment Schemes United Kingdom Bonds	5.57	iShares Continental European Equity Index Fund (UK) - L Accumulation	3.87
United Kingdom Equities	1.61	Wellington Global Credit ESG - G Distributing (GBP) Hedged	3.49
Collective Investment Schemes Overseas Alternative Investment Instruments	1.40	Quilter Investors Absolute Return Bond Fund - U2 Accumulation	3.32
United Kingdom Bonds	0.29	iShares China CNY Bond UCITS ETF - Distributing (GBP) Hedged	3.01
Overseas Bonds	0.03	Allianz Fixed Income Macro Fund - E Accumulation	2.98
Derivatives	(0.05)	BlackRock Institutional Cash Series Sterling Ultra Short Bond Fund - J Accumulation	2.52
Net other assets	2.32		
Total	100.00		
Asset allocation		Number of holdings	52
Collective Investment Schemes	95.80		
Equities	1.61		
Bonds	0.32		
Derivatives	(0.05)		
Net other assets	2.32		
Total	100.00		

Portfolio statement

as at 30 April 2023

Holding	Investment	Market Value £'000	Percentage of total net assets %
	Bonds 0.32% (30 April 2022 3.43%)		
	United Kingdom Bonds 0.29% (30 April 2022 2.67%)		
£360,000	United Kingdom Gilt 0.75% 22/07/2023	357	0.29
		357	0.29
	Overseas Bonds 0.03% (30 April 2022 0.76%)		
\$750,000	Lebanon Government Bond 5.8% 14/04/2020†	35	0.03
		35	0.03
	Equities 1.61% (30 April 2022 1.51%)		
	United Kingdom Equities 1.61% (30 April 2022 1.51%)		
308,704	HICL Infrastructure	472	0.39
699,717	Hipgnosis Songs	613	0.50
264,376	International Public Partnerships	384	0.31
390,392	Renewables Infrastructure	499	0.41
		1,968	1.61
	Collective Investment Schemes 95.80% (30 April 2022 93.52%)		
	Liquidity Funds 7.57% (30 April 2022 0.01%)†		
29,933	BlackRock Institutional Cash Series Sterling Ultra Short Bond Fund - J Accumulation	3,080	2.52
57,128	BlackRock Institutional Sterling Liquidity Fund - Premier Accumulation	6,160	5.05
		9,240	7.57
	United Kingdom Bonds 5.57% (30 April 2022 2.24%)		
78,008	iShares £ Index-Linked Gilts UCITS ETF	1,081	0.89
7,715,118	Quilter Investors Dynamic Bond Fund - A Income¥	2,949	2.42
2,898,248	Quilter Investors Sterling Corporate Bond Fund - A Accumulation (GBP) ¥	2,762	2.26
		6,792	5.57
	United Kingdom Equities 14.25% (30 April 2022 16.03%)		
2,672,874	iShares UK Equity Index Fund (UK) - L Accumulation	7,436	6.10
654,313	JO Hambro UK Dynamic Fund - B Accumulation	2,217	1.82
162,784	Jupiter UK Specialist Equity Fund - I Accumulation	2,102	1.72
1,424,843	Liontrust UK Growth Fund	1,828	1.50
1,249,742	Quilter Investors UK Equity Large-Cap Income Fund - U2 Accumulation¥	2,078	1.70
1,348,164	Quilter Investors UK Equity Mid-Cap Growth Fund - A Accumulation¥	1,716	1.41
		17,377	14.25
	Overseas Bonds 30.72% (30 April 2022 34.76%)		
3,243,175	Allianz Fixed Income Macro Fund - E Accumulation	3,638	2.98
13,039	Ardea Global Alpha Fund - X Income (GBP) Hedged	1,250	1.02
11,555	Coremont Investment Absolute Return Government Bond Fund - A2 Accumulation (GBP)	1,142	0.94
3,370,436	iShares \$ Treasury Bond UCITS ETF - Distributing (GBP) Hedged	14,831	12.16
718,707	iShares China CNY Bond UCITS ETF - Distributing (GBP) Hedged	3,666	3.01
98,956	Jupiter Strategic Absolute Return Bond Fund - F2 Accumulation (GBP) Hedged	124	0.10
1,348,867	Premier Miton Financials Capital Securities Fund - C Accumulation	1,344	1.10
3,930,304	Quilter Investors Absolute Return Bond Fund - U2 Accumulation¥	4,044	3.32
578,985	Quilter Investors Bond 3 Fund - A Income††¥	501	0.41
43,783	Vanguard Japan Government Bond Index Fund - Institutional Plus Accumulation (JPY)	2,677	2.19
437,567	Wellington Global Credit ESG - G Distributing (GBP) Hedged	4,254	3.49
		37,471	30.72

Portfolio statement (continued)

as at 30 April 2023

Holding	Investment	Market Value £'000	Percentage of total net assets %
Overseas Equities 36.29% (30 April 2022 39.92%)			
1,073,544	BNY Mellon US Equity Income Fund - F Accumulation	1,678	1.38
617,192	Fidelity Asia Pacific Opportunities Fund - W Accumulation	1,719	1.41
1,353,696	iShares Continental European Equity Index Fund (UK) - L Accumulation	4,725	3.87
254,199	iShares Edge MSCI Europe Value Factor UCITS ETF	1,684	1.38
613,665	iShares Japan Equity Index Fund (UK) - L Accumulation	1,604	1.32
428,203	iShares MSCI World Health Care Sector ESG UCITS ETF	2,445	2.00
23,378	JPMorgan US Opportunistic Long-Short Equity Fund - I2 (GBP) Hedged	1,928	1.58
52,297	Jupiter Global Emerging Markets Focus Fund - U2 Accumulation (GBP)	959	0.79
73,918	M&G Japan Fund - I Accumulation (GBP)	2,366	1.94
477,498	Premier Miton European Opportunities Fund - F Accumulation	1,351	1.11
474,311	Quilter Investors Emerging Markets Equity Growth Fund - U2 Accumulation¥	966	0.79
745,055	Quilter Investors Europe (ex UK) Equity Fund - U2 Income¥	1,603	1.31
8,326,419	Quilter Investors Global Dynamic Equity Fund - A Accumulation¥	13,322	10.92
573,236	Quilter Investors Global Equity Growth Fund - U2 Accumulation¥	1,624	1.33
763,085	Quilter Investors Global Equity Value Fund - U2 Accumulation (GBP) ¥	1,963	1.61
862,517	Quilter Investors US Equity Growth Fund - U2 Accumulation¥	2,008	1.65
236,736	Schroder Oriental Income Fund	608	0.50
138,591	Wellington Durable Enterprises Fund - T Accumulation (USD)	1,712	1.40
		44,265	36.29
Overseas Alternative Investment Instruments 1.40% (30 April 2022 0.56%)			
114,000	Neuberger Berman Event Driven Fund - I5 Accumulation (GBP)	1,148	0.94
48,298	Wisdomtree Enhanced Commodity UCITS ETF	562	0.46
		1,710	1.40
Derivatives (0.05)% (30 April 2022 (0.35)%)			
Sterling Denominated Forward Exchange Contracts 0.09% (30 April 2022 (0.27)%)			
	Buy GBP 2,615,561 Sell JPY 434,418,293 15/05/2023	48	0.04
	Buy GBP 118,211 Sell JPY 19,726,726 15/05/2023	2	-
	Buy GBP 2,831,253 Sell USD 3,450,000 16/06/2023	66	0.05
	Buy GBP 7,976 Sell USD 9,994 15/05/2023	-	-
	Buy GBP 616,822 Sell USD 772,439 15/05/2023	(3)	-
		113	0.09
Sterling Denominated Futures Contracts 0.00% (30 April 2022 0.09%)			
(11)	Long Gilt Futures June 2023	-	-
		-	-
Australian Dollar Denominated Futures Contracts 0.01% (30 April 2022 (0.15)%)			
6	Australia 10 Year Bond Futures June 2023	7	0.01
		7	0.01
Euro Denominated Futures Contracts (0.01)% (30 April 2022 (0.01)%)			
(4)	Euro-Bund Futures June 2023	(15)	(0.01)
		(15)	(0.01)

Portfolio statement (continued)

as at 30 April 2023

Holding	Investment	Market Value £'000	Percentage of total net assets %
	Euro Denominated Options Contracts 0.00% (30 April 2022 0.06%)		
	US Dollar Denominated Forward Exchange Contracts 0.00% (30 April 2022 0.01%)		
	Buy USD 210,000 Sell GBP 167,705 16/06/2023	1	-
	Buy USD 11,881 Sell GBP 9,530 15/05/2023	-	-
	Buy USD 57,436 Sell GBP 46,082 02/05/2023	-	-
	Buy USD 9,098 Sell GBP 7,303 15/05/2023	-	-
	Buy USD 11,352 Sell GBP 9,124 15/05/2023	-	-
		1	-
	US Dollar Denominated Futures Contracts (0.14)% (30 April 2022 (0.09)%)		
(17)	S&P 500 E-Mini Futures June 2023	(170)	(0.14)
		(170)	(0.14)
	US Dollar Denominated Options Contracts 0.00% (30 April 2022 0.01%)		
	Investment assets**	119,151	97.68
	Net other assets	2,830	2.32
	Total net assets	121,981	100.00

‡ Defaulted.

† Cash equivalents.

** Including investment liabilities.

‡‡ Fair Value Price approved by the ACD.

¥ Managed by Quilter Investors Limited.

All investments (excluding OTC derivatives) are approved securities being either officially listed in a member state or traded on or under the rules of an eligible securities market or collective investment schemes permitted under the COLL Sourcebook, unless otherwise stated.

Analysis of investments by asset class

	Market Value £'000	Percentage of total net assets %
Collective Investment Schemes	91,978	75.40
Equities	26,845	22.01
Bonds	392	0.32
Derivatives	(64)	(0.05)
Portfolio of investments	119,151	97.68
Net other assets	2,830	2.32
Total net assets	121,981	100.00

Summary of material purchases and sales

for the year from 1 May 2022 to 30 April 2023

Purchases	Cost £'000	Sales	Proceeds £'000
BlackRock Institutional Sterling Liquidity Fund - Premier Accumulation*	6,364	Quilter Investors Global Dynamic Equity Fund - A Accumulation	9,268
iShares \$ Treasury Bond UCITS ETF - Distributing (GBP) Hedged	4,243	iShares Global Govt Bond UCITS ETF	7,620
Quilter Investors Sterling Corporate Bond Fund - A Accumulation (GBP)	3,324	iShares \$ Treasury Bond UCITS ETF - Distributing (GBP) Hedged	6,227
iShares UK Equity Index Fund (UK) - L Accumulation	3,303	iShares UK Equity Index Fund (UK) - L Accumulation	4,768
BlackRock Institutional Cash Series Sterling Ultra Short Bond Fund - J Accumulation*	3,190	Jupiter UK Alpha Fund - I Accumulation	4,511
Quilter Investors Dynamic Bond Fund - A Income	3,004	Quilter Investors UK Equity Mid-Cap Growth Fund - A Accumulation	3,737
JO Hambro UK Dynamic Fund - B Accumulation	2,592	Quilter Investors Bond 2 Fund - A Accumulation	3,254
iShares Continental European Equity Index Fund (UK) - L Accumulation	2,435	iShares Continental European Equity Index Fund (UK) - L Accumulation	3,086
Premier Miton Financials Capital Securities Fund - C Accumulation	2,259	Quilter Investors Europe (ex UK) Equity Fund - U2 Income	2,624
Quilter Investors Global Equity Value Fund - U2 Accumulation (GBP)	2,121	iShares MSCI World Health Care Sector ESG UCITS ETF	2,552

* Cash equivalents

Statement of total return

for the year from 1 May 2022 to 30 April 2023

	Note	01.05.22 to 30.04.23 £'000	01.05.22 to 30.04.23 £'000	01.05.21 to 30.04.22 £'000	01.05.21 to 30.04.22 £'000
Income					
Net capital losses	2		(1,322)		(5,940)
Revenue	3	2,588		2,761	
Expenses	4	(1,301)		(1,703)	
Interest payable and similar charges	5	(3)		(109)	
Net revenue before taxation		1,284		949	
Taxation	6	(38)		(4)	
Net revenue after taxation			1,246		945
Total return before distributions			(76)		(4,995)
Distributions	7		(1,448)		(1,477)
Change in net assets attributable to shareholders from investment activities			(1,524)		(6,472)

Statement of change in net assets attributable to shareholders

for the year from 1 May 2022 to 30 April 2023

	01.05.22 to 30.04.23 £'000	01.05.22 to 30.04.23 £'000	01.05.21 to 30.04.22 £'000	01.05.21 to 30.04.22 £'000
Opening net assets attributable to shareholders		148,652		179,996
Amounts received on issue of shares	942		826	
Amounts paid on cancellation of shares	(27,514)		(27,140)	
		(26,572)		(26,314)
Dilution adjustment		30		35
Change in net assets attributable to shareholders from investment activities		(1,524)		(6,472)
Retained distributions on accumulation shares		1,395		1,407
Closing net assets attributable to shareholders		121,981		148,652

The notes on pages 44 to 53 form an integral part of these financial statements.

Balance sheet

as at 30 April 2023

	Note	30.04.23 £'000	30.04.22 £'000
Assets			
Fixed assets			
Investments		110,099	146,775
Current assets			
Debtors	8	449	179
Cash and bank balances	9	3,433	3,748
Cash equivalents*	9	9,240	15
Total assets		123,221	150,717
Liabilities			
Investment liabilities		(188)	(949)
Creditors			
Bank overdrafts	10	(518)	-
Other creditors	11	(534)	(1,116)
Total liabilities		(1,240)	(2,065)
Net assets attributable to shareholders		121,981	148,652

* The investments assets in the portfolio statement includes the cash equivalents amount shown under current assets.

The notes on pages 44 to 53 form an integral part of these financial statements.

Notes to the financial statements

for the year from 1 May 2022 to 30 April 2023

1 Accounting policies

The applicable accounting policies adopted by the Quilter Investors Creation Balanced Portfolio are included on pages 183 to 184.

2 Net capital losses

	01.05.22 to 30.04.23 £'000	01.05.21 to 30.04.22 £'000
The net capital losses on investments comprise:		
Losses on non-derivative securities	(1,541)	(4,505)
Gains/(losses) on derivative securities	494	(160)
Losses on forward currency contracts	(198)	(1,155)
Losses on currency contracts	(130)	(215)
Authorised Corporate Director's capitalised fee rebates	56	98
Handling charges	(3)	(3)
Net capital losses on investments	(1,322)	(5,940)
Realised gains*	5,643	6,755
Unrealised losses*	(6,888)	(12,575)
Total realised/unrealised losses	(1,245)	(5,820)

* Where realised gains include gains/losses arising in previous periods, a corresponding loss/gain is included in unrealised losses.

3 Revenue

	01.05.22 to 30.04.23 £'000	01.05.21 to 30.04.22 £'000
Authorised Corporate Director's fee rebates	361	524
Bank interest	23	-
Franked distributions on Collective Investment Schemes	806	861
Interest distributions on Collective Investment Schemes	395	407
Interest on debt securities	29	143
Non-taxable distributions on Offshore Funds	75	96
Non-taxable overseas dividends	60	61
Taxable distributions on Offshore Funds	762	514
UK dividends	68	106
Unfranked UK dividends	9	49
Total revenue	2,588	2,761

4 Expenses

	01.05.22 to 30.04.23 £'000	01.05.21 to 30.04.22 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director, and agents of either of them:		
Fixed Ongoing Charge*	1,301	1,703
Total expenses	1,301	1,703

* These figures represent the Fixed Ongoing Charge, exclusive of the synthetic element, which covers all fees payable by the sub-fund to the Authorised Corporate Director, Depositary (including associates etc.) and other expenses. The Audit fee for the year, excluding VAT, was £13,750 (30 April 2022: £12,500).

Notes to the financial statements (continued)

for the year from 1 May 2022 to 30 April 2023

5 Interest payable and similar charges

	01.05.22 to 30.04.23 £'000	01.05.21 to 30.04.22 £'000
Bank overdraft interest	3	109
Total interest payable and similar charges	3	109

6 Taxation

a) Analysis of tax charge in the year

	01.05.22 to 30.04.23 £'000	01.05.21 to 30.04.22 £'000
Corporation tax suffered	50	-
Corporation tax adjustments in respect of prior periods	9	-
Overseas tax suffered	(21)	4
Total current tax charge for the year	38	4
Deferred tax charge for the year (see note 6(c))	-	-
Total taxation for the year (see note 6(b))	38	4

b) Factors affecting tax charge for the year

	01.05.22 to 30.04.23 £'000	01.05.21 to 30.04.22 £'000
The taxation assessed for the year is lower (2022: lower) than the standard rate of corporation tax in the UK for an open-ended investment company 20% (2022: 20%). The differences are explained below:		
Net revenue before taxation	1,284	949
Corporation tax at 20% (2022: 20%)	257	190
Effects of:		
Capitalised revenue subject to taxation	11	20
Corporation tax adjustments in respect of prior periods	9	-
Excess management expenses for which no relief is taken	(16)	16
Non-taxable overseas dividends	(27)	(32)
Overseas tax expensed	-	(1)
Overseas tax suffered	(21)	4
Revenue not subject to taxation – UK	(175)	(193)
Total tax charge for the year (see note 6(a))	38	4

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

Notes to the financial statements (continued)

for the year from 1 May 2022 to 30 April 2023

6 Taxation (continued)

c) Movement in deferred tax liability

	01.05.22 to 30.04.23 £'000	01.05.21 to 30.04.22 £'000
Deferred tax liability at the start of the year	-	-
Deferred tax charge for the year (see note 6(a))	-	-
Deferred tax liability at the end of the year	-	-

At 30 April 2023 the sub-fund had surplus management expenses of £Nil (30 April 2022: £16,086) which can be utilised against profits chargeable to corporation tax in future years. It is unlikely that the sub-fund will generate sufficient taxable profits in the future to utilise these expenses and, therefore, no deferred tax asset has been recognised.

7 Distributions

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

	01.05.22 to 30.04.23 £'000	01.05.21 to 30.04.22 £'000
Interim – Accumulation shares (31 October)	761	1,033
Final – Accumulation shares (30 April)	634	374
	1,395	1,407
Revenue deducted on cancellation of shares	56	72
Revenue received on issue of shares	(3)	(2)
Total distribution	1,448	1,477
Reconciliation of distributions:		
Net revenue after taxation	1,246	945
Corporation tax adjustments in respect of prior periods	9	-
Equalisation on Collective Investment Schemes	186	508
Revenue deficit transferred to capital	-	11
Tax effect of fee rebates taken to capital	7	13
Total distribution	1,448	1,477

Details of the interim and final distributions per share are set out in the tables on page 54.

8 Debtors

	30.04.23 £'000	30.04.22 £'000
Accrued Authorised Corporate Director's fee rebates	52	60
Accrued revenue	16	26
Corporation tax recoverable	-	39
Overseas tax recoverable	12	15
Sales awaiting settlement	369	39
Total debtors	449	179

Notes to the financial statements (continued)

for the year from 1 May 2022 to 30 April 2023

9 Cash and bank balances

	30.04.23 £'000	30.04.22 £'000
Amounts held at derivatives clearing houses and brokers	904	1,217
Cash and bank balances	2,529	2,531
Total cash and bank balances	3,433	3,748
BlackRock Institutional Cash Series Sterling Ultra Short Bond Fund - J Accumulation	3,080	-
BlackRock Institutional Sterling Liquidity Fund - Premier Accumulation	6,160	15
Cash equivalents	9,240	15

10 Bank overdrafts

	30.04.23 £'000	30.04.22 £'000
Cash overdrafts at broker	518	-
Total bank overdrafts	518	-

11 Other creditors

	30.04.23 £'000	30.04.22 £'000
Accrued expenses	94	118
Amounts payable for cancellation of shares	253	503
Corporation tax payable	20	-
Purchases awaiting settlement	167	495
Total other creditors	534	1,116

Notes to the financial statements (continued)

for the year from 1 May 2022 to 30 April 2023

12 Related party transactions

Quilter Investors Limited, as ACD, is a related party, and acts as principal in respect of all transactions of shares in each sub-fund. The aggregate monies received on issue and paid on cancellation are disclosed in the Statement of change in net assets attributable to shareholders on page 42. Any amounts due to or from the ACD at the end of the accounting year in respect of transactions of shares in each sub-fund are disclosed in notes 8 and 11. Amounts paid to the ACD in respect of expenses are disclosed in note 4 and amounts due to it at the year end are disclosed in note 11. A portion of the authorised corporate director's fee rebates received by the sub-fund are from investment funds managed by Quilter Investors Limited. During the year £318,000 (2022: £568,000) has been recognised and is included in the total rebate amounts disclosed in notes 2 and 3. The balance due to the sub-fund at the year end in respect of this amounted to £23,000 (2022: £36,000) and is included in the total rebate amount disclosed in note 8. The sub-fund recognised £436,000 (2022: £492,000) gross revenue from investment funds managed by Quilter Investors Limited. The balance due at the year end in respect of the gross revenue amounted to £48,000 (2022: £15,000). Details of the investments held at the year end are identified in the portfolio statement.

13 Derivatives and other financial instruments

a) Financial instrument risk

The sub-fund has little direct exposure to credit or cash flow risk. The sub-fund is indirectly exposed to credit risk through the bond funds in which it invests. There are no material borrowings or unlisted securities and so little exposure to liquidity risk.

The main risks it faces arising from its financial instruments are (i) interest rate risk, and (ii) other price risk, being the risk that the value of investment holdings will fluctuate as a result of changes in market prices caused by factors other than interest rate movements. In addition, the sub-fund may hold financial instruments such as forward currency contracts, futures or options contracts for the purpose of efficient portfolio management.

These risks are monitored by the Investment Manager in pursuance of the investment objectives and policy set out in page 33.

Adherence to the investment guidelines and the investment and borrowing powers as set out in the Prospectus and in the rules of the COLL Sourcebook also mitigates the risk of excessive exposure to any particular type of security or issuer.

The Investment Manager regularly considers the asset allocation of the portfolio in order to minimise the risk associated with particular market or industry sectors. Stock selection is based on financial, market and sector analysis.

b) Market risk

i) Foreign currency risk

A proportion of the sub-fund's financial assets and liabilities are invested overseas. As a result, movements in exchange rates may affect the market price of investments and, due to timing differences between the transaction dates of investment sales, purchases and income, and actual cash settlement, create currency exchange gains/losses. The Investment Manager does seek to reduce some of this risk by using forward currency contracts.

The foreign currency exposure of the sub-fund as at 30 April 2023 (30 April 2022) was as follows:

Currency	Net foreign currency assets/(liabilities)			Net foreign currency assets/(liabilities)		
	Monetary exposures*	Non-monetary exposures	Total	Monetary exposures*	Non-monetary exposures	Total
	30.04.23 £'000	30.04.23 £'000	30.04.23 £'000	30.04.22 £'000	30.04.22 £'000	30.04.22 £'000
Australian dollar	23	7	30	48	(223)	(175)
Danish krone	1	-	1	1	-	1
Euro	112	1,669	1,781	89	79	168
Japanese yen	-	(7)	(7)	-	6	6
US dollar	744	1,431	2,175	171	830	1,001
Total	880	3,100	3,980	309	692	1,001

* For the purpose of the above disclosure, monetary is taken to include only cash or near-cash items.

ii) Interest rate risk

Interest rate risk is the risk of movements in the value of financial instruments as a result of fluctuations in interest rates.

The interest rate risk profile of the sub-fund's financial assets and liabilities at 30 April 2023 (30 April 2022) was as follows:

Currency	Variable rate financial assets £'000	Fixed rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
30.04.23				
Australian dollar	23	-	7	30
Danish krone	-	-	1	1
Euro	101	-	1,695	1,796
Japanese yen	-	-	2,677	2,677
Sterling	11,760	357	107,130	119,247
US dollar	789	35	4,959	5,783
Total	12,673	392	116,469	129,534

Notes to the financial statements (continued)

for the year from 1 May 2022 to 30 April 2023

13 Derivatives and other financial instruments (continued)

b) Market risk (continued)

ii) Interest rate risk (continued)

Currency	Variable rate financial assets £'000	Fixed rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
30.04.22				
Australian dollar	48	-	-	48
Danish krone	-	-	1	1
Euro	75	-	239	314
Japanese yen	-	-	3,019	3,019
Sterling	3,498	3,963	141,600	149,061
US dollar	127	1,129	10,086	11,342
Total	3,748	5,092	154,945	163,785

Currency	Variable rate financial liabilities £'000	Financial liabilities not carrying interest £'000	Total £'000
30.04.23			
Euro	-	(15)	(15)
Japanese yen	-	(2,684)	(2,684)
Sterling	(518)	(728)	(1,246)
US dollar	-	(3,608)	(3,608)
Total	(518)	(7,035)	(7,553)

Currency	Variable rate financial liabilities £'000	Financial liabilities not carrying interest £'000	Total £'000
30.04.22			
Australian dollar	-	(223)	(223)
Euro	-	(146)	(146)
Japanese yen	-	(3,013)	(3,013)
Sterling	-	(1,410)	(1,410)
US dollar	-	(10,341)	(10,341)
Total	-	(15,133)	(15,133)

iii) Other price risk

Other price risk arises from uncertainty about future prices of financial instruments held. The main source of risk to the sub-fund is the potential movement in the value of financial instruments held as a result of price fluctuations. Stock market prices can move erratically and be unpredictably affected by diverse factors including political and economic events but also rumours and sentiment. The ACD adheres to the investment guidelines and borrowing powers set out within the Prospectus and the COLL Sourcebook. In this way the ACD monitors and controls the exposure to risk from any type of security, sector or issuer. The sub-fund may also use derivative instruments to mitigate risk and reduce cost.

c) Credit risk

Credit risk is the risk of suffering loss due to another party not meeting its financial obligation. The risk is managed by the Investment Manager who monitors the credit profile of financial instruments in accordance with the objective and policy of the sub-fund.

Adherence to the investment guidelines and the investment and borrowing powers as set out in the Prospectus and in the rules of the COLL Sourcebook also mitigates the risk of excessive exposure to any particular type of security or issuer.

Notes to the financial statements (continued)

for the year from 1 May 2022 to 30 April 2023

13 Derivatives and other financial instruments (continued)

d) Counterparty risk

Certain transactions in financial instruments that a sub-fund enters into have the risk that the counterparty will not meet its financial obligations, i.e. the investment (purchase) or cash (sale) after the sub-fund has fulfilled its responsibilities.

The sub-fund will only buy and sell investments through brokers which have been approved by the ACD and Investment Manager as an acceptable counterparty. This is overseen by the Depositary to ensure that the exposure to any counterparty remains appropriate for investors.

	Credit default swaps exposure	Interest rate swaps exposure	Futures and options exposure	Forward foreign exchange contracts exposure	Collateral held
Exposure Table 30.04.23					
Counterparty	£'000	£'000	£'000	£'000	£'000
Citibank	-	-	-	47	-
HSBC	-	-	-	66	-
Morgan Stanley	-	-	-	1	-
Exposure Table 30.04.22					
Counterparty	£'000	£'000	£'000	£'000	£'000
No uncollateralised counterparty exposure	-	-	-	-	-

Positive exposure represents the sub-fund's exposure to that counterparty and not the sub-fund's holdings with that counterparty.

For futures contracts, variation margin in the form of cash is pledged by the counterparty to mitigate the credit risk arising from positive balances. Where the sub-fund is in a liability position, the sub-fund pledges variation margin in the form of cash.

Collateral arrangements with counterparties require assets of an agreed type and quality to be pledged where exposures are above a certain magnitude. At the year end, collateral of £Nil in the form of Cash was held for the sub-fund on behalf of counterparties (2022: £270,000 in the form of Cash).

e) Liquidity risk

The sub-fund's assets comprise mainly of readily realisable securities which can be sold promptly to meet liquidity requirements. The main source of this risk comes from the obligation to shareholders to meet any cancellation of shares. Assets from a sub-fund may need to be sold to meet any redemption proceeds. As part of its operating duties the ACD regularly monitors the liquidity levels held on each sub-fund (cash and underlying securities) to ensure any redemptions can be readily met. Some investments may be less liquid than other securities and can be more sensitive to economic factors. The rules of the COLL Sourcebook mitigate the risk of excessive exposure to assets which are not readily realisable.

f) Fair value of financial assets and financial liabilities

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

Basis of valuation	30.04.23		30.04.22	
	Assets £'000	Liabilities £'000	Assets £'000	Liabilities £'000
Level 1: Quoted prices	27,209	(185)	44,695	(534)
Level 2: Observable market data	91,629	(3)	101,374	(415)
Level 3: Unobservable data*	501	-	721	-
Total	119,339	(188)	146,790	(949)

* For the level 3 assets this is made up of 1 security (2022: 2). This is a Quilter Investors managed collective investment scheme holding a small residual portfolio of illiquid stocks. This scheme has closed and is currently in the process of winding down. It is valued on an adjusted NAV basis taking into account changes within the scheme since the last quoted price.

Notes to the financial statements (continued)

for the year from 1 May 2022 to 30 April 2023

13 Derivatives and other financial instruments (continued)

g) Sensitivity analysis

The Investment Manager assesses the market risk of the Quilter Investors Creation Balanced Portfolio, including any derivative exposures, using an absolute Value at Risk ('VaR') methodology. VaR is a process that provides the Investment Manager with an estimate of the maximum potential loss that could be expected to occur as a result of changes in market prices over a given period of time in all but a given percentage of circumstances. As the sub-fund adopts an absolute VaR Model to measure the global market risk, the daily VaR limit for the sub-fund cannot be greater than 20% of the Net Asset Value of the sub-fund. The VaR is calculated using a one-tailed 99 per cent confidence level, a one month holding period and the historical period of one year (250 Business Days). Derivatives are used to efficiently manage the tactical asset allocation positioning of the sub-fund, Quilter Investors Creation Balanced Portfolio. The sub-fund uses absolute methodology to measure Value at Risk (VaR). The VaR for the sub-fund at 30 April 2023 was 4.49% (30 April 2022: 9.78%).

The minimum, average and maximum VaR of the sub-fund over the year was 4.42%, 5.36% and 6.12% (30 April 2022: 8.31%, 8.53% and 9.78%).

The Gross sum of notionals ("GSON") leverage figures are prepared with no hedging or netting of any asset class. Across the range of asset classes exposures are treated differently. For instance, currency forwards are treated by valuing both legs of the underlying and expressing them as a percentage of the NAV. Physical assets are excluded to get the incremental exposure resulting from derivatives.

The sub-fund is limited to 200% gross leverage. Using the GSON methodology, the average leverage for the year ended 30 April 2023 was 11.10% (30 April 2022: 24.90%).

Leverage figures for fund of funds do not include a look through of the funds held.

14 Contingent liabilities

The sub-fund had no contingent liabilities at the balance sheet date (30 April 2022: £Nil).

Notes to the financial statements (continued)

for the year from 1 May 2022 to 30 April 2023

15 Portfolio transaction costs

Analysis of total purchase costs	Value	Commissions		Other costs	
01.05.22 to 30.04.23	£'000	£'000	%	£'000	%
Bonds	1,336	-	-	-	-
Collective Investment Schemes	52,937	5	0.01%	-	-
Total	54,273	5		-	
Total purchases including transaction costs	54,278				

	Value	Commissions		Other costs	
01.05.21 to 30.04.22	£'000	£'000	%	£'000	%
Bonds	8,117	-	-	-	-
Equities	537	-	0.05%	1	0.15%
Collective Investment Schemes	68,464	20	0.03%	-	-
Corporate actions	37	-	-	-	-
Total	77,155	20		1	
Total purchases including transaction costs	77,176				

Analysis of total sale costs	Value	Commissions		Other costs	
01.05.22 to 30.04.23	£'000	£'000	%	£'000	%
Bonds	6,020	-	-	-	-
Collective Investment Schemes	75,084	11	0.01%	-	-
Total	81,104	11		-	
Total sales including transaction costs	81,093				

	Value	Commissions		Other costs	
01.05.21 to 30.04.22	£'000	£'000	%	£'000	%
Bonds	28,512	-	-	-	-
Equities	1,082	1	0.05%	-	-
Collective Investment Schemes	69,978	5	0.01%	-	-
Total	99,572	6		-	
Total sales including transaction costs	99,566				

Transaction costs as a percentage of average Net Assets

	30.04.23	30.04.22
Commissions:	0.01%	0.02%
Other costs:	0.00%	0.00%

There were commissions on derivative transactions of £1,174 (30 April 2022: £2,994). There were no taxes on derivative transactions (30 April 2022: £Nil).

In the case of shares, transaction costs are paid by the sub-fund on each transaction. Commissions relate to those paid to agents, advisers, brokers and dealers in the buying and selling of securities. Other costs include any additional fees that may be paid to agents, advisers, brokers and dealers as well as levies by regulatory agencies and security exchanges and any transfer taxes or duties. In addition, there is a dealing spread between the buying and selling prices of the underlying investments. Unlike shares, other types of investments have no separately identifiable transaction costs; these costs form part of the dealing spread. Dealing spreads may vary considerably depending on the transaction value and market sentiment. At the balance sheet date the dealing spread was 0.07% (30 April 2022: 0.23%), this is representative of the average spread on the assets held during the year.

Notes to the financial statements (continued)

for the year from 1 May 2022 to 30 April 2023

16 Shareholders' funds

The sub-fund currently has four share classes; Accumulation 'A', Accumulation 'R', Accumulation 'U1' and Accumulation 'U2'. The net asset value of each share class, net asset value per share and the number of shares in issue are given in the sub-fund's comparative table.

The share classes currently in issue and the Fixed Ongoing Charge, inclusive of the synthetic element, of each share class are shown below.

	30.04.23	30.04.22
- Accumulation 'A'	1.85%	1.85%
- Accumulation 'R'	1.10%	1.10%
- Accumulation 'U1'	0.95%	0.95%
- Accumulation 'U2'	0.95%	0.95%

Share class movement reconciliation	Opening 01.05.22	Issued	Redeemed	Converted	Closing 30.04.23
- Accumulation 'A'	64,069,079	249,733	(9,914,069)	-	54,404,743
- Accumulation 'R'	13,810,481	251,083	(3,242,604)	120,816	10,939,776
- Accumulation 'U1'	1,169,311	38,854	(187,077)	(32,416)	988,672
- Accumulation 'U2'	67,470,858	392,525	(13,661,655)	(45,867)	54,155,861

17 Post balance sheet date events

The table below shows the net asset values per share as at the balance sheet date, compared against values as at 24 August 2023 and the percentage movement in that period:

	30.04.23 pence per share	24.08.23 pence per share	% Movement
- Accumulation 'A'	77.87	76.91	(1.23)
- Accumulation 'R'	82.75	81.88	(1.05)
- Accumulation 'U1'	127.61	126.30	(1.03)
- Accumulation 'U2'	127.97	126.70	(0.99)

Distribution tables

Final distribution

Group 1: Shares purchased prior to 1 November 2022
Group 2: Shares purchased from 1 November 2022 to 30 April 2023

	Revenue pence per share	Equalisation pence per share*	Distribution paid 30.06.23 pence per share	Distribution paid 30.06.22 pence per share
Accumulation 'A' Shares				
Group 1	0.2281	-	0.2281	0.0000
Group 2	0.1265	0.1016	0.2281	0.0000
Accumulation 'R' Shares				
Group 1	0.4872	-	0.4872	0.2670
Group 2	0.2873	0.1999	0.4872	0.2670
Accumulation 'U1' Shares				
Group 1	0.8254	-	0.8254	0.4892
Group 2	0.5319	0.2935	0.8254	0.4892
Accumulation 'U2' Shares				
Group 1	0.8278	-	0.8278	0.4907
Group 2	0.3976	0.4302	0.8278	0.4907

Interim distribution

Group 1: Shares purchased prior to 1 May 2022
Group 2: Shares purchased from 1 May 2022 to 31 October 2022

	Revenue pence per share	Equalisation pence per share*	Distribution paid 30.12.22 pence per share	Distribution paid 31.12.21 pence per share
Accumulation 'A' Shares				
Group 1	0.2773	-	0.2773	0.3068
Group 2	0.2076	0.0697	0.2773	0.3068
Accumulation 'R' Shares				
Group 1	0.5149	-	0.5149	0.5849
Group 2	0.3353	0.1796	0.5149	0.5849
Accumulation 'U1' Shares				
Group 1	0.8689	-	0.8689	0.9792
Group 2	0.6743	0.1946	0.8689	0.9792
Accumulation 'U2' Shares				
Group 1	0.8714	-	0.8714	0.9820
Group 2	0.4356	0.4358	0.8714	0.9820

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

Quilter Investors Creation Conservative Portfolio

Launch date	28 April 2008
IA Sector	Mixed Investment 0-35% Shares
Investment Manager	Quilter Investors Limited
Net asset value	£62,255,667

Objective

To achieve capital growth over a period of five years or more.

The portfolio is diversified across asset classes, with exposure to equities between 0% and 35% and with volatility of between 3% and 7%.*

*The volatility range is a target, based on long term actuarial assumptions and the sub-fund is managed to stay within this range most of the time. The volatility range is regularly reviewed and may change from time to time due to changes in these assumptions.

Policy

The sub-fund invests in a diversified portfolio of assets. It is expected that exposure will be to equities, fixed income, cash, money market instruments and currencies. Such investment will be made either directly by investing in such instruments or indirectly by investing in collective investment schemes. In addition, the portfolio may indirectly hold property and commodities by investing in collective investment schemes, transferable securities and derivatives. The collective investment schemes in which the sub-fund invests may include schemes which are managed or operated by the ACD or an associate of the ACD.

The sub-fund targets a volatility level reflective of its asset allocation.

The sub-fund may use derivative instruments for investment purposes or Efficient Portfolio Management. The use of derivatives for the purpose of investment may affect the risk profile of the sub-fund although this is not the ACD's intention. The use of derivatives for Efficient Portfolio Management is unlikely to affect the risk profile of the sub-fund.

Investment Manager's review

Market Review

At the start of the review period, global stock markets fell as investors became increasingly concerned that interest rate rises driven by persistent inflation would cause a recession. Inflation climbed to multi-decade highs, particularly in the US and UK, where consumer prices increased at the fastest pace for 40 years, prompting interest-rate hikes from major central banks. Inflation remained elevated largely due to energy prices, which stayed high as the war in Ukraine continued.

The US Federal Reserve ("Fed") increased interest rates by 0.5% in May and 0.75% in June to bring its benchmark rate to 1.75%. US stock markets jumped in July on hopes that the Fed may consider cutting interest rates in 2023, owing to fears around slowing economic growth. However, such hopes were dashed in August as the Fed crystallised its commitment to raising interest rates.

The European Central Bank ("ECB") was forced to raise interest rates twice – its first upward move in over a decade. The ECB hiked interest rates by 0.75% in October, as euro area annual inflation was forecast to come in at 10.7%, up from 9.9% the previous month. The Bank of England's ("BoE") more cautious approach to rate rises, compared with the Fed, contributed to sterling weakness during the period.

The US was the top performing region, despite disappointing financial results from some of the tech giants, including Meta (Platforms (formally named Facebook) and Amazon. Meanwhile, UK and European equity markets stabilised in the second half of the review period.

Emerging market equities declined, as emerging market economies were buffered by both inflation and the slowdown in economic growth. In China, negative sentiment surrounding the country's zero-COVID policy also weighed on equity markets.

Widespread inflation and expectations of further interest-rate hikes globally meant that bond markets suffered. In the UK, September's mini-budget sparked a mass sell-off with questions over its fiscal sustainability triggering a sharp rise in UK gilt yields, forcing the BoE to intervene to calm the market. In the US, bond markets began pricing in the Fed's next 0.75% rate hike.

In the latter half of the review period, growth stocks generally outperformed value stocks and larger companies outperformed smaller ones. This difference was most stark in US markets where mega cap tech companies such as Meta more than doubled, driving the NASDAQ 100 Index to a 6.4% gain in Sterling. Conversely the Russell 200 Index, representative of small and medium sized companies, fell 12.0% in Sterling.

Fixed Income generally delivered small but positive returns. Medium and long-term interest rates stabilised as investors looked forward to the end of central bank policy rate hikes and credit spreads for corporate bonds tightened in lockstep with the rising equity markets.

Performance Review

Over the twelve-month period under review, the sub-fund outperformed the Performance Comparator and returned -1.42%. The sub-fund ended the year in the first quartile of its peer group.

The speed and magnitude of the moves in government bond markets were notable during the period and were the result of continued heightened levels of inflation, as well as the desire for central banks to raise rates to get inflation levels back to target.

The portfolio's underweight to expensive government bonds – particularly at the lower-risk end – helped to mitigate losses.

It was, generally, a period in which equity managers with a value style outperformed those more focussed on growth. However, what had more impact in the portfolios was the weakness within the small-cap space, particularly in the UK.

It was a tumultuous period for the UK, with two changes in government leadership over the period, including the calamitous 'mini budget', which sparked weakness in sterling and increases in bond yields.

Against this backdrop, expectations shifted to a more challenged domestic growth picture which, in turn, fed into weakness in the domestic-facing smaller cap stock market. Managers with more of a bias in this space, like Quilter Investors UK Equity Mid Cap Growth, were the weak performers – this fund fell 19.2% respectively, versus the FTSE All Share's 6.3% decline.

Fixed income was a challenge for the portfolios, although the lower exposure to government bonds and minimal risky bond exposure helped the portfolios to avoid losses. Alternatives also softened losses, with positive returns from long/short fixed income managers and relative outperformance from infrastructure holdings. There was, however, weakness from long/short equity managers and commodity exposures.

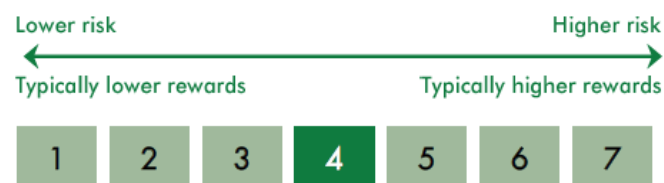
In the second half of the period, the portfolios' bond exposures contained an overweight to US Dollar denominated bonds and an underweight to Sterling denominated bonds (relative to the peer groups) and this was one of the key drivers of positive performance.

During this time, equity markets broadly rallied when the returns in GBP were considered, with all regions up between 6% and 18%, apart from the US market (MSCI North America total return in GBP was -1.2% over the period) due to the strength of the pound/weakness of the dollar. The portfolios' relatively low weight to US equities was a tailwind here. The portfolios best performing equity holding was the Quilter Investors Europe (ex UK) fund managed by Janus Henderson, which rallied 16.5% in Sterling in a strong environment for European equities as a warm winter meant less pressure on gas prices and gas storage reserves as the continent tried to wean itself off Russian fuel.

Alternatives were marginally positive over the period with the best performance coming from the Allianz Fixed Income Macro Fund, whose global interest rate positioning contributed positively over the period.

Quilter Investors Creation Conservative Portfolio

Risk and Reward Profile



The calculated risk and reward category, as shown above, uses a method of calculation derived from EU rules. It is based on the rate at which the returns of the sub-fund have moved up and down in the past (i.e. volatility) and is not a guide to the future risk and reward category of the sub-fund. The category shown is not a target or guarantee and may shift over time. Even the lowest category 1 does not mean a risk-free investment. The seven-category scale is nonlinear, for example, 2 is not twice as risky as 1.

Sub-funds in category 4 have in the past shown moderate volatility. With a sub-fund of category 4, you have a moderate risk of losing money but your chance for gains is also moderate.

Investment risk - there is no guarantee that the sub-fund will achieve its objective. A capital loss of some or all of the amount invested may occur.

Strategy risk - as the sub-fund invests in other collective investment schemes, which themselves invest in assets such as bonds, company shares, cash and currencies, it will be subject to the collective risks of these other funds. This may include emerging markets risk, sub-investment grade bond credit risk and smaller companies risk.

Company shares (i.e. equities) risk - the value of company shares may rise and fall due to the performance of individual companies or because of general market and economic conditions.

High cash risk - the sub-fund invests in cash which reduces the potential change in the sub-fund's price. In rising markets this could reduce returns and in falling markets this could reduce losses.

Emerging markets risk - less developed countries may face more political, economic or structural challenges than developed countries.

Credit risk - the issuer of a bond or a similar investment within the sub-fund may not pay income or repay capital to the sub-fund when due. Bonds which are rated below investment grade are considered to have a higher risk exposure with respect to meeting their payment obligations.

Interest rate risk - investments in bonds are affected by interest rates and inflation trends which may affect the value of the sub-fund.

Liquidity risk - some investments may become hard to value or sell at a desired time and price. In extreme circumstances this may affect the sub-fund's ability to meet redemption requests upon demand.

Currency risk - the sub-fund is denominated in British Pounds but may hold assets denominated in, or with exposure to, other currencies. The value of your shares may rise and fall as a result of exchange rate movements.

Derivative risk - the sub-fund may use derivatives for investment purposes and/or for Efficient Portfolio Management (EPM). Using derivatives can involve a higher level of risk. A small movement in the price of an underlying investment may result in a disproportionately large movement in the price of the derivative investment. Derivatives also involve counterparty risk where the institutions acting as counterparty to derivatives may not meet their contractual obligations.

Capital erosion risk - the sub-fund takes its charges from the income of the sub-fund in the first instance. The impact of sub-fund charges may be material on the value of any income you receive from your investment. There is potential for capital erosion if insufficient income is generated by the sub-fund to cover these charges. Capital erosion may have the effect of reducing the level of income generated.

For a more detailed explanation of risks, please refer to the **"Risks"** section of the Prospectus.

Performance records

Comparative Tables

Accumulation 'A'	1 May 2022 to 30 April 2023 p/share	1 May 2021 to 30 April 2022 p/share	1 May 2020 to 30 April 2021 p/share
Change in net assets per share			
Opening net asset value per share	72.42	75.93	70.15
Return before operating charges*	(0.11)	(2.11)	7.15
Operating charges**	(1.31)	(1.40)	(1.37)
Return after operating charges*	(1.42)	(3.51)	5.78
Distributions	(0.33)	(0.22)	(0.39)
Retained distributions	0.33	0.22	0.39
Closing net asset value per share	71.00	72.42	75.93
* after direct transaction costs of***	0.01	0.02	-
Performance			
Return after charges	(1.96)%	(4.62)%	8.24%
Other information			
Closing net asset value (£)	21,982,248	27,287,446	35,427,888
Closing number of shares	30,960,970	37,680,506	46,658,539
Operating charges****	1.85%	1.85%	1.85%
Direct transaction costs***	0.01%	0.02%	-
Prices	pence per share	pence per share	pence per share
Highest share price	72.41	77.38	76.13
Lowest share price	67.99	72.24	69.47
Accumulation 'R'	1 May 2022 to 30 April 2023 p/share	1 May 2021 to 30 April 2022 p/share	1 May 2020 to 30 April 2021 p/share
Change in net assets per share			
Opening net asset value per share	76.52	79.75	73.24
Return before operating charges*	(0.23)	(2.35)	7.36
Operating charges**	(0.82)	(0.88)	(0.85)
Return after operating charges*	(1.05)	(3.23)	6.51
Distributions	(0.80)	(0.64)	(0.88)
Retained distributions	0.80	0.64	0.88
Closing net asset value per share	75.47	76.52	79.75
* after direct transaction costs of***	0.01	0.02	-
Performance			
Return after charges	(1.37)%	(4.05)%	8.89%
Other information			
Closing net asset value (£)	5,777,689	6,762,309	8,309,839
Closing number of shares	7,655,146	8,837,031	10,419,228
Operating charges****	1.10%	1.10%	1.10%
Direct transaction costs***	0.01%	0.02%	-
Prices	pence per share	pence per share	pence per share
Highest share price	76.65	81.45	79.95
Lowest share price	72.06	76.33	72.54

Performance records (continued)

Comparative Tables (continued)

	1 May 2022 to 30 April 2023 p/share	1 May 2021 to 30 April 2022 p/share	1 May 2020 to 30 April 2021 p/share
Accumulation 'U1'			
Change in net assets per share			
Opening net asset value per share	115.47	120.20	110.25
Return before operating charges*	(0.37)	(3.59)	11.06
Operating charges**	(1.07)	(1.14)	(1.11)
Return after operating charges*	(1.44)	(4.73)	9.95
Distributions	(1.35)	(1.11)	(1.46)
Retained distributions	1.35	1.11	1.46
Closing net asset value per share	114.03	115.47	120.20
* after direct transaction costs of***	0.01	0.03	-
Performance			
Return after charges	(1.25)%	(3.94)%	9.02%
Other information			
Closing net asset value (£)	564,745	728,581	1,009,264
Closing number of shares	495,280	630,963	839,665
Operating charges****	0.95%	0.95%	0.95%
Direct transaction costs***	0.01%	0.02%	-
Prices			
	pence per share	pence per share	pence per share
Highest share price	115.7	122.8	120.5
Lowest share price	108.8	115.2	109.2
Accumulation 'U2'			
	1 May 2022 to 30 April 2023 p/share	1 May 2021 to 30 April 2022 p/share	1 May 2020 to 30 April 2021 p/share
Change in net assets per share			
Opening net asset value per share	118.35	123.20	113.00
Return before operating charges*	(0.38)	(3.68)	11.34
Operating charges**	(1.10)	(1.17)	(1.14)
Return after operating charges*	(1.48)	(4.85)	10.20
Distributions	(1.38)	(1.14)	(1.50)
Retained distributions	1.38	1.14	1.50
Closing net asset value per share	116.87	118.35	123.20
* after direct transaction costs of***	0.01	0.03	-
Performance			
Return after charges	(1.25)%	(3.94)%	9.03%
Other information			
Closing net asset value (£)	33,930,985	44,784,237	61,625,012
Closing number of shares	29,032,960	37,839,689	50,018,937
Operating charges****	0.95%	0.95%	0.95%
Direct transaction costs***	0.01%	0.02%	-
Prices			
	pence per share	pence per share	pence per share
Highest share price	118.6	125.9	123.5
Lowest share price	111.5	118.1	111.9

** The operating charges include all costs borne by the sub-fund, except for direct transaction costs. They include the operating charges of any collective investment schemes in which the sub-fund invests.

*** The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties. They do not include any difference between the quoted bid and offer prices or internal administrative or holding costs. These costs arise as a result of transactions undertaken both for efficient portfolio management and the meeting of the sub-fund's objectives. These costs exclude any effect of dilution adjustments used to offset the costs.

**** The operating charges percentage is the ratio of the sub-fund's ongoing charges (including the ongoing charges of any collective investment schemes in which the sub-fund invests but excluding interest on borrowings) to the average net assets of the sub-fund. This includes a synthetic element of 0.22% (30.04.2022 - 0.20%) (30.04.2021 - 0.22%) to incorporate the ongoing charges figure of the underlying sub-funds.

Performance

	1 year to 30 April 2023	3 years to 30 April 2023	5 years to 30 April 2023
Quilter Investors Creation Conservative Portfolio*	(1.42)%	2.96%	0.55%
Relative to IA Mixed Investment 0-35% Shares (sector average)	2.29%	0.91%	(3.13)%
Quartile ranking	1	2	3

* Accumulation 'R' shares

Data Source – FactSet. Figures are calculated on a total return and single price basis, with net income reinvested into the sub-fund.

Portfolio allocation	Percentage of total net assets	Major holdings	Percentage of total net assets
Collective Investment Schemes Overseas Bonds	49.00	iShares \$ Treasury Bond UCITS ETF - Distributing (GBP) Hedged	18.34
Collective Investment Schemes Overseas Equities	18.01	Wellington Global Credit ESG - G Distributing (GBP) Hedged	6.55
Collective Investment Schemes Liquidity Funds	8.87	iShares China CNY Bond UCITS ETF - Distributing (GBP) Hedged	5.55
Collective Investment Schemes United Kingdom Equities	8.25	BlackRock Institutional Sterling Liquidity Fund - Premier Accumulation	5.36
Collective Investment Schemes United Kingdom Bonds	6.35	iShares Global Govt Bond UCITS ETF	5.06
United Kingdom Bonds	3.43	Quilter Investors Global Dynamic Equity Fund - A Accumulation	3.98
United Kingdom Equities	1.64	iShares UK Equity Index Fund (UK) - L Accumulation	3.74
Collective Investment Schemes Overseas Alternative Investment Instruments	1.46	BlackRock Institutional Cash Series Sterling Ultra Short Bond Fund - J Accumulation	3.51
Overseas Bonds	0.05	United Kingdom Gilt 0.75% 22/07/2023	3.43
Derivatives	0.09	Quilter Investors Absolute Return Bond Fund - U2 Accumulation	3.40
Net other assets	2.85		
Total	100.00		
Asset allocation		Number of holdings	56
Collective Investment Schemes	91.94		
Bonds	3.48		
Equities	1.64		
Derivatives	0.09		
Net other assets	2.85		
Total	100.00		

Portfolio statement

as at 30 April 2023

Holding	Investment	Market Value £'000	Percentage of total net assets %
	Bonds 3.48% (30 April 2022 9.85%)		
	United Kingdom Bonds 3.43% (30 April 2022 6.79%)		
£2,150,000	United Kingdom Gilt 0.75% 22/07/2023	2,133	3.43
		2,133	3.43
	Overseas Bonds 0.05% (30 April 2022 3.06%)		
\$630,000	Lebanon Government Bond 5.8% 14/04/2020†	30	0.05
		30	0.05
	Equities 1.64% (30 April 2022 1.56%)		
	United Kingdom Equities 1.64% (30 April 2022 1.56%)		
148,059	HICL Infrastructure	226	0.36
379,781	Hipgnosis Songs	333	0.54
139,920	International Public Partnerships	203	0.33
201,693	Renewables Infrastructure	258	0.41
		1,020	1.64
	Collective Investment Schemes 91.94% (30 April 2022 86.55%)		
	Liquidity Funds 8.87% (30 April 2022 4.36%)†		
21,253	BlackRock Institutional Cash Series Sterling Ultra Short Bond Fund - J Accumulation	2,187	3.51
30,941	BlackRock Institutional Sterling Liquidity Fund - Premier Accumulation	3,336	5.36
		5,523	8.87
	United Kingdom Bonds 6.35% (30 April 2022 3.00%)		
40,409	iShares £ Index-Linked Gilts UCITS ETF	560	0.90
3,930,177	Quilter Investors Dynamic Bond Fund - A Income¥	1,502	2.41
1,987,846	Quilter Investors Sterling Corporate Bond Fund - A Accumulation (GBP) ¥	1,894	3.04
		3,956	6.35
	United Kingdom Equities 8.25% (30 April 2022 8.68%)		
838,047	iShares UK Equity Index Fund (UK) - L Accumulation	2,331	3.74
134,020	JO Hambro UK Dynamic Fund - B Accumulation	454	0.73
87,678	Jupiter UK Specialist Equity Fund - I Accumulation	1,132	1.82
301,433	Liontrust UK Growth Fund	387	0.62
265,703	Quilter Investors UK Equity Large-Cap Income Fund - U2 Accumulation¥	442	0.71
305,936	Quilter Investors UK Equity Mid-Cap Growth Fund - A Accumulation¥	389	0.63
		5,135	8.25
	Overseas Bonds 49.00% (30 April 2022 46.92%)		
1,679,181	Allianz Fixed Income Macro Fund - E Accumulation	1,884	3.03
6,524	Ardea Global Alpha Fund - X Income (GBP) Hedged	626	1.00
5,666	Coremont Investment Absolute Return Government Bond Fund - A2 Accumulation (GBP)	560	0.90
2,595,210	iShares \$ Treasury Bond UCITS ETF - Distributing (GBP) Hedged	11,420	18.34
677,062	iShares China CNY Bond UCITS ETF - Distributing (GBP) Hedged	3,454	5.55
676,690	iShares Global Govt Bond UCITS ETF	3,148	5.06
50,811	Jupiter Strategic Absolute Return Bond Fund - F2 Accumulation (GBP) Hedged	64	0.10
689,066	Premier Miton Financials Capital Securities Fund - C Accumulation	686	1.10

Portfolio statement (continued)

as at 30 April 2023

Holding	Investment	Market Value £'000	Percentage of total net assets %
Overseas Bonds (continued)			
2,058,540	Quilter Investors Absolute Return Bond Fund - U2 Accumulation¥	2,118	3.40
555,074	Quilter Investors Bond 3 Fund - A Income£££	480	0.77
32,536	Vanguard Japan Government Bond Index Fund - Institutional Plus Accumulation (JPY)	1,989	3.20
419,266	Wellington Global Credit ESG - G Distributing (GBP) Hedged	4,076	6.55
		30,505	49.00
Overseas Equities 18.01% (30 April 2022 23.05%)			
233,602	BNY Mellon US Equity Income Fund - F Accumulation	365	0.59
151,616	Fidelity Asia Pacific Opportunities Fund - W Accumulation	422	0.68
372,371	iShares Continental European Equity Index Fund (UK) - L Accumulation	1,300	2.09
58,440	iShares Edge MSCI Europe Value Factor UCITS ETF	387	0.62
138,099	iShares Emerging Markets Equity Index Fund (UK) - L Accumulation	244	0.39
217,195	iShares Japan Equity Index Fund (UK) - L Accumulation	568	0.91
215,916	iShares MSCI World Health Care Sector ESG UCITS ETF	1,233	1.98
100	iShares North American Equity Index Fund (UK) - L Accumulation	1	-
894	iShares Pacific ex Japan Equity Index Fund (UK) - L Accumulation	4	0.01
11,980	JPMorgan US Opportunistic Long-Short Equity Fund - I2 (GBP) Hedged	988	1.59
12,389	Jupiter Global Emerging Markets Focus Fund - U2 Accumulation (GBP)	227	0.36
15,659	M&G Japan Fund - I Accumulation (GBP)	501	0.80
111,352	Premier Miton European Opportunities Fund - F Accumulation	315	0.51
132,153	Quilter Investors Emerging Markets Equity Growth Fund - U2 Accumulation¥	269	0.43
146,896	Quilter Investors Europe (ex UK) Equity Fund - U2 Income¥	316	0.51
1,550,887	Quilter Investors Global Dynamic Equity Fund - A Accumulation¥	2,481	3.98
111,962	Quilter Investors Global Equity Growth Fund - U2 Accumulation¥	317	0.51
147,925	Quilter Investors Global Equity Value Fund - U2 Accumulation (GBP) ¥	381	0.61
160,487	Quilter Investors US Equity Growth Fund - U2 Accumulation¥	374	0.60
71,974	Schroder Oriental Income Fund	185	0.30
27,107	Wellington Durable Enterprises Fund - T Accumulation (USD)	335	0.54
		11,213	18.01
Overseas Alternative Investment Instruments 1.46% (30 April 2022 0.54%)			
60,000	Neuberger Berman Event Driven Fund - I5 Accumulation (GBP)	604	0.97
26,268	Wisdomtree Enhanced Commodity UCITS ETF	306	0.49
		910	1.46
Derivatives 0.09% (30 April 2022 (0.68)%)			
Sterling Denominated Forward Exchange Contracts 0.08% (30 April 2022 (0.35)%)			
	Buy GBP 1,968,380 Sell JPY 326,928,070 15/05/2023	36	0.06
	Buy GBP 63,258 Sell JPY 10,556,302 15/05/2023	1	-
	Buy GBP 333,132 Sell USD 400,000 16/06/2023	13	0.02
	Buy GBP 5,302 Sell USD 6,643 15/05/2023	-	-
	Buy GBP 347,444 Sell USD 435,100 15/05/2023	(1)	-
		49	0.08
Sterling Denominated Futures Contracts 0.00% (30 April 2022 0.12%)			
(6)	Long Gilt Futures June 2023	(1)	-
		(1)	-
Australian Dollar Denominated Futures Contracts 0.01% (30 April 2022 (0.25)%)			
5	Australia 10 Year Bond Futures June 2023	6	0.01
		6	0.01

Portfolio statement (continued)

as at 30 April 2023

Holding	Investment	Market Value £'000	Percentage of total net assets %
4	Euro Denominated Futures Contracts 0.01% (30 April 2022 (0.18)%)		
	Euro-Bund Futures June 2023	9	0.01
		9	0.01
	Euro Denominated Options Contracts 0.00% (30 April 2022 0.06%)		
	US Dollar Denominated Forward Exchange Contracts 0.00% (30 April 2022 0.01%)		
	Buy USD 6,655 Sell GBP 5,338 15/05/2023	-	-
	Buy USD 4,674 Sell GBP 3,752 15/05/2023	-	-
	Buy USD 8,070 Sell GBP 6,486 15/05/2023	-	-
	Buy USD 210,000 Sell GBP 169,048 16/06/2023	(1)	-
		(1)	-
(1)	US Dollar Denominated Futures Contracts (0.01)% (30 April 2022 (0.10)%)		
	S&P 500 E-Mini Futures June 2023	(7)	(0.01)
		(7)	(0.01)
	US Dollar Denominated Options Contracts 0.00% (30 April 2022 0.01%)		
	Investment assets**	60,480	97.15
	Net other assets	1,776	2.85
	Total net assets	62,256	100.00

‡ Defaulted.

† Cash equivalents.

** Including investment liabilities.

‡‡ Fair Value Price approved by the ACD.

¥ Managed by Quilter Investors Limited.

All investments (excluding OTC derivatives) are approved securities being either officially listed in a member state or traded on or under the rules of an eligible securities market or collective investment schemes permitted under the COLL Sourcebook.

Analysis of investments by asset class

	Market Value £'000	Percentage of total net assets %
Collective Investment Schemes	36,549	58.70
Equities	21,713	34.88
Bonds	2,163	3.48
Derivatives	55	0.09
Portfolio of investments	60,480	97.15
Net other assets	1,776	2.85
Total net assets	62,256	100.00

Summary of material purchases and sales

for the year from 1 May 2022 to 30 April 2023

Purchases	Cost £'000	Sales	Proceeds £'000
iShares \$ Treasury Bond UCITS ETF - Distributing (GBP) Hedged	4,847	iShares Global Govt Bond UCITS ETF	4,521
Quilter Investors Sterling Corporate Bond Fund - A Accumulation (GBP)	2,375	iShares \$ Treasury Bond UCITS ETF - Distributing (GBP) Hedged	2,796
BlackRock Institutional Cash Series Sterling Ultra Short Bond Fund - J Accumulation*	2,238	Quilter Investors Global Dynamic Equity Fund - A Accumulation	2,611
United Kingdom Gilt 0.75% 22/07/2023	2,112	United Kingdom Gilt 1.75% 07/09/2022	2,500
BlackRock Institutional Sterling Liquidity Fund - Premier Accumulation*	2,090	United Kingdom Gilt 0.5% 22/07/2022	2,500
iShares UK Equity Index Fund (UK) - L Accumulation	1,982	Quilter Investors Bond 2 Fund - A Accumulation	2,331
Quilter Investors Dynamic Bond Fund - A Income	1,586	BlackRock Institutional Sterling Liquidity Fund - Premier Accumulation*	2,276
United Kingdom Gilt 0% 19/12/2022	1,488	iShares UK Equity Index Fund (UK) - L Accumulation	2,049
iShares Continental European Equity Index Fund (UK) - L Accumulation	1,351	US Treasury 0.875% 15/11/2030	1,758
Premier Miton Financials Capital Securities Fund - C Accumulation	1,168	Lumyna - Sandbar Global Equity Market Neutral UCITS Fund	1,746

* Cash equivalents

Statement of total return

for the year from 1 May 2022 to 30 April 2023

	Note	01.05.22 to 30.04.23 £'000	01.05.22 to 30.04.23 £'000	01.05.21 to 30.04.22 £'000	01.05.21 to 30.04.22 £'000
Income					
Net capital losses	2		(1,883)		(3,965)
Revenue	3	1,352		1,453	
Expenses	4	(726)		(1,016)	
Interest payable and similar charges	5	(4)		(66)	
Net revenue before taxation		622		371	
Taxation	6	(70)		(6)	
Net revenue after taxation			552		365
Total return before distributions			(1,331)		(3,600)
Distributions	7		(637)		(705)
Change in net assets attributable to shareholders from investment activities			(1,968)		(4,305)

Statement of change in net assets attributable to shareholders

for the year from 1 May 2022 to 30 April 2023

	01.05.22 to 30.04.23 £'000	01.05.22 to 30.04.23 £'000	01.05.21 to 30.04.22 £'000	01.05.21 to 30.04.22 £'000
Opening net assets attributable to shareholders		79,563		106,372
Amounts received on issue of shares	115		636	
Amounts paid on cancellation of shares	(16,079)		(23,816)	
		(15,964)		(23,180)
Dilution adjustment		20		27
Change in net assets attributable to shareholders from investment activities		(1,968)		(4,305)
Retained distributions on accumulation shares		605		649
Closing net assets attributable to shareholders		62,256		79,563

The notes on pages 66 to 74 form an integral part of these financial statements

Balance sheet

as at 30 April 2023

	Note	30.04.23 £'000	30.04.22 £'000
Assets			
Fixed assets			
Investments		54,967	74,653
Current assets			
Debtors	8	144	179
Cash and bank balances	9	2,149	2,111
Cash equivalents*	9	5,523	3,473
Total assets		62,783	80,416
Liabilities			
Investment liabilities		(10)	(726)
Creditors			
Bank overdrafts	10	(101)	-
Other creditors	11	(416)	(127)
Total liabilities		(527)	(853)
Net assets attributable to shareholders		62,256	79,563

* The investment assets in the portfolio statement include the cash equivalents amount shown under current assets.

The notes on pages 66 to 74 form an integral part of these financial statements.

Notes to the financial statements

for the year from 1 May 2022 to 30 April 2023

1 Accounting policies

The applicable accounting policies adopted by the Quilter Investors Creation Conservative Portfolio are included on pages 183 to 184.

2 Net capital losses

	01.05.22 to 30.04.23 £'000	01.05.21 to 30.04.22 £'000
The net capital losses on investments comprise:		
Losses on non-derivative securities	(1,502)	(2,548)
Losses on derivative securities	(26)	(411)
Losses on forward currency contracts	(339)	(1,032)
Losses on currency contracts	(33)	(38)
Authorised Corporate Director's capitalised fee rebates	20	67
Handling charges	(3)	(3)
Net capital losses on investments	(1,883)	(3,965)
Realised (losses)/gains*	(86)	1,885
Unrealised losses*	(1,781)	(5,876)
Total realised/unrealised losses	(1,867)	(3,991)

*Where realised (losses)/gains include gains/losses arising in previous periods, a corresponding loss/gain is included in unrealised losses.

3 Revenue

	01.05.22 to 30.04.23 £'000	01.05.21 to 30.04.22 £'000
Authorised Corporate Director's fee rebate	93	145
Bank interest	15	-
Franked distributions on Collective Investment Schemes	232	267
Interest distributions on Collective Investment Schemes	228	327
Interest on debt securities	84	143
Non-taxable distributions on Offshore Funds	31	40
Non-taxable overseas dividends	32	35
Taxable distributions on Offshore Funds	600	403
UK dividends	32	67
Unfranked UK dividends	5	26
Total revenue	1,352	1,453

4 Expenses

	01.05.22 to 30.04.23 £'000	01.05.21 to 30.04.22 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director, and agents of either of them:		
Fixed Ongoing Charge*	726	1,016
Total expenses	726	1,016

* These figures represent the Fixed Ongoing Charge, exclusive of the synthetic element, which covers all fees payable by the sub-fund to the Authorised Corporate Director, Depositary (including associates etc.) and other expenses. The Audit fee for the year, excluding VAT, was £13,750 (30 April 2022: £12,500).

Notes to the financial statements (continued)

for the year from 1 May 2022 to 30 April 2023

5 Interest payable and similar charges

	01.05.22 to 30.04.23 £'000	01.05.21 to 30.04.22 £'000
Bank overdraft interest	4	66
Total interest payable and similar charges	4	66

6 Taxation

a) Analysis of tax charge in the year

	01.05.22 to 30.04.23 £'000	01.05.21 to 30.04.22 £'000
Corporation tax suffered	63	6
Corporation tax adjustment in respect of prior periods	10	-
Double taxation relief	-	(4)
Overseas tax suffered	(3)	4
Total current tax charge for the year	70	6
Deferred tax charge for the year (see note 6(c))	-	-
Total taxation for the year (see note 6(b))	70	6

b) Factors affecting tax charge for the year

	01.05.22 to 30.04.23 £'000	01.05.21 to 30.04.22 £'000
The taxation assessed for the year is lower (2022: lower) than the standard rate of corporation tax in the UK for an open-ended investment company 20% (2022: 20%). The differences are explained below:		
Net revenue before taxation	622	371
Corporation tax at 20% (2022: 20%)	124	74
Effects of:		
Capitalised revenue subject to taxation	4	13
Corporation tax adjustment in respect of prior periods	10	-
Double taxation relief	-	(4)
Non-taxable overseas dividends	(12)	(15)
Overseas tax suffered	(3)	4
Revenue not subject to taxation – UK	(53)	(66)
Total tax charge for the year (see note 6(a))	70	6

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

Notes to the financial statements (continued)

for the year from 1 May 2022 to 30 April 2023

6 Taxation (continued)

c) Movement in deferred tax liability

	01.05.22 to 30.04.23 £'000	01.05.21 to 30.04.22 £'000
Deferred tax liability at the start of the year	-	-
Deferred tax charge for the year (see note 6(a))	-	-
Deferred tax liability at the end of the year	-	-

At 30 April 2023 the sub-fund had surplus management expenses of £Nil (30 April 2022: £Nil) which can be utilised against profits chargeable to corporation tax in future years. It is unlikely that the sub-fund will generate sufficient taxable profits in the future to utilise these expenses and, therefore, no deferred tax asset has been recognised.

7 Distributions

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

	01.05.22 to 30.04.23 £'000	01.05.21 to 30.04.22 £'000
Interim – Accumulation shares (31 October)	309	514
Final – Accumulation shares (30 April)	296	135
	605	649
Revenue deducted on cancellation of shares	32	58
Revenue received on issue of shares	-	(2)
Total distribution	637	705
Reconciliation of distributions:		
Net revenue after taxation	552	365
Equalisation on Collective Investment Schemes	72	308
Corporation tax adjustment in respect of prior periods	10	-
Revenue deficit transferred to capital	-	29
Tax effect of fee rebates taken to capital	3	3
Total distribution	637	705

Details of the interim and final distributions per share are set out in the tables on page 75.

8 Debtors

	30.04.23 £'000	30.04.22 £'000
Accrued Authorised Corporate Director's fee rebates	15	20
Accrued revenue	11	32
Amount receivable on issue of shares	-	49
Corporation tax recoverable	-	52
Overseas tax recoverable	4	4
Sales awaiting settlement	114	22
Total debtors	144	179

Notes to the financial statements (continued)

for the year from 1 May 2022 to 30 April 2023

9 Cash and bank balances

	30.04.23 £'000	30.04.22 £'000
Amounts held at derivatives clearing houses and brokers	159	703
Cash and bank balances	1,990	1,408
Total cash and bank balances	2,149	2,111
BlackRock Institutional Cash Series Sterling Ultra Short Bond Fund - J Accumulation	2,187	-
BlackRock Institutional Sterling Liquidity Fund - Premier Accumulation	3,336	3,473
Total cash and bank balances	5,523	3,473

10 Bank overdrafts

	30.04.23 £'000	30.04.22 £'000
Cash overdrafts at broker	101	-
Total bank overdrafts	101	-

11 Other creditors

	30.04.23 £'000	30.04.22 £'000
Accrued expenses	51	67
Amounts payable for cancellation of shares	341	60
Corporation tax payable	24	-
Total other creditors	416	127

12 Related party transactions

Quilter Investors Limited, as ACD, is a related party, and acts as principal in respect of all transactions of shares in each sub-fund. The aggregate monies received on issue and paid on cancellation are disclosed in the Statement of change in net assets attributable to shareholders on page 64. Any amounts due to or from the ACD at the end of the accounting year in respect of transactions of shares in each sub-fund are disclosed in notes 8 and 11. Amounts paid to the ACD in respect of expenses are disclosed in note 4 and amounts due to it at the year end are disclosed in note 11. A portion of the authorised corporate director's fee rebates received by the sub-fund are from investment funds managed by Quilter Investors Limited. During the year £81,000 (2022: £189,000) has been recognised and is included in the total rebate amounts disclosed in notes 2 and 3. The balance due to the sub-fund at the year end in respect of this amounted to £6,000 (2022: £10,000) and is included in the total rebate amount disclosed in note 8. The sub-fund recognised £191,000 (2022: £338,000) gross revenue from investment funds managed by Quilter Investors Limited. The balance due at the year end in respect of the gross revenue amounted to £17,000 (2022: £8,000). Details of the investments held at the year end are identified in the portfolio statement.

13 Derivatives and other financial instruments

a) Financial instrument risk

The sub-fund has little direct exposure to credit or cash flow risk. The sub-fund is indirectly exposed to credit risk through the bond funds in which it invests. There are no material borrowings or unlisted securities and so little exposure to liquidity risk.

The main risks it faces arising from its financial instruments are (i) interest rate risk, and (ii) other price risk, being the risk that the value of investment holdings will fluctuate as a result of changes in market prices caused by factors other than interest rate movements. In addition, the sub-fund may hold financial instruments such as forward currency contracts, futures or options contracts for the purpose of efficient portfolio management.

These risks are monitored by the Investment Manager in pursuance of the investment objectives and policy set out in page 55.

Adherence to the investment guidelines and the investment and borrowing powers as set out in the Prospectus and in the rules of the COLL Sourcebook also mitigates the risk of excessive exposure to any particular type of security or issuer.

The Investment Manager regularly considers the asset allocation of the portfolio in order to minimise the risk associated with particular market or industry sectors. Stock selection is based on financial, market and sector analysis.

Notes to the financial statements (continued)

for the year from 1 May 2022 to 30 April 2023

13 Derivatives and other financial instruments (continued)

b) Market risk

i) Foreign currency risk

A proportion of the sub-fund's financial assets and liabilities are invested overseas. As a result, movements in exchange rates may affect the market price of investments and, due to timing differences between the transaction dates of investment sales, purchases and income, and actual cash settlement, create currency exchange gains/losses. The Investment Manager does seek to reduce some of this risk by using forward currency contracts.

The foreign currency exposure of the sub-fund as at 30 April 2023 (30 April 2022) was as follows:

Currency	Net foreign currency assets/(liabilities)			Net foreign currency assets/(liabilities)		
	Monetary	Non-monetary	Total	Monetary	Non-monetary	Total
	exposures*	exposures		exposures*	exposures	
	30.04.23	30.04.23	30.04.23	30.04.22	30.04.22	30.04.22
	£'000	£'000	£'000	£'000	£'000	£'000
Australian dollar	23	6	29	39	(196)	(157)
Euro	19	396	415	86	(91)	(5)
Japanese yen	-	(6)	(6)	-	5	5
US dollar	127	1,406	1,533	159	992	1,151
Total	169	1,802	1,971	284	710	994

* For the purpose of the above disclosure, monetary is taken to include only cash or near-cash items.

ii) Interest rate risk

Interest rate risk is the risk of movements in the value of financial instruments as a result of fluctuations in interest rates.

The interest rate risk profile of the sub-fund's financial assets and liabilities at 30 April 2023 (30 April 2022) was as follows:

Currency	Variable rate financial assets	Fixed rate financial assets	Financial assets not carrying interest	Total
30.04.23	£'000	£'000	£'000	£'000
Australian dollar	23	-	6	29
Euro	15	-	400	415
Japanese yen	-	-	1,989	1,989
Sterling	7,507	2,133	51,348	60,988
US dollar	127	30	2,057	2,214
Total	7,672	2,163	55,800	65,635

Currency	Variable rate financial assets	Fixed rate financial assets	Financial assets not carrying interest	Total
30.04.22	£'000	£'000	£'000	£'000
Australian dollar	39	-	-	39
Euro	81	-	61	142
Japanese yen	-	-	2,428	2,428
Sterling	1,869	5,404	71,750	79,023
US dollar	122	2,433	6,480	9,035
Total	2,111	7,837	80,719	90,667

Notes to the financial statements (continued)

for the year from 1 May 2022 to 30 April 2023

13 Derivatives and other financial instruments (continued)

b) Market risk (continued)

ii) Interest rate risk (continued)

Currency	Variable rate financial liabilities £'000	Financial liabilities not carrying interest £'000	Total £'000
30.04.23			
Japanese yen	-	(1,995)	(1,995)
Sterling	(101)	(602)	(703)
US dollar	-	(681)	(681)
Total	(101)	(3,278)	(3,379)

Currency	Variable rate financial liabilities £'000	Financial liabilities not carrying interest £'000	Total £'000
30.04.22			
Australian dollar	-	(196)	(196)
Euro	-	(147)	(147)
Japanese yen	-	(2,423)	(2,423)
Sterling	-	(454)	(454)
US dollar	-	(7,884)	(7,884)
Total	-	(11,104)	(11,104)

iii) Other price risk

Other price risk arises from uncertainty about future prices of financial instruments held. The main source of risk to the sub-fund is the potential movement in the value of financial instruments held as a result of price fluctuations. Stock market prices can move erratically and be unpredictably affected by diverse factors including political and economic events but also rumours and sentiment. The ACD adheres to the investment guidelines and borrowing powers set out within the Prospectus and the COLL Sourcebook. In this way the ACD monitors and controls the exposure to risk from any type of security, sector or issuer. The sub-fund may also use derivative instruments to mitigate risk and reduce cost.

c) Credit risk

Credit risk is the risk of suffering loss due to another party not meeting its financial obligation. The risk is managed by the Investment Manager who monitors the credit profile of financial instruments in accordance with the objective and policy of the sub-fund.

Adherence to the investment guidelines and the investment and borrowing powers as set out in the Prospectus and in the rules of the COLL Sourcebook also mitigates the risk of excessive exposure to any particular type of security or issuer.

d) Counterparty risk

Certain transactions in financial instruments that the sub-fund enters into have the risk that the counterparty will not meet its financial obligations, i.e. the investment (purchase) or cash (sale) after the sub-fund has fulfilled its responsibilities.

The sub-fund will only buy and sell investments through brokers which have been approved by the ACD and Investment Manager as an acceptable counterparty. This is overseen by the Depositary to ensure that the exposure to any counterparty remains appropriate for investors.

	Credit default swaps exposure £'000	Interest rate swaps exposure £'000	Futures and options exposure £'000	Forward foreign exchange contracts exposure £'000	Collateral held £'000
Exposure Table 30.04.23					
Counterparty	£'000	£'000	£'000	£'000	£'000
Citibank	-	-	-	36	-
JP Morgan	-	-	-	13	-
Merrill Lynch	-	-	7	-	-
Exposure Table 30.04.22					
Counterparty	£'000	£'000	£'000	£'000	£'000
No uncollateralised counterparty exposure	-	-	-	-	-

Positive exposure represents the sub-fund's exposure to that counterparty and not the sub-fund's holdings with that counterparty.

For futures contracts, variation margin in the form of cash is pledged by the counterparty to mitigate the credit risk arising from positive balances. Where the sub-fund is in a liability position, the sub-fund pledges variation margin in the form of cash.

Collateral arrangements with counterparties require assets of an agreed type and quality to be pledged where exposures are above a certain magnitude. At the year end, collateral of £Nil in the form of Cash was held for the sub-fund on behalf of counterparties (2022: £Nil in the form of Cash).

Notes to the financial statements (continued)

for the year from 1 May 2022 to 30 April 2023

13 Derivatives and other financial instruments (continued)

e) Liquidity risk

The sub-fund's assets comprise mainly of readily realisable securities which can be sold promptly to meet liquidity requirements. The main source of this risk comes from the obligation to shareholders to meet any cancellation of shares. Assets from a sub-fund may need to be sold to meet any redemption proceeds. As part of its operating duties the ACD regularly monitors the liquidity levels held on each sub-fund (cash and underlying securities) to ensure any redemptions can be readily met. Some investments may be less liquid than other securities and can be more sensitive to economic factors. The rules of the COLL Sourcebook mitigate the risk of excessive exposure to assets which are not readily realisable.

f) Fair value of financial assets and financial liabilities

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

Basis of valuation	30.04.23		30.04.22	
	Assets £'000	Liabilities £'000	Assets £'000	Liabilities £'000
Level 1: Quoted prices	23,861	(8)	34,629	(441)
Level 2: Observable market data	36,149	(2)	42,815	(285)
Level 3: Unobservable data*	480	-	682	-
Total	60,490	(10)	78,126	(726)

* For the level 3 assets this is made up of 1 security (2022: 2). This is a Quilter Investors managed collective investment scheme holding a small residual portfolio of illiquid stocks. This scheme has closed and is currently in the process of winding down. It is valued on an adjusted NAV basis taking into account changes within the scheme since the last quoted price.

g) Sensitivity analysis

The Investment Manager assesses the market risk of the Quilter Investors Creation Conservative Portfolio, including any derivative exposures, using an Absolute Value at Risk ("VaR") methodology. VaR is a process that provides the Investment Manager with an estimate of the maximum potential loss that could be expected to occur as a result of changes in market prices over a given period of time in all but a given percentage of circumstances. As the sub-fund adopts an absolute VaR Model to measure the global market risk, the daily VaR limit for the sub-fund cannot be greater than 20% of the Net Asset Value of the sub-fund. The VaR is calculated using a one-tailed 99% confidence level, a one month holding period and the historical period of one year (250 Business Days). Derivatives are used to efficiently manage the tactical asset allocation positioning of the sub-fund, Quilter Investors Creation Conservative Portfolio Fund. The sub-fund uses absolute methodology to measure Value at Risk (VaR). The VaR for the sub-fund at 30 April 2023 was 2.80% (30 April 2022: 3.26%).

The minimum, average and maximum VaR of the sub-fund over the year was 2.53%, 3.56% and 4.56% (30 April 2022: 1.88%, 2.53% and 4.12%).

The Gross sum of notionals (GSON) leverage figures are prepared with no hedging or netting of any asset class. Across the range of asset classes exposures are treated differently. For instance, currency forwards are treated by valuing both legs of the underlying and expressing them as a percentage of the NAV. Physical assets are excluded to get the incremental exposure resulting from derivatives.

The sub-fund is limited to 200% gross leverage. Using the GSON methodology, the average leverage for the year ended 30 April 2023 was 10.60% (30 April 2022: 35.10%).

Leverage figures for fund of funds do not include a look through of the funds held.

14 Contingent liabilities

The sub-fund had no contingent liabilities at the balance sheet date (30 April 2022: £Nil).

Notes to the financial statements (continued)

for the year from 1 May 2022 to 30 April 2023

15 Portfolio transaction costs

Analysis of total purchase costs	Value	Commissions		Other costs	
01.05.22 to 30.04.23	£'000	£'000	%	£'000	%
Bonds	3,600	-	-	-	-
Collective Investment Schemes	26,920	3	0.01%	-	-
Total	30,520	3		-	
Total purchases including transaction costs	30,523				

	Value	Commissions		Other costs	
01.05.21 to 30.04.22	£'000	£'000	%	£'000	%
Bonds	10,413	-	-	-	-
Equities	275	-	0.05%	-	0.08%
Collective Investment Schemes	49,085	15	0.03%	-	-
Corporate actions	20	-	-	-	-
Total	59,793	15		-	
Total purchases including transaction costs	59,808				

Analysis of total sale costs	Value	Commissions		Other costs	
01.05.22 to 30.04.23	£'000	£'000	%	£'000	%
Bonds	9,313	-	-	-	-
Collective Investment Schemes	37,727	6	0.02%	-	-
Total	47,040	6		-	
Total sales including transaction costs	47,034				

	Value	Commissions		Other costs	
01.05.21 to 30.04.22	£'000	£'000	%	£'000	%
Bonds	32,098	-	-	-	-
Equities	1,015	1	0.05%	-	-
Collective Investment Schemes	50,110	5	0.01%	-	-
Total	83,223	6		-	
Total sales including transaction costs	83,217				

Transaction costs as a percentage of average Net Assets

	30.04.23	30.04.22
Commissions:	0.01%	0.02%
Other costs:	0.00%	0.00%

There were commissions on derivative transactions of £592 (30 April 2022: £1,465). There were no taxes on derivative transactions (30 April 2022: £Nil).

In the case of shares, transaction costs are paid by the sub-fund on each transaction. Commissions relate to those paid to agents, advisers, brokers and dealers in the buying and selling of securities. Other costs include any additional fees that may be paid to agents, advisers, brokers and dealers as well as levies by regulatory agencies and security exchanges and any transfer taxes or duties. In addition, there is a dealing spread between the buying and selling prices of the underlying investments. Unlike shares, other types of investments have no separately identifiable transaction costs; these costs form part of the dealing spread. Dealing spreads may vary considerably depending on the transaction value and market sentiment. At the balance sheet date the dealing spread was 0.10% (30 April 2022: 0.19%), this is representative of the average spread on the assets held during the year.

Notes to the financial statements (continued)

for the year from 1 May 2022 to 30 April 2023

16 Shareholders' funds

The sub-fund currently has four share classes; Accumulation 'A', Accumulation 'R', Accumulation 'U1' and Accumulation 'U2'. The net asset value of each share class, net asset value per share and the number of shares in issue are given in the sub-fund's comparative table.

The share classes currently in issue and the Fixed Ongoing Charge, inclusive of the synthetic element, of each share class are shown below.

	30.04.23	30.04.22
- Accumulation 'A'	1.85%	1.85%
- Accumulation 'R'	1.10%	1.10%
- Accumulation 'U1'	0.95%	0.95%
- Accumulation 'U2'	0.95%	0.95%

Share class movement reconciliation	Opening 01.05.22	Issued	Redeemed	Converted	Closing 30.04.23
- Accumulation 'A'	37,680,506	43,895	(6,763,431)		30,960,970
- Accumulation 'R'	8,837,031	31,715	(1,245,379)	31,779	7,655,146
- Accumulation 'U1'	630,963	273	(135,956)		495,280
- Accumulation 'U2'	37,839,689	52,203	(8,838,411)	(20,521)	29,032,960

17 Post balance sheet date events

The table below shows the net asset values per share as at the balance sheet date, compared against values as at 24 August 2023 and the percentage movement in that period:

	30.04.23 pence per share	24.08.23 pence per share	% Movement
- Accumulation 'A'	71.00	69.96	(1.46)
- Accumulation 'R'	75.47	74.52	(1.26)
- Accumulation 'U1'	114.03	112.60	(1.25)
- Accumulation 'U2'	116.87	115.40	(1.26)

Distribution tables

Final distribution

Group 1: Shares purchased prior to 1 November 2022
Group 2: Shares purchased from 1 November 2022 to 30 April 2023

	Revenue pence per share	Equalisation pence per share*	Distribution paid 30.06.23 pence per share	Distribution paid 30.06.22 pence per share
Accumulation 'A' Shares				
Group 1	0.1786	-	0.1786	0.0000
Group 2	0.1324	0.0462	0.1786	0.0000
Accumulation 'R' Shares				
Group 1	0.4127	-	0.4127	0.1571
Group 2	0.3435	0.0692	0.4127	0.1571
Accumulation 'U1' Shares				
Group 1	0.6899	-	0.6899	0.3075
Group 2	0.4361	0.2538	0.6899	0.3075
Accumulation 'U2' Shares				
Group 1	0.7070	-	0.7070	0.3157
Group 2	0.3157	0.3913	0.7070	0.3157

Interim distribution

Group 1: Shares purchased prior to 1 May 2022
Group 2: Shares purchased from 1 May 2022 to 31 October 2022

	Revenue pence per share	Equalisation pence per share*	Distribution paid 30.12.22 pence per share	Distribution paid 31.12.21 pence per share
Accumulation 'A' Shares				
Group 1	0.1524	-	0.1524	0.2244
Group 2	0.1123	0.0401	0.1524	0.2244
Accumulation 'R' Shares				
Group 1	0.3917	-	0.3917	0.4829
Group 2	0.2179	0.1738	0.3917	0.4829
Accumulation 'U1' Shares				
Group 1	0.6601	-	0.6601	0.8006
Group 2	0.3905	0.2696	0.6601	0.8006
Accumulation 'U2' Shares				
Group 1	0.6767	-	0.6767	0.8206
Group 2	0.3557	0.3210	0.6767	0.8206

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

Quilter Investors Creation Dynamic Portfolio

Launch date	28 April 2008
IA Sector	Flexible Investment
Investment Manager	Quilter Investors Limited
Net asset value	£73,999,231

Objective

To achieve capital growth over a period of five years or more.

The portfolio is diversified across asset classes, with exposure to equities between 60% and 90% and with volatility of between 12% and 16%.*

*The volatility range is a target, based on long term actuarial assumptions and the sub-fund is managed to stay within this range most of the time. The volatility range is regularly reviewed and may change from time to time due to changes in these assumptions.

Policy

The sub-fund invests in a diversified portfolio of assets. It is expected that exposure will be to equities, fixed income, cash, money market instruments and currencies. Such investment will be made either directly by investing in such instruments or indirectly by investing in collective investment schemes. In addition, the portfolio may indirectly hold property and commodities by investing in collective investment schemes, transferable securities and derivatives. The collective investment schemes in which the sub-fund invests may include schemes which are managed or operated by the ACD or an associate of the ACD.

The sub-fund targets a volatility level reflective of its asset allocation.

The sub-fund may use derivative instruments for investment purposes or Efficient Portfolio Management. The use of derivatives for the purpose of investment may affect the risk profile of the sub-fund although this is not the ACD's intention. The use of derivatives for Efficient Portfolio Management is unlikely to affect the risk profile of the sub-fund.

Investment Manager's review

Market Review

At the start of the review period, global stock markets fell as investors became increasingly concerned that interest rate rises driven by persistent inflation would cause a recession. Inflation climbed to multi-decade highs, particularly in the US and UK, where consumer prices increased at the fastest pace for 40 years, prompting interest-rate hikes from major central banks. Inflation remained elevated largely due to energy prices, which stayed high as the war in Ukraine continued.

The US Federal Reserve ("Fed") increased interest rates by 0.5% in May and 0.75% in June to bring its benchmark rate to 1.75%. US stock markets jumped in July on hopes that the Fed may consider cutting interest rates in 2023, owing to fears around slowing economic growth. However, such hopes were dashed in August as the Fed crystallised its commitment to raising interest rates.

The European Central Bank ("ECB") was forced to raise interest rates twice – its first upward move in over a decade. The ECB hiked interest rates by 0.75% in October, as euro area annual inflation was forecast to come in at 10.7%, up from 9.9% the previous month. The Bank of England's ("BoE") more cautious approach to rate rises, compared with the Fed, contributed to sterling weakness during the period.

The US was the top performing region, despite disappointing financial results from some of the tech giants, including Meta (Platforms (formally named Facebook) and Amazon. Meanwhile, UK and European equity markets stabilised in the second half of the review period.

Emerging market equities declined, as emerging market economies were buffered by both inflation and the slowdown in economic growth. In China, negative sentiment surrounding the country's zero-COVID policy also weighed on equity markets.

Widespread inflation and expectations of further interest-rate hikes globally meant that bond markets suffered. In the UK, September's mini-budget sparked a mass sell-off with questions over its fiscal sustainability triggering a sharp rise in UK gilt yields, forcing the BoE to intervene to calm the market. In the US, bond markets began pricing in the Fed's next 0.75% rate hike.

In the latter half of the review period, growth stocks generally outperformed value stocks and larger companies outperformed smaller ones. This difference was most stark in US markets where mega cap tech companies such as Meta more than doubled, driving the NASDAQ 100 Index to a 6.4% gain in Sterling. Conversely the Russell 200 Index, representative of small and medium sized companies, fell 12.0% in Sterling.

Fixed Income generally delivered small but positive returns. Medium and long-term Interest rates stabilised as investors looked forward to the end of central bank policy rate hikes and credit spreads for corporate bonds tightened in lockstep with the rising equity markets.

Performance Review

Over the twelve-month period under review, the sub-fund outperformed the Performance Comparator and returned 2.44%. The sub-fund ended the year in the first quartile of its peer group.

The speed and magnitude of the moves in government bond markets were notable during the period and were the result of continued heightened levels of inflation, as well as the desire for central banks to raise rates to get inflation levels back to target.

The portfolio's underweight to expensive government bonds – particularly at the lower-risk end – helped to mitigate losses.

It was, generally, a period in which equity managers with a value style outperformed those more focussed on growth. However, what had more impact in the portfolios was the weakness within the small-cap space, particularly in the UK.

It was a tumultuous period for the UK, with two changes in government leadership over the period, including the calamitous 'mini budget', which sparked weakness in sterling and increases in bond yields.

Against this backdrop, expectations shifted to a more challenged domestic growth picture which, in turn, fed into weakness in the domestic-facing smaller cap stock market. Managers with more of a bias in this space, like Quilter Investors UK Equity Mid Cap Growth, were the weak performers – this fund fell 19.2% respectively, versus the FTSE All Share's 6.3% decline.

Fixed income was a challenge for the portfolios, although the lower exposure to government bonds and minimal risky bond exposure helped the portfolios to avoid losses. Alternatives also softened losses, with positive returns from long/short fixed income managers and relative outperformance from infrastructure holdings. There was, however, weakness from long/short equity managers and commodity exposures.

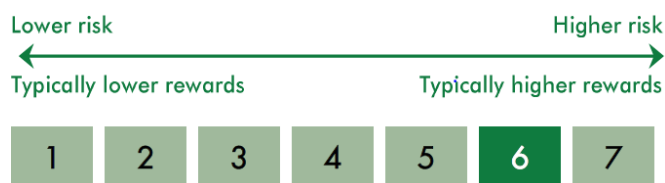
In the second half of the period, the portfolios' bond exposures contained an overweight to US Dollar denominated bonds and an underweight to Sterling denominated bonds (relative to the peer groups) and this was one of the key drivers of positive performance.

During this time, equity markets broadly rallied when the returns in GBP were considered, with all regions up between 6% and 18%, apart from the US market (MSCI North America total return in GBP was -1.2% over the period) due to the strength of the pound/weakness of the dollar. The portfolios' relatively low weight to US equities was a tailwind here. The portfolios best performing equity holding was the Quilter Investors Europe (ex UK) fund managed by Janus Henderson, which rallied 16.5% in Sterling in a strong environment for European equities as a warm winter meant less pressure on gas prices and gas storage reserves as the continent tried to wean itself off Russian fuel.

Alternatives were marginally positive over the period with the best performance coming from the Allianz Fixed Income Macro Fund, whose global interest rate positioning contributed positively over the period.

Quilter Investors Creation Dynamic Portfolio

Risk and Reward Profile



The calculated risk and reward category, as shown above, uses a method of calculation derived from EU rules. It is based on the rate at which the returns of the sub-fund have moved up and down in the past (i.e. volatility) and is not a guide to the future risk and reward category of the sub-fund. The category shown is not a target or guarantee and may shift over time. Even the lowest category 1 does not mean a risk-free investment. The seven-category scale is nonlinear, for example, 2 is not twice as risky as 1.

Sub-funds in category 6 have in the past shown relatively high volatility. With a sub-fund of category 6, you have a relatively high risk of losing money but your chance for gains is also relatively high.

Investment risk - there is no guarantee that the sub-fund will achieve its objective. A capital loss of some or all of the amount invested may occur.

Strategy risk - as the sub-fund invests in other collective investment schemes, which themselves invest in assets such as bonds, company shares, cash and currencies, it will be subject to the collective risks of these other sub-funds. This may include emerging markets risk and sub-investment grade credit risk and smaller companies risk.

Company shares (i.e. equities) risk - the value of company shares may rise and fall due to the performance of individual companies or because of general market and economic conditions.

Emerging markets risk - less developed countries may face more political, economic or structural challenges than developed countries.

Credit risk - the issuer of a bond or a similar investment within the sub-fund may not pay income or repay capital to the sub-fund when due. Bonds which are rated below investment grade are considered to have a higher risk exposure with respect to meeting their payment obligations.

Interest rate risk - investments in bonds are affected by interest rates and inflation trends which may affect the value of the sub-fund.

Liquidity risk - some investments may become hard to value or sell at a desired time and price. In extreme circumstances this may affect the sub-fund's ability to meet redemption requests upon demand.

Currency risk - the sub-fund is denominated in British Pounds but may hold assets denominated in, or with exposure to, other currencies. The value of your shares may rise and fall as a result of exchange rate movements between these currencies.

Derivative risk - the sub-fund may use derivatives for investment purposes and/or for Efficient Portfolio Management (EPM). Using derivatives can involve a higher level of risk. A small movement in the price of an underlying investment may result in a disproportionately large movement in the price of the derivative investment. Derivatives also involve counterparty risk where the institutions acting as counterparty to derivatives may not meet their contractual obligations.

Capital erosion risk - the sub-fund takes its charges from the income of the sub-fund in the first instance. The impact of sub-fund charges may be material on the value of any income you receive from your investment. There is potential for capital erosion if insufficient income is generated by the sub-fund to cover these charges. Capital erosion may have the effect of reducing the level of income generated.

For a more detailed explanation of risks, please refer to the "Risks" section of the Prospectus.

Performance records

Comparative Tables

Accumulation 'A'	1 May 2022 to 30 April 2023 p/share	1 May 2021 to 30 April 2022 p/share	1 May 2020 to 30 April 2021 p/share
Change in net assets per share			
Opening net asset value per share	88.70	90.67	71.13
Return before operating charges*	3.15	(0.27)	21.03
Operating charges**	(1.62)	(1.70)	(1.49)
Return after operating charges*	1.53	(1.97)	19.54
Distributions	(0.61)	(0.32)	(0.14)
Retained distributions	0.61	0.32	0.14
Closing net asset value per share	90.23	88.70	90.67
* after direct transaction costs of***	-	-	-
Performance			
Return after charges	1.72%	(2.17)%	27.47%
Other information			
Closing net asset value (£)	24,608,994	28,867,560	35,488,787
Closing number of shares	27,274,513	32,545,122	39,141,705
Operating charges****	1.85%	1.85%	1.85%
Direct transaction costs***	-	-	-
Prices	pence per share	pence per share	pence per share
Highest share price	92.84	95.73	91.00
Lowest share price	82.16	83.63	69.20
Accumulation 'R'	1 May 2022 to 30 April 2023 p/share	1 May 2021 to 30 April 2022 p/share	1 May 2020 to 30 April 2021 p/share
Change in net assets per share			
Opening net asset value per share	94.09	95.46	74.34
Return before operating charges*	3.36	(0.30)	22.05
Operating charges**	(1.02)	(1.07)	(0.93)
Return after operating charges*	2.34	(1.37)	21.12
Distributions	(1.35)	(1.08)	(0.77)
Retained distributions	1.35	1.08	0.77
Closing net asset value per share	96.43	94.09	95.46
* after direct transaction costs of***	-	-	-
Performance			
Return after charges	2.49%	(1.44)%	28.41%
Other information			
Closing net asset value (£)	7,165,402	8,109,790	9,006,670
Closing number of shares	7,430,702	8,619,043	9,435,003
Operating charges****	1.10%	1.10%	1.10%
Direct transaction costs***	-	-	-
Prices	pence per share	pence per share	pence per share
Highest share price	99.08	101.2	95.79
Lowest share price	87.42	88.62	72.35

Performance records (continued)

Comparative Tables (continued)

Accumulation 'U1'	1 May 2022 to 30 April 2023 p/share	1 May 2021 to 30 April 2022 p/share	1 May 2020 to 30 April 2021 p/share
Change in net assets per share			
Opening net asset value per share	147.31	149.23	116.05
Return before operating charges*	5.28	(0.48)	34.42
Operating charges**	(1.39)	(1.44)	(1.24)
Return after operating charges*	3.89	(1.92)	33.18
Distributions	(2.33)	(1.89)	(1.41)
Retained distributions	2.33	1.89	1.41
Closing net asset value per share	151.20	147.31	149.23
* after direct transaction costs of***	0.01	0.01	-
Performance			
Return after charges	2.64%	(1.29)%	28.59%
Other information			
Closing net asset value (£)	1,227,014	1,307,652	1,499,977
Closing number of shares	811,520	887,674	1,005,131
Operating charges****	0.95%	0.95%	0.95%
Direct transaction costs***	-	-	-
Prices	pence per share	pence per share	pence per share
Highest share price	155.3	158.3	149.7
Lowest share price	136.9	138.7	113.0

Accumulation 'U2'	1 May 2022 to 30 April 2023 p/share	1 May 2021 to 30 April 2022 p/share	1 May 2020 to 30 April 2021 p/share
Change in net assets per share			
Opening net asset value per share	149.14	151.08	117.49
Return before operating charges*	5.33	(0.48)	34.86
Operating charges**	(1.40)	(1.46)	(1.27)
Return after operating charges*	3.93	(1.94)	33.59
Distributions	(2.36)	(1.92)	(1.42)
Retained distributions	2.36	1.92	1.42
Closing net asset value per share	153.07	149.14	151.08
* after direct transaction costs of***	0.01	0.01	-
Performance			
Return after charges	2.64%	(1.28)%	28.59%
Other information			
Closing net asset value (£)	40,997,821	46,336,162	53,438,185
Closing number of shares	26,783,260	31,069,389	35,370,447
Operating charges****	0.95%	0.95%	0.95%
Direct transaction costs***	-	-	-
Prices	pence per share	pence per share	pence per share
Highest share price	157.2	160.3	151.6
Lowest share price	138.6	140.4	114.4

** The operating charges include all costs borne by the sub-fund, except for direct transaction costs. They include the operating charges of any collective investment schemes in which the sub-fund invests.

*** The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties. They do not include any difference between the quoted bid and offer prices or internal administrative or holding costs. These costs arise as a result of transactions undertaken both for efficient portfolio management and the meeting of the sub-fund's objectives. These costs exclude any effect of dilution adjustments used to offset the costs.

**** The operating charges percentage is the ratio of the sub-fund's ongoing charges (including the ongoing charges of any collective investment schemes in which the sub-fund invests but excluding interest on borrowings) to the average net assets of the sub-fund. This includes a synthetic element of 0.28% (30.04.2022 - 0.28%) (30.04.2021 - 0.27%) to incorporate the OCF of the underlying sub-funds.

Performance

	1 year to 30 April 2023	3 years to 30 April 2023	5 years to 30 April 2023
Quilter Investors Creation Dynamic Portfolio*	2.44%	29.65%	24.28%
Relative to IA Flexible Investment (sector average)	3.82%	7.39%	3.33%
Quartile ranking	1	1	2

* Accumulation 'R' shares

Data Source – FactSet. Figures are calculated on a total return and single price basis, with net income reinvested into the sub-fund.

Portfolio allocation	Percentage of total net assets	Major holdings	Percentage of total net assets
Collective Investment Schemes Overseas Equities	62.56	Quilter Investors Global Dynamic Equity Fund - A Accumulation	14.94
Collective Investment Schemes United Kingdom Equities	26.08	iShares UK Equity Index Fund (UK) - L Accumulation	14.90
Collective Investment Schemes Overseas Bonds	6.73	iShares Continental European Equity Index Fund (UK) - L Accumulation	10.91
Collective Investment Schemes United Kingdom Bonds	1.62	iShares North American Equity Index Fund (UK) - L Accumulation	4.20
Collective Investment Schemes Overseas Alternative Investment Instruments	0.90	iShares Japan Equity Index Fund (UK) - L Accumulation	3.75
United Kingdom Equities	0.84	JO Hambro UK Dynamic Fund - B Accumulation	2.76
Collective Investment Schemes Liquidity Funds	0.19	M&G Japan Fund - I Accumulation (GBP)	2.72
Derivatives	(0.02)	Quilter Investors UK Equity Large-Cap Income Fund - U2 Accumulation	2.66
Net other assets	1.10	Fidelity Asia Pacific Opportunities Fund - W Accumulation	2.34
Total	100.00	Liontrust UK Growth Fund	2.31
Asset allocation		Number of holdings	49
Collective Investment Schemes	98.08		
Equities	0.84		
Derivatives	(0.02)		
Net other assets	1.10		
Total	100.00		

Portfolio statement

as at 30 April 2023

Holding	Investment	Market Value £'000	Percentage of total net assets %
Equities 0.84% (30 April 2022 1.09%)			
United Kingdom Equities 0.84% (30 April 2022 1.09%)			
89,377	HICL Infrastructure	137	0.18
226,269	Hipgnosis Songs	198	0.27
96,349	International Public Partnerships	140	0.19
113,814	Renewables Infrastructure	145	0.20
		620	0.84
Collective Investment Schemes 98.08% (30 April 2022 97.88%)			
Liquidity Funds 0.19% (30 April 2022 0.01%)†			
523	BlackRock Institutional Cash Series Sterling Ultra Short Bond Fund - J Accumulation	54	0.07
789	BlackRock Institutional Sterling Liquidity Fund - Premier Accumulation	85	0.12
		139	0.19
United Kingdom Bonds 1.62% (30 April 2022 0.05%)			
21,761	iShares £ Index-Linked Gilts UCITS ETF	302	0.41
2,338,689	Quilter Investors Dynamic Bond Fund - A Income¥	894	1.21
		1,196	1.62
United Kingdom Equities 26.08% (30 April 2022 26.77%)			
3,963,174	iShares UK Equity Index Fund (UK) - L Accumulation	11,025	14.90
603,249	JO Hambro UK Dynamic Fund - B Accumulation	2,045	2.76
69,508	Jupiter UK Specialist Equity Fund - I Accumulation	897	1.21
1,333,959	Liontrust UK Growth Fund	1,711	2.31
1,181,435	Quilter Investors UK Equity Large-Cap Income Fund - U2 Accumulation¥	1,965	2.66
1,302,444	Quilter Investors UK Equity Mid-Cap Growth Fund - A Accumulation¥	1,658	2.24
		19,301	26.08
Overseas Bonds 6.73% (30 April 2022 6.83%)			
1,320,576	Allianz Fixed Income Macro Fund - E Accumulation	1,481	2.00
5,996	Ardea Global Alpha Fund - X Income (GBP) Hedged	575	0.78
4,473	Coremont Investment Absolute Return Government Bond Fund - A2 Accumulation (GBP)	442	0.60
16,996	iShares \$ Treasury Bond UCITS ETF - Distributing (GBP) Hedged	75	0.10
15,219	iShares China CNY Bond UCITS ETF - Distributing (GBP) Hedged	78	0.10
29,892	Jupiter Strategic Absolute Return Bond Fund - F2 Accumulation (GBP) Hedged	37	0.05
397,862	Premier Miton Financials Capital Securities Fund - C Accumulation	396	0.54
1,495,446	Quilter Investors Absolute Return Bond Fund - U2 Accumulation¥	1,539	2.08
62,591	Quilter Investors Bond 3 Fund - A Income††¥	54	0.07
1,159	Vanguard Japan Government Bond Index Fund - Institutional Plus Accumulation (JPY)	71	0.10
23,982	Wellington Global Credit ESG - G Distributing (GBP) Hedged	233	0.31
		4,981	6.73
Overseas Equities 62.56% (30 April 2022 63.94%)			
894,633	BNY Mellon US Equity Income Fund - F Accumulation	1,398	1.89
622,089	Fidelity Asia Pacific Opportunities Fund - W Accumulation	1,733	2.34
2,312,635	iShares Continental European Equity Index Fund (UK) - L Accumulation	8,073	10.91
209,586	iShares Edge MSCI Europe Value Factor UCITS ETF	1,388	1.88
288,919	iShares Emerging Markets Equity Index Fund (UK) - L Accumulation	511	0.69
1,060,987	iShares Japan Equity Index Fund (UK) - L Accumulation	2,773	3.75
255,278	iShares MSCI World Health Care Sector ESG UCITS ETF	1,458	1.97
532,006	iShares North American Equity Index Fund (UK) - L Accumulation	3,105	4.20

Portfolio statement (continued)

as at 30 April 2023

Holding	Investment	Market Value £'000	Percentage of total net assets %
Overseas Equities (continued)			
90,405	iShares Pacific ex Japan Equity Index Fund (UK) - L Accumulation	379	0.51
10,098	JPMorgan US Opportunistic Long-Short Equity Fund - I2 (GBP) Hedged	833	1.13
67,835	Jupiter Global Emerging Markets Focus Fund - U2 Accumulation (GBP)	1,243	1.68
62,982	M&G Japan Fund - I Accumulation (GBP)	2,016	2.72
403,215	Premier Miton European Opportunities Fund - F Accumulation	1,141	1.54
568,617	Quilter Investors Emerging Markets Equity Growth Fund - U2 Accumulation¥	1,158	1.56
585,081	Quilter Investors Europe (ex UK) Equity Fund - U2 Income¥	1,259	1.70
6,909,762	Quilter Investors Global Dynamic Equity Fund - A Accumulation¥	11,056	14.94
482,386	Quilter Investors Global Equity Growth Fund - U2 Accumulation¥	1,367	1.85
604,931	Quilter Investors Global Equity Value Fund - U2 Accumulation (GBP) ¥	1,556	2.10
697,778	Quilter Investors US Equity Growth Fund - U2 Accumulation¥	1,624	2.20
306,594	Schroder Oriental Income Fund	788	1.06
116,270	Wellington Durable Enterprises Fund - T Accumulation (USD)	1,436	1.94
		46,295	62.56
Overseas Alternative Investment Instruments 0.90% (30 April 2022 0.28%)			
44,000	Neuberger Berman Event Driven Fund - I5 Accumulation (GBP)	443	0.60
19,008	Wisdomtree Enhanced Commodity UCITS ETF	221	0.30
		664	0.90
Derivatives (0.02)% (30 April 2022 (0.03)%)			
Sterling Denominated Forward Exchange Contracts 0.00% (30 April 2022 (0.04)%)			
	Buy GBP 72,030 Sell JPY 11,963,502 15/05/2023	1	-
	Buy GBP 2,445 Sell USD 3,041 15/05/2023	-	-
	Buy GBP 226,844 Sell USD 284,075 15/05/2023	(1)	-
		-	-
Euro Denominated Futures Contracts 0.00% (30 April 2022 (0.02)%)			
US Dollar Denominated Forward Exchange Contracts 0.00% (30 April 2022 0.00%)			
	Buy USD 4,419 Sell GBP 3,545 15/05/2023	-	-
	Buy USD 3,041 Sell GBP 2,441 15/05/2023	-	-
	Buy USD 3,564 Sell GBP 2,861 15/05/2023	-	-
		-	-
US Dollar Denominated Futures Contracts (0.02)% (30 April 2022 0.03%)			
(5)	US 10 Year Treasury Note Futures June 2023	(13)	(0.02)
		(13)	(0.02)
Investment assets**		73,183	98.90
Net other assets		816	1.10
Total net assets		73,999	100.00

† Cash equivalents.

** Including investment liabilities.

‡ Fair Value Price approved by the ACD.

¥ Managed by Quilter Investors Limited.

All investments (excluding OTC derivatives) are approved securities being either officially listed in a member state or traded on or under the rules of an eligible securities market or collective investment schemes permitted under the COLL Sourcebook.

Portfolio statement (continued)

as at 30 April 2023

Analysis of investments by asset class

	Market Value £'000	Percentage of total net assets %
Collective Investment Schemes	68,266	92.26
Equities	4,930	6.66
Derivatives	(13)	(0.02)
Portfolio of investments	73,183	98.90
Net other assets	816	1.10
Total net assets	73,999	100.00

Summary of material purchases and sales

for the year from 1 May 2022 to 30 April 2023

Purchases	Cost £'000	Sales	Proceeds £'000
iShares UK Equity Index Fund (UK) - L Accumulation	4,709	Quilter Investors Global Dynamic Equity Fund - A Accumulation	5,260
iShares North American Equity Index Fund (UK) - L Accumulation	3,998	Jupiter UK Alpha Fund - I Accumulation	4,914
JO Hambro UK Dynamic Fund - B Accumulation	2,196	Quilter Investors UK Equity Mid-Cap Growth Fund - A Accumulation	4,046
Liontrust UK Growth Fund	1,819	iShares UK Equity Index Fund (UK) - L Accumulation	2,937
iShares Continental European Equity Index Fund (UK) - L Accumulation	1,712	iShares Continental European Equity Index Fund (UK) - L Accumulation	2,898
Quilter Investors Global Equity Value Fund - U2 Accumulation (GBP)	1,615	Wellington Durable Enterprises Fund - T Accumulation (USD)	2,242
iShares Edge MSCI Europe Value Factor UCITS ETF	1,505	Quilter Investors Europe (ex UK) Equity Fund - U2 Income	1,996
Premier Miton European Opportunities Fund - F Accumulation	1,203	Quilter Investors Global Equity Growth Fund - U2 Accumulation	1,920
Quilter Investors Dynamic Bond Fund - A Income	885	Fidelity Asia Pacific Opportunities Fund - W Accumulation	1,650
iShares Japan Equity Index Fund (UK) - L Accumulation	836	iShares MSCI World Health Care Sector ESG UCITS ETF	1,405

Statement of total return

for the year from 1 May 2022 to 30 April 2023

	Note	01.05.22 to 30.04.23 £'000	01.05.22 to 30.04.23 £'000	01.05.21 to 30.04.22 £'000	01.05.21 to 30.04.22 £'000
Income					
Net capital gains/(losses)	2		683		(1,963)
Revenue	3	1,540		1,658	
Expenses	4	(758)		(928)	
Interest payable and similar charges	5	(1)		(24)	
Net revenue before taxation		781		706	
Taxation	6	9		(1)	
Net revenue after taxation			790		705
Total return before distributions			1,473		(1,258)
Distributions	7		(982)		(880)
Change in net assets attributable to shareholders from investment activities			491		(2,138)

Statement of change in net assets attributable to shareholders

for the year from 1 May 2022 to 30 April 2023

	01.05.22 to 30.04.23 £'000	01.05.22 to 30.04.23 £'000	01.05.21 to 30.04.22 £'000	01.05.21 to 30.04.22 £'000
Opening net assets attributable to shareholders		84,621		99,434
Amounts received on issue of shares	879		2,066	
Amounts paid on cancellation of shares	(12,961)		(15,609)	
		(12,082)		(13,543)
Dilution adjustment		12		18
Change in net assets attributable to shareholders from investment activities		491		(2,138)
Retained distributions on accumulation shares		957		850
Closing net assets attributable to shareholders		73,999		84,621

The notes on pages 87 to 95 form an integral part of these financial statements.

Balance sheet

as at 30 April 2023

	Note	30.04.23 £'000	30.04.22 £'000
Assets			
Fixed assets			
Investments		73,058	83,768
Current assets			
Debtors	8	61	94
Cash and bank balances	9	1,070	997
Cash equivalents*	9	139	10
Total assets		74,328	84,869
Liabilities			
Investment liabilities		(14)	(56)
Creditors			
Bank overdrafts	10	(101)	(109)
Other creditors	11	(214)	(83)
Total liabilities		(329)	(248)
Net assets attributable to shareholders		73,999	84,621

* The investment assets in the portfolio statement include the cash equivalents amount shown under current assets.

The notes on pages 87 to 95 form an integral part of these financial statements.

Notes to the financial statements

for the year from 1 May 2022 to 30 April 2023

1 Accounting policies

The applicable accounting policies adopted by the Quilter Investors Creation Dynamic Portfolio are included on pages 183 to 184.

2 Net capital gains/(losses)

	01.05.22 to 30.04.23 £'000	01.05.21 to 30.04.22 £'000
The net capital gains/(losses) on investments comprise:		
Gains/(losses) on non-derivative securities	714	(1,841)
Losses on derivative securities	(8)	(4)
Losses on forward currency contracts	(44)	(94)
Losses on currency contracts	(17)	(75)
Authorised Corporate Director's capitalised fee rebates	40	53
Handling charges	(2)	(2)
Net capital gains/(losses) on investments	683	(1,963)
Realised gains*	5,115	4,857
Unrealised losses*	(4,453)	(6,796)
Total realised/unrealised gains/(losses)	662	(1,939)

* Where realised gains include gains/losses arising in previous periods, a corresponding loss/gain is included in unrealised losses.

3 Revenue

	01.05.22 to 30.04.23 £'000	01.05.21 to 30.04.22 £'000
Authorised Corporate Director's fee rebate	292	411
Bank interest	4	-
Franked distributions on Collective Investment Schemes	975	941
Interest distributions on Collective Investment Schemes	104	69
Interest on debt securities	-	8
Non-taxable distributions on Offshore Funds	63	82
Non-taxable overseas dividends	20	23
Taxable distributions on Offshore Funds	29	62
UK dividends	50	50
Unfranked UK dividends	3	12
Total revenue	1,540	1,658

4 Expenses

	01.05.22 to 30.04.23 £'000	01.05.21 to 30.04.22 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director, and agents of either of them:		
Fixed Ongoing Charge*	758	928
Total expenses	758	928

* These figures represent the Fixed Ongoing Charge, exclusive of the synthetic element, which covers all fees payable by the sub-fund to the Authorised Corporate Director, Depositary (including associates etc.) and other expenses. The Audit fee for the year, excluding VAT, was £13,750 (30 April 2022: £12,500).

Notes to the financial statements (continued)

for the year from 1 May 2022 to 30 April 2023

5 Interest payable and similar charges

	01.05.22 to 30.04.23 £'000	01.05.21 to 30.04.22 £'000
Bank overdraft interest	1	24
Total interest payable and similar charges	1	24

6 Taxation

a) Analysis of tax (credit)/charge in the year

	01.05.22 to 30.04.23 £'000	01.05.21 to 30.04.22 £'000
Overseas tax suffered	(9)	1
Total current tax (credit)/charge for the year	(9)	1
Deferred tax charge for the year (see note 6(c))	-	-
Total taxation (credit)/charge for the year (see note 6(b))	(9)	1

b) Factors affecting tax (credit)/charge for the year

	01.05.22 to 30.04.23 £'000	01.05.21 to 30.04.22 £'000
The taxation assessed for the year is lower (2022: lower) than the standard rate of corporation tax in the UK for an open-ended investment company 20% (2022: 20%). The differences are explained below:		
Net revenue before taxation	781	706
Corporation tax at 20% (2022: 20%)	156	141
Effects of:		
Capitalised revenue subject to taxation	8	11
Excess management expenses for which no relief is taken	57	67
Non-taxable overseas dividends	(17)	(21)
Overseas tax suffered	(8)	1
Revenue not subject to taxation – UK	(205)	(198)
Total tax (credit)/charge for the year (see note 6(a))	(9)	1

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

c) Movement in deferred tax liability

	01.05.22 to 30.04.23 £'000	01.05.21 to 30.04.22 £'000
Deferred tax liability at the start of the year	-	-
Deferred tax charge for the year (see note 6(a))	-	-
Deferred tax liability at the end of the year	-	-

At 30 April 2023 the sub-fund had surplus management expenses of £1,060,645 (30 April 2022: £774,032) which can be utilised against profits chargeable to corporation tax in future years. It is unlikely that the sub-fund will generate sufficient taxable profits in the future to utilise these expenses and, therefore, no deferred tax asset has been recognised.

Notes to the financial statements (continued)

for the year from 1 May 2022 to 30 April 2023

7 Distributions

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

	01.05.22 to 30.04.23 £'000	01.05.21 to 30.04.22 £'000
Interim – Accumulation shares (31 October)	616	584
Final – Accumulation shares (30 April)	341	266
	957	850
Revenue deducted on cancellation of shares	27	35
Revenue received on issue of shares	(2)	(5)
Total distribution	982	880
Reconciliation of distributions:		
Net revenue after taxation	790	705
Equalisation on Collective Investment Schemes	192	175
Total distribution	982	880

Details of the interim and final distributions per share are set out in the tables on page 96.

8 Debtors

	30.04.23 £'000	30.04.22 £'000
Accrued Authorised Corporate Director's fee rebates	43	48
Accrued revenue	10	8
Amounts receivable for issue of shares	3	8
Overseas tax recoverable	5	8
Sales awaiting settlement	-	22
Total debtors	61	94

9 Cash and bank balances

	30.04.23 £'000	30.04.22 £'000
Amounts held at derivatives clearing houses and brokers	125	124
Cash and bank balances	945	873
Total cash and bank balances	1,070	997
BlackRock Institutional Cash Series Sterling Ultra Short Bond Fund - J Accumulation	54	-
BlackRock Institutional Sterling Liquidity Fund - Premier Accumulation	85	10
Cash equivalents	139	10

10 Bank overdrafts

	30.04.23 £'000	30.04.22 £'000
Cash overdrafts at broker	101	109
Total bank overdrafts	101	109

Notes to the financial statements (continued)

for the year from 1 May 2022 to 30 April 2023

11 Other creditors

	30.04.23 £'000	30.04.22 £'000
Accrued expenses	56	66
Amounts payable for cancellation of shares	158	17
Total other creditors	214	83

12 Related party transactions

Quilter Investors Limited, as ACD, is a related party, and acts as principal in respect of all transactions of shares in each sub-fund. The aggregate monies received on issue and paid on cancellation are disclosed in the Statement of change in net assets attributable to shareholders on page 85. Any amounts due to or from the ACD at the end of the accounting year in respect of transactions of shares in each sub-fund are disclosed in notes 8 and 11. Amounts paid to the ACD in respect of expenses are disclosed in note 4 and amounts due to it at the year end are disclosed in note 11. A portion of the authorised corporate director's fee rebates received by the sub-fund are from investment funds managed by Quilter Investors Limited. During the year £234,000 (2022: £398,000) has been recognised and is included in the total rebate amounts disclosed in notes 2 and 3. The balance due to the sub-fund at the year end in respect of this amounted to £17,000 (2022: £27,000) and is included in the total rebate amount disclosed in note 8. The sub-fund recognised £216,000 (2022: £213,000) gross revenue from investment funds managed by Quilter Investors Limited. The balance due at the year end in respect of the gross revenue amounted to £30,000 (2022: £7,000). Details of the investments held at the year end are identified in the portfolio statement.

13 Derivatives and other financial instruments

a) Financial instrument risk

The sub-fund has little direct exposure to credit or cash flow risk. The sub-fund is indirectly exposed to credit risk through the bond funds in which it invests. There are no material borrowings or unlisted securities and so little exposure to liquidity risk.

The main risks it faces arising from its financial instruments are (i) interest rate risk, and (ii) other price risk, being the risk that the value of investment holdings will fluctuate as a result of changes in market prices caused by factors other than interest rate movements. In addition, the sub-fund may hold financial instruments such as forward currency contracts, futures or options contracts for the purpose of efficient portfolio management.

These risks are monitored by the Investment Manager in pursuance of the investment objectives and policy set out in page 76.

Adherence to the investment guidelines and the investment and borrowing powers as set out in the Prospectus and in the rules of the COLL Sourcebook also mitigates the risk of excessive exposure to any particular type of security or issuer.

The Investment Manager regularly considers the asset allocation of the portfolio in order to minimise the risk associated with particular market or industry sectors. Stock selection is based on financial, market and sector analysis.

b) Market risk

i) Foreign currency risk

A proportion of the sub-fund's financial assets and liabilities are invested overseas. As a result, movements in exchange rates may affect the market price of investments and, due to timing differences between the transaction dates of investment sales, purchases and income, and actual cash settlement, create currency exchange gains/losses. The Investment Manager does seek to reduce some of this risk by using forward currency contracts.

The foreign currency exposure of the sub-fund as at 30 April 2023 (30 April 2022) was as follows:

Currency	Net foreign currency assets			Net foreign currency assets/(liabilities)		
	Monetary exposures*	Non-monetary exposures	Total	Monetary exposures*	Non-monetary exposures	Total
	30.04.23	30.04.23	30.04.23	30.04.22	30.04.22	30.04.22
	£'000	£'000	£'000	£'000	£'000	£'000
Danish krone	1	-	1	1	-	1
Euro	12	1,388	1,400	11	(20)	(9)
US dollar	119	2,880	2,999	(85)	5,850	5,765
Total	132	4,268	4,400	(73)	5,830	5,757

* For the purpose of the above disclosure, monetary is taken to include only cash or near-cash items.

Notes to the financial statements (continued)

for the year from 1 May 2022 to 30 April 2023

13 Derivatives and other financial instruments (continued)

b) Market risk (continued)

ii) Interest rate risk

Interest rate risk is the risk of movements in the value of financial instruments as a result of fluctuations in interest rates.

The interest rate risk profile of the sub-fund's financial assets and liabilities at 30 April 2023 (30 April 2022) was as follows:

Currency	Variable rate financial assets £'000	Fixed rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
30.04.23				
Danish krone	-	-	1	1
Euro	7	-	1,393	1,401
Japanese yen	-	-	71	71
Sterling	1,082	-	68,841	69,923
US dollar	119	-	3,124	3,242
Total	1,208	-	73,430	74,638

Currency	Variable rate financial assets £'000	Fixed rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
30.04.22				
Danish krone	-	-	1	1
Euro	4	-	7	11
Sterling	990	-	78,075	79,065
US dollar	3	-	6,817	6,820
Total	997	-	84,900	85,897

Currency	Variable rate financial liabilities £'000	Financial liabilities not carrying interest £'000	Total £'000
30.04.23			
Japanese yen	-	(71)	(71)
Sterling	(101)	(223)	(324)
US dollar	-	(244)	(244)
Total	(101)	(538)	(639)

Currency	Variable rate financial liabilities £'000	Financial liabilities not carrying interest £'000	Total £'000
30.04.22			
Euro	-	(20)	(20)
Sterling	-	(201)	(201)
US dollar	(109)	(946)	(1,055)
Total	(109)	(1,167)	(1,276)

iii) Other price risk

Other price risk arises from uncertainty about future prices of financial instruments held. The main source of risk to the sub-fund is the potential movement in the value of financial instruments held as a result of price fluctuations. Stock market prices can move erratically and be unpredictably affected by diverse factors including political and economic events but also rumours and sentiment. The ACD adheres to the investment guidelines and borrowing powers set out within the Prospectus and the COLL Sourcebook. In this way the ACD monitors and controls the exposure to risk from any type of security, sector or issuer. The sub-fund may also use derivative instruments to mitigate risk and reduce cost.

c) Credit risk

Credit risk is the risk of suffering loss due to another party not meeting its financial obligation. The risk is managed by the Investment Manager who monitors the credit profile of financial instruments in accordance with the objective and policy of the sub-fund.

Adherence to the investment guidelines and the investment and borrowing powers as set out in the Prospectus and in the rules of the COLL Sourcebook also mitigates the risk of excessive exposure to any particular type of security or issuer.

Notes to the financial statements (continued)

for the year from 1 May 2022 to 30 April 2023

13 Derivatives and other financial instruments (continued)

d) Counterparty risk

Certain transactions in financial instruments that the sub-fund enters into have the risk that the counterparty will not meet its financial obligations, i.e. the investment (purchase) or cash (sale) after the sub-fund has fulfilled its responsibilities.

The sub-fund will only buy and sell investments through brokers which have been approved by the ACD and Investment Manager as an acceptable counterparty. This is overseen by the Depositary to ensure that the exposure to any counterparty remains appropriate for investors.

	Credit default swaps exposure	Interest rate swaps exposure	Futures and options exposure	Forward foreign exchange contracts exposure	Collateral held
Exposure Table 30.04.23					
Counterparty	£'000	£'000	£'000	£'000	£'000
No uncollateralised counterparty exposure	-	-	-	-	-
Exposure Table 30.04.22					
Counterparty	£'000	£'000	£'000	£'000	£'000
Merrill Lynch	-	-	5	-	-

Positive exposure represents the sub-fund's exposure to that counterparty and not the sub-fund's holdings with that counterparty.

For futures contracts, variation margin in the form of cash is pledged by the counterparty to mitigate the credit risk arising from positive balances. Where the sub-fund is in a liability position, the sub-fund pledges variation margin in the form of cash.

Collateral arrangements with counterparties require assets of an agreed type and quality to be pledged where exposures are above a certain magnitude. At the year end, collateral of £Nil in the form of Cash was held for the sub-fund on behalf of counterparties (2022: £Nil in the form of Cash).

e) Liquidity risk

The sub-fund's assets comprise mainly of readily realisable securities which can be sold promptly to meet liquidity requirements. The main source of this risk comes from the obligation to shareholders to meet any cancellation of shares. Assets from a sub-fund may need to be sold to meet any redemption proceeds. As part of its operating duties the ACD regularly monitors the liquidity levels held on each sub-fund (cash and underlying securities) to ensure any redemptions can be readily met. Some investments may be less liquid than other securities and can be more sensitive to economic factors. The rules of the COLL Sourcebook mitigate the risk of excessive exposure to assets which are not readily realisable.

f) Fair value of financial assets and financial liabilities

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

Basis of valuation	30.04.23		30.04.22	
	Assets £'000	Liabilities £'000	Assets £'000	Liabilities £'000
Level 1: Quoted prices	4,930	(13)	5,227	(23)
Level 2: Observable market data	68,213	(1)	78,481	(33)
Level 3: Unobservable data*	54	-	70	-
Total	73,197	(14)	83,778	(56)

* For the level 3 assets this is made up of 1 security (2022: 1), a Quilter Investors managed collective investment scheme holding a small residual portfolio of illiquid stocks. This scheme has closed and is currently in the process of winding down. It is valued on an adjusted NAV basis taking into account changes within the scheme since the last quoted price.

Notes to the financial statements (continued)

for the year from 1 May 2022 to 30 April 2023

13 Derivatives and other financial instruments (continued)

g) Sensitivity analysis

The Investment Manager assesses the market risk of the Quilter Investors Creation Dynamic Portfolio, including any derivative exposures, using an Absolute Value at Risk ('VaR') methodology. VaR is a process that provides the Investment Manager with an estimate of the maximum potential loss that could be expected to occur as a result of changes in market prices over a given period of time in all but a given percentage of circumstances. As the sub-fund adopts an absolute VaR Model to measure the global market risk, the daily VaR limit for the sub-fund cannot be greater than 20% of the Net Asset Value of the sub-fund. The VaR is calculated using a one-tailed 99% confidence level, a one month holding period and the historical period of one year (250 Business Days). Derivatives are used to efficiently manage the tactical asset allocation positioning of the sub-fund, Quilter Investors Creation Dynamic Portfolio. The sub-fund uses absolute methodology to measure Value at Risk (VaR). The VaR for the sub-fund at 30 April 2023 was 7.81% (30 April 2022: 13.31%).

The minimum, average and maximum VaR of the sub-fund over the year was 7.81%, 8.81% and 9.49% (30 April 2022: 12.75%, 12.92% and 13.31%).

The Gross sum of notionals (GSON) leverage figures are prepared with no hedging or netting of any asset class. Across the range of asset classes exposures are treated differently. For instance, currency forwards are treated by valuing both legs of the underlying and expressing them as a percentage of the NAV. Physical assets are excluded to get the incremental exposure resulting from derivatives.

The sub-fund is limited to 200% gross leverage. Using the GSON methodology, the average leverage for the year ended 30 April 2023 was 0.90% (30 April 2022: 1.80%).

Leverage figures for fund of funds do not include a look through of the funds held.

14 Contingent liabilities

The sub-fund had no contingent liabilities at the balance sheet date (30 April 2022: £Nil).

Notes to the financial statements (continued)

for the year from 1 May 2022 to 30 April 2023

15 Portfolio transaction costs

Analysis of total purchase costs	Value	Commissions		Other costs	
01.05.22 to 30.04.23	£'000	£'000	%	£'000	%
Collective Investment Schemes	28,732	1	-	-	-
Total	28,732	1		-	
Total purchases including transaction costs	28,733				

	Value	Commissions		Other costs	
01.05.21 to 30.04.22	£'000	£'000	%	£'000	%
Equities	399	-	0.05%	1	0.23%
Collective Investment Schemes	18,730	1	0.01%	1	-
Corporate actions	19	-	-	-	-
Total	19,148	1		2	
Total purchases including transaction costs	19,151				

Analysis of total sale costs	Value	Commissions		Other costs	
01.05.22 to 30.04.23	£'000	£'000	%	£'000	%
Collective Investment Schemes	41,099	2	-	-	-
Total	41,099	2		-	
Total sales including transaction costs	41,097				

	Value	Commissions		Other costs	
01.05.21 to 30.04.22	£'000	£'000	%	£'000	%
Bonds	444	-	-	-	-
Equities	507	-	0.05%	-	-
Collective Investment Schemes	31,916	1	-	-	-
Total	32,867	1		-	
Total sales including transaction costs	32,866				

Transaction costs as a percentage of average Net Assets

	30.04.23	30.04.22
Commissions:	0.00%	0.00%
Other costs:	0.00%	0.00%

There were commissions on derivative transactions of £75 (30 April 2022: £808). There were no taxes on derivative transactions (30 April 2022: £Nil).

In the case of shares, transaction costs are paid by the sub-fund on each transaction. Commissions relate to those paid to agents, advisers, brokers and dealers in the buying and selling of securities. Other costs include any additional fees that may be paid to agents, advisers, brokers and dealers as well as levies by regulatory agencies and security exchanges and any transfer taxes or duties. In addition, there is a dealing spread between the buying and selling prices of the underlying investments. Unlike shares, other types of investments have no separately identifiable transaction costs; these costs form part of the dealing spread. Dealing spreads may vary considerably depending on the transaction value and market sentiment. At the balance sheet date the dealing spread was 0.04% (30 April 2022: 0.26%), this is representative of the average spread on the assets held during the year.

Notes to the financial statements (continued)

for the year from 1 May 2022 to 30 April 2023

16 Shareholders' funds

The sub-fund currently has four share classes; Accumulation 'A', Accumulation 'R', Accumulation 'U1' and Accumulation 'U2'. The net asset value of each share class, net asset value per share and the number of shares in issue are given in the sub-fund's comparative table.

The share classes currently in issue and the Fixed Ongoing Charge, inclusive of the synthetic element, of each share class are shown below.

	30.04.23	30.04.22
- Accumulation 'A'	1.85%	1.85%
- Accumulation 'R'	1.10%	1.10%
- Accumulation 'U1'	0.95%	0.95%
- Accumulation 'U2'	0.95%	0.95%

Share class movement reconciliation

	Opening 01.05.22	Issued	Redeemed	Closing 30.04.23
- Accumulation 'A'	32,545,122	378,881	(5,649,490)	27,274,513
- Accumulation 'R'	8,619,043	167,569	(1,355,910)	7,430,702
- Accumulation 'U1'	887,674	10,319	(86,473)	811,520
- Accumulation 'U2'	31,069,389	256,574	(4,542,703)	26,783,260

17 Post balance sheet date events

The table below shows the net asset values per share as at the balance sheet date, compared against values as at 24 August 2023 and the percentage movement in that period:

	30.04.23 pence per share	24 08.23 pence per share	% Movement
- Accumulation 'A'	90.23	89.31	(1.02)
- Accumulation 'R'	96.43	95.67	(0.79)
- Accumulation 'U1'	151.20	150.10	(0.73)
- Accumulation 'U2'	153.07	151.90	(0.76)

Distribution tables

Final distribution

Group 1: Shares purchased prior to 1 November 2022
Group 2: Shares purchased from 1 November 2022 to 30 April 2023

	Revenue pence per share	Equalisation pence per share*	Distribution paid 30.06.23 pence per share	Distribution paid 30.06.22 pence per share
Accumulation 'A' Shares				
Group 1	0.1589	-	0.1589	0.0142
Group 2	0.0727	0.0862	0.1589	0.0142
Accumulation 'R' Shares				
Group 1	0.5216	-	0.5216	0.3917
Group 2	0.2870	0.2346	0.5216	0.3917
Accumulation 'U1' Shares				
Group 1	0.9273	-	0.9273	0.7055
Group 2	0.6667	0.2606	0.9273	0.7055
Accumulation 'U2' Shares				
Group 1	0.9388	-	0.9388	0.7140
Group 2	0.4572	0.4816	0.9388	0.7140

Interim distribution

Group 1: Shares purchased prior to 1 May 2022
Group 2: Shares purchased from 1 May 2022 to 31 October 2022

	Revenue pence per share	Equalisation pence per share*	Distribution paid 30.12.22 pence per share	Distribution paid 31.12.21 pence per share
Accumulation 'A' Shares				
Group 1	0.4492	-	0.4492	0.3084
Group 2	0.3771	0.0721	0.4492	0.3084
Accumulation 'R' Shares				
Group 1	0.8284	-	0.8284	0.6888
Group 2	0.5537	0.2747	0.8284	0.6888
Accumulation 'U1' Shares				
Group 1	1.4066	-	1.4066	1.1865
Group 2	0.9942	0.4124	1.4066	1.1865
Accumulation 'U2' Shares				
Group 1	1.4241	-	1.4241	1.2069
Group 2	0.9045	0.5196	1.4241	1.2069

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

Quilter Investors Creation Moderate Portfolio

Launch date	28 April 2008
IA Sector	Mixed Investment 40-85% Shares
Investment Manager	Quilter Investors Limited
Net asset value	£256,172,717

Objective

To achieve capital growth over a period of five years or more.

The portfolio is diversified across asset classes, with exposure to equities between 35% and 75% and with volatility of between 9% and 13%.*

*The volatility range is a target, based on long term actuarial assumptions and the sub-fund is managed to stay within this range most of the time. The volatility range is regularly reviewed and may change from time to time due to changes in these assumptions.

Policy

The sub-fund invests in a diversified portfolio of assets. It is expected that exposure will be to equities, fixed income, cash, money market instruments and currencies. Such investment will be made either directly by investing in such instruments or indirectly by investing in collective investment schemes. In addition, the portfolio may indirectly hold property and commodities by investing in collective investment schemes, transferable securities and derivatives. The collective investment schemes in which the sub-fund invests may include schemes which are managed or operated by the ACD or an associate of the ACD.

The sub-fund targets a volatility level reflective of its asset allocation.

The sub-fund may use derivative instruments for investment purposes or Efficient Portfolio Management. The use of derivatives for the purpose of investment may affect the risk profile of the sub-fund although this is not the ACD's intention. The use of derivatives for Efficient Portfolio Management is unlikely to affect the risk profile of the sub-fund.

Investment Manager's review

Market Review

At the start of the review period, global stock markets fell as investors became increasingly concerned that interest rate rises driven by persistent inflation would cause a recession. Inflation climbed to multi-decade highs, particularly in the US and UK, where consumer prices increased at the fastest pace for 40 years, prompting interest-rate hikes from major central banks. Inflation remained elevated largely due to energy prices, which stayed high as the war in Ukraine continued.

The US Federal Reserve ("Fed") increased interest rates by 0.5% in May and 0.75% in June to bring its benchmark rate to 1.75%. US stock markets jumped in July on hopes that the Fed may consider cutting interest rates in 2023, owing to fears around slowing economic growth. However, such hopes were dashed in August as the Fed crystallised its commitment to raising interest rates.

The European Central Bank ("ECB") was forced to raise interest rates twice – its first upward move in over a decade. The ECB hiked interest rates by 0.75% in October, as euro area annual inflation was forecast to come in at 10.7%, up from 9.9% the previous month. The Bank of England's ("BoE") more cautious approach to rate rises, compared with the Fed, contributed to sterling weakness during the period.

The US was the top performing region, despite disappointing financial results from some of the tech giants, including Meta (Platforms (formally named Facebook) and Amazon. Meanwhile, UK and European equity markets stabilised in the second half of the review period.

Emerging market equities declined, as emerging market economies were buffered by both inflation and the slowdown in economic growth. In China, negative sentiment surrounding the country's zero-COVID policy also weighed on equity markets.

Widespread inflation and expectations of further interest-rate hikes globally meant that bond markets suffered. In the UK, September's mini-budget sparked a mass sell-off with questions over its fiscal sustainability triggering a sharp rise in UK gilt yields, forcing the BoE to intervene to calm the market. In the US, bond markets began pricing in the Fed's next 0.75% rate hike.

In the latter half of the review period, growth stocks generally outperformed value stocks and larger companies outperformed smaller ones. This difference was most stark in US markets where mega cap tech companies such as Meta more than doubled, driving the NASDAQ 100 Index to a 6.4% gain in Sterling. Conversely the Russell 200 Index, representative of small and medium sized companies, fell 12.0% in Sterling.

Fixed Income generally delivered small but positive returns. Medium and long-term Interest rates stabilised as investors looked forward to the end of central bank policy rate hikes and credit spreads for corporate bonds tightened in lockstep with the rising equity markets.

Performance Review

Over the twelve-month period under review, the sub-fund outperformed the Performance Comparator and returned 1.34%. The sub-fund ended the year in the first quartile of its peer group.

The speed and magnitude of the moves in government bond markets were notable during the period and were the result of continued heightened levels of inflation, as well as the desire for central banks to raise rates to get inflation levels back to target.

The portfolio's underweight to expensive government bonds – particularly at the lower-risk end – helped to mitigate losses.

It was, generally, a period in which equity managers with a value style outperformed those more focussed on growth. However, what had more impact in the portfolios was the weakness within the small-cap space, particularly in the UK.

It was a tumultuous period for the UK, with two changes in government leadership over the period, including the calamitous 'mini budget', which sparked weakness in sterling and increases in bond yields.

Against this backdrop, expectations shifted to a more challenged domestic growth picture which, in turn, fed into weakness in the domestic-facing smaller cap stock market. Managers with more of a bias in this space, like Quilter Investors UK Equity Mid Cap Growth, were the weak performers – this fund fell 19.2% respectively, versus the FTSE All Share's 6.3% decline.

Fixed income was a challenge for the portfolios, although the lower exposure to government bonds and minimal risky bond exposure helped the portfolios to avoid losses. Alternatives also softened losses, with positive returns from long/short fixed income managers and relative outperformance from infrastructure holdings. There was, however, weakness from long/short equity managers and commodity exposures.

In the second half of the period, the portfolios' bond exposures contained an overweight to US Dollar denominated bonds and an underweight to Sterling denominated bonds (relative to the peer groups) and this was one of the key drivers of positive performance.

During this time, equity markets broadly rallied when the returns in GBP were considered, with all regions up between 6% and 18%, apart from the US market (MSCI North America total return in GBP was -1.2% over the period) due to the strength of the pound/weakness of the dollar. The portfolios' relatively low weight to US equities was a tailwind here. The portfolios best performing equity holding was the Quilter Investors Europe (ex UK) fund managed by Janus Henderson, which rallied 16.5% in Sterling in a strong environment for European equities as a warm winter meant less pressure on gas prices and gas storage reserves as the continent tried to wean itself off Russian fuel.

Alternatives were marginally positive over the period with the best performance coming from the Allianz Fixed Income Macro Fund, whose global interest rate positioning contributed positively over the period.

Quilter Investors Creation Moderate Portfolio

Risk and Reward Profile



The calculated risk and reward category, as shown above, uses a method of calculation derived from EU rules. It is based on the rate at which the returns of the sub-fund have moved up and down in the past (i.e. volatility) and is not a guide to the future risk and reward category of the sub-fund. The category shown is not a target or guarantee and may shift over time. Even the lowest category 1 does not mean a risk-free investment. The seven-category scale is nonlinear, for example, 2 is not twice as risky as 1.

Sub-funds in category 5 have in the past shown moderately high volatility. With a sub-fund of category 5, you have a moderately high risk of losing money but your chance for gains is also moderately high.

Investment risk - there is no guarantee that the sub-fund will achieve its objective. A capital loss of some or all of the amount invested may occur.

Strategy risk - as the sub-fund invests in other collective investment schemes, which themselves invest in assets such as bonds, company shares, cash and currencies, it will be subject to the collective risks of these other sub-funds. This may include emerging markets risk, sub-investment grade bond credit risk and smaller companies risk.

Company shares (i.e. equities) risk - the value of company shares may rise and fall due to the performance of individual companies or because of general market and economic conditions.

Emerging markets risk - less developed countries may face more political, economic or structural challenges than developed countries.

Credit risk - the issuer of a bond or a similar investment within the sub-fund may not pay income or repay capital to the sub-fund when due. Bonds which are rated below investment grade are considered to have a higher risk exposure with respect to meeting their payment obligations.

Interest rate risk - investments in bonds are affected by interest rates and inflation trends which may affect the value of the sub-fund.

Liquidity risk - some investments may become hard to value or sell at a desired time and price. In extreme circumstances this may affect the sub-fund's ability to meet redemption requests upon demand.

Currency risk - the sub-fund is denominated in British Pounds but may hold assets denominated in, or with exposure to, other currencies. The value of your shares may rise and fall as a result of exchange rate movements.

Derivative risk - the sub-fund may use derivatives for investment purposes and/or for Efficient Portfolio Management (EPM). Using derivatives can involve a higher level of risk. A small movement in the price of an underlying investment may result in a disproportionately large movement in the price of the derivative investment. Derivatives also involve counterparty risk where the institutions acting as counterparty to derivatives may not meet their contractual obligations.

Capital erosion risk - the sub-fund takes its charges from the income of the sub-fund in the first instance. The impact of sub-fund charges may be material on the value of any income you receive from your investment. There is potential for capital erosion if insufficient income is generated by the sub-fund to cover these charges. Capital erosion may have the effect of reducing the level of income generated.

For a more detailed explanation of risks, please refer to the "Risks" section of the Prospectus.

Performance records

Comparative Tables

Accumulation 'A'	1 May 2022 to 30 April 2023 p/share	1 May 2021 to 30 April 2022 p/share	1 May 2020 to 30 April 2021 p/share
Change in net assets per share			
Opening net asset value per share	83.53	86.25	71.43
Return before operating charges*	2.15	(1.12)	16.28
Operating charges**	(1.52)	(1.60)	(1.46)
Return after operating charges*	0.63	(2.72)	14.82
Distributions	(0.61)	(0.38)	(0.28)
Retained distributions	0.61	0.38	0.28
Closing net asset value per share	84.16	83.53	86.25
* after direct transaction costs of***	0.01	0.01	-
Performance			
Return after charges	0.75%	(3.15)%	20.75%
Other information			
Closing net asset value (£)	90,671,863	104,445,736	125,765,468
Closing number of shares	107,737,690	125,041,440	145,813,694
Operating charges****	1.85%	1.85%	1.85%
Direct transaction costs***	0.01%	0.01%	-
Prices	pence per share	pence per share	pence per share
Highest share price	85.89	89.70	86.54
Lowest share price	77.81	80.08	69.93
Accumulation 'R'	1 May 2022 to 30 April 2023 p/share	1 May 2021 to 30 April 2022 p/share	1 May 2020 to 30 April 2021 p/share
Change in net assets per share			
Opening net asset value per share	88.31	90.56	74.55
Return before operating charges*	2.20	(1.25)	16.92
Operating charges**	(0.96)	(1.00)	(0.91)
Return after operating charges*	1.24	(2.25)	16.01
Distributions	(1.22)	(1.03)	(0.80)
Retained distributions	1.22	1.03	0.80
Closing net asset value per share	89.55	88.31	90.56
* after direct transaction costs of***	0.01	0.01	-
Performance			
Return after charges	1.40%	(2.48)%	21.48%
Other information			
Closing net asset value (£)	18,667,902	21,260,022	24,003,744
Closing number of shares	20,846,726	24,073,200	26,506,507
Operating charges****	1.10%	1.10%	1.10%
Direct transaction costs***	0.01%	0.01%	-
Prices	pence per share	pence per share	pence per share
Highest share price	91.28	94.52	90.84
Lowest share price	82.48	84.58	72.98

Performance records (continued)

Comparative Tables (continued)

Accumulation 'U1'	1 May 2022 to 30 April 2023 p/share	1 May 2021 to 30 April 2022 p/share	1 May 2020 to 30 April 2021 p/share
Change in net assets per share			
Opening net asset value per share	138.01	141.35	116.22
Return before operating charges*	3.38	(1.99)	26.35
Operating charges**	(1.29)	(1.35)	(1.22)
Return after operating charges*	2.09	(3.34)	25.13
Distributions	(2.07)	(1.80)	(1.40)
Retained distributions	2.07	1.80	1.40
Closing net asset value per share	140.10	138.01	141.35
* after direct transaction costs of***	0.01	0.01	-
Performance			
Return after charges	1.51%	(2.36)%	21.62%
Other information			
Closing net asset value (£)	1,617,144	2,394,227	2,782,001
Closing number of shares	1,154,246	1,734,814	1,968,196
Operating charges****	0.95%	0.95%	0.95%
Direct transaction costs***	0.01%	0.01%	-
Prices	pence per share	pence per share	pence per share
Highest share price	142.8	147.6	141.8
Lowest share price	129.0	132.2	113.8
Accumulation 'U2'	1 May 2022 to 30 April 2023 p/share	1 May 2021 to 30 April 2022 p/share	1 May 2020 to 30 April 2021 p/share
Change in net assets per share			
Opening net asset value per share	137.96	141.30	116.17
Return before operating charges*	3.39	(1.99)	26.36
Operating charges**	(1.29)	(1.35)	(1.23)
Return after operating charges*	2.10	(3.34)	25.13
Distributions	(2.06)	(1.80)	(1.40)
Retained distributions	2.06	1.80	1.40
Closing net asset value per share	140.06	137.96	141.30
* after direct transaction costs of***	0.01	0.01	-
Performance			
Return after charges	1.52%	(2.36)%	21.63%
Other information			
Closing net asset value (£)	145,215,808	166,673,157	203,448,393
Closing number of shares	103,683,331	120,810,960	143,986,863
Operating charges****	0.95%	0.95%	0.95%
Direct transaction costs***	0.01%	0.01%	-
Prices	pence per share	pence per share	pence per share
Highest share price	142.7	147.6	141.7
Lowest share price	128.9	132.1	113.7

** The operating charges include all costs borne by the sub-fund, except for direct transaction costs. They include the operating charges of any collective investment schemes in which the sub-fund invests.

*** The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties. They do not include any difference between the quoted bid and offer prices or internal administrative or holding costs. These costs arise as a result of transactions undertaken both for efficient portfolio management and the meeting of the sub-fund's objectives. These costs exclude any effect of dilution adjustments used to offset the costs.

**** The operating charges percentage is the ratio of the sub-fund's ongoing charges (including the ongoing charges of any collective investment schemes in which the sub-fund invests but excluding interest on borrowings) to the average net assets of the sub-fund. This includes a synthetic element of 0.28% (30.04.2022 - 0.27%) (30.04.2021 - 0.27%) to incorporate the ongoing charge figures of the underlying sub-funds.

Performance

	1 year to 30 April 2023	3 years to 30 April 2023	5 years to 30 April 2023
Quilter Investors Creation Moderate Portfolio*	1.34%	20.04%	16.36%
Relative to IA Mixed Investment 40-85% Shares (sector average)	3.14%	0.90%	(2.99)%
Quartile ranking	1	2	3

* Accumulation 'R' shares

Data Source – FactSet. Figures are calculated on a total return and single price basis, with net income reinvested into the sub-fund.

Portfolio allocation	Percentage of total net assets	Major holdings	Percentage of total net assets
Collective Investment Schemes Overseas Equities	48.60	Quilter Investors Global Dynamic Equity Fund - A Accumulation	12.66
Collective Investment Schemes United Kingdom Equities	20.58	iShares UK Equity Index Fund (UK) - L Accumulation	10.93
Collective Investment Schemes Overseas Bonds	14.18	iShares Continental European Equity Index Fund (UK) - L Accumulation	7.79
Collective Investment Schemes Liquidity Funds	6.03	BlackRock Institutional Sterling Liquidity Fund - Premier Accumulation	4.02
Collective Investment Schemes United Kingdom Bonds	4.73	Quilter Investors Absolute Return Bond Fund - U2 Accumulation	3.31
United Kingdom Equities	1.63	Allianz Fixed Income Macro Fund - E Accumulation	2.97
Collective Investment Schemes Overseas Alternative Investment Instruments	1.40	iShares Japan Equity Index Fund (UK) - L Accumulation	2.70
United Kingdom Bonds	1.08	Quilter Investors Dynamic Bond Fund - A Income	2.42
Overseas Bonds	0.02	JO Hambro UK Dynamic Fund - B Accumulation	2.23
Derivatives	0.01	M&G Japan Fund - I Accumulation (GBP)	2.14
Net other assets	1.74		
Total	100.00	Number of holdings	54
Asset allocation			
Collective Investment Schemes	95.52		
Equities	1.63		
Bonds	1.10		
Derivatives	0.01		
Net other assets	1.74		
Total	100.00		

Portfolio statement

as at 30 April 2023

Holding	Investment	Market Value £'000	Percentage of total net assets %
	Bonds 1.10% (30 April 2022 1.78%)		
	United Kingdom Bonds 1.08% (30 April 2022 0.89%)		
£2,780,000	United Kingdom Gilt 0.75% 22/07/2023	2,758	1.08
		2,758	1.08
	Overseas Bonds 0.02% (30 April 2022 0.89%)		
\$930,000	Lebanon Government Bond 5.8% 14/04/2020†	44	0.02
		44	0.02
	Equities 1.63% (30 April 2022 1.56%)		
	United Kingdom Equities 1.63% (30 April 2022 1.56%)		
638,438	HICL Infrastructure	977	0.38
1,621,505	Hipgnosis Songs	1,420	0.56
513,945	International Public Partnerships	746	0.29
807,379	Renewables Infrastructure	1,032	0.40
		4,175	1.63
	Collective Investment Schemes 95.52% (30 April 2022 95.02%)		
	Liquidity Funds 6.03% (30 April 2022 0.78%)†		
50,047	BlackRock Institutional Cash Series Sterling Ultra Short Bond Fund - J Accumulation	5,150	2.01
95,519	BlackRock Institutional Sterling Liquidity Fund - Premier Accumulation	10,300	4.02
		15,450	6.03
	United Kingdom Bonds 4.73% (30 April 2022 1.38%)		
169,636	iShares £ Index-Linked Gilts UCITS ETF	2,350	0.92
16,215,418	Quilter Investors Dynamic Bond Fund - A Income¥	6,199	2.42
3,747,691	Quilter Investors Sterling Corporate Bond Fund - A Accumulation (GBP) ¥	3,572	1.39
		12,121	4.73
	United Kingdom Equities 20.58% (30 April 2022 21.72%)		
10,070,490	iShares UK Equity Index Fund (UK) - L Accumulation	28,014	10.93
1,683,902	JO Hambro UK Dynamic Fund - B Accumulation	5,707	2.23
344,908	Jupiter UK Specialist Equity Fund - I Accumulation	4,453	1.74
3,615,594	Liontrust UK Growth Fund	4,638	1.81
3,284,300	Quilter Investors UK Equity Large-Cap Income Fund - U2 Accumulation¥	5,462	2.13
3,506,354	Quilter Investors UK Equity Mid-Cap Growth Fund - A Accumulation¥	4,463	1.74
		52,737	20.58
	Overseas Bonds 14.18% (30 April 2022 17.09%)		
6,781,771	Allianz Fixed Income Macro Fund - E Accumulation	7,607	2.97
26,253	Ardea Global Alpha Fund - X Income (GBP) Hedged	2,517	0.98
23,554	Coremont Investment Absolute Return Government Bond Fund - A2 Accumulation (GBP)	2,327	0.91
1,007,270	iShares \$ Treasury Bond UCITS ETF - Distributing (GBP) Hedged	4,432	1.73
405,674	iShares China CNY Bond UCITS ETF - Distributing (GBP) Hedged	2,069	0.81
207,141	Jupiter Strategic Absolute Return Bond Fund - F2 Accumulation (GBP) Hedged	260	0.10
2,840,693	Premier Miton Financials Capital Securities Fund - C Accumulation	2,830	1.10
8,230,924	Quilter Investors Absolute Return Bond Fund - U2 Accumulation¥	8,470	3.31
467,908	Quilter Investors Bond 3 Fund - A Income††¥	405	0.16
25,145	Vanguard Japan Government Bond Index Fund - Institutional Plus Accumulation (JPY)	1,537	0.60
398,585	Wellington Global Credit ESG - G Distributing (GBP) Hedged	3,875	1.51
		36,329	14.18

Portfolio statement (continued)

as at 30 April 2023

Holding	Investment	Market Value £'000	Percentage of total net assets %
	Overseas Equities 48.60% (30 April 2022 53.49%)		
2,438,136	BNY Mellon US Equity Income Fund - F Accumulation	3,811	1.49
1,680,717	Fidelity Asia Pacific Opportunities Fund - W Accumulation	4,682	1.83
5,719,131	iShares Continental European Equity Index Fund (UK) - L Accumulation	19,964	7.79
590,345	iShares Edge MSCI Europe Value Factor UCITS ETF	3,910	1.53
434,183	iShares Emerging Markets Equity Index Fund (UK) - L Accumulation	769	0.30
2,651,285	iShares Japan Equity Index Fund (UK) - L Accumulation	6,929	2.70
883,754	iShares MSCI World Health Care Sector ESG UCITS ETF	5,046	1.97
696,540	iShares North American Equity Index Fund (UK) - L Accumulation	4,066	1.59
260,889	iShares Pacific ex Japan Equity Index Fund (UK) - L Accumulation	1,093	0.43
48,955	JPMorgan US Opportunistic Long-Short Equity Fund - I2 (GBP) Hedged	4,037	1.57
179,782	Jupiter Global Emerging Markets Focus Fund - U2 Accumulation (GBP)	3,296	1.29
171,242	M&G Japan Fund - I Accumulation (GBP)	5,481	2.14
1,182,696	Premier Miton European Opportunities Fund - F Accumulation	3,347	1.31
1,501,647	Quilter Investors Emerging Markets Equity Growth Fund - U2 Accumulation¥	3,057	1.19
1,655,387	Quilter Investors Europe (ex UK) Equity Fund - U2 Income¥	3,562	1.39
20,273,251	Quilter Investors Global Dynamic Equity Fund - A Accumulation¥	32,437	12.66
1,353,698	Quilter Investors Global Equity Growth Fund - U2 Accumulation¥	3,835	1.50
1,808,522	Quilter Investors Global Equity Value Fund - U2 Accumulation (GBP)¥	4,653	1.82
1,858,421	Quilter Investors US Equity Growth Fund - U2 Accumulation¥	4,326	1.69
781,899	Schroder Oriental Income Fund	2,010	0.78
338,431	Wellington Durable Enterprises Fund - T Accumulation (USD)	4,180	1.63
		124,491	48.60
	Overseas Alternative Investment Instruments 1.40% (30 April 2022 0.56%)		
233,000	Neuberger Berman Event Driven Fund - I5 Accumulation (GBP)	2,347	0.92
106,040	Wisdomtree Enhanced Commodity UCITS ETF	1,233	0.48
		3,580	1.40
	Derivatives 0.01% (30 April 2022 (0.32)%)		
	Sterling Denominated Forward Exchange Contracts 0.01% (30 April 2022 (0.23)%)		
	Buy GBP 1,483,419 Sell JPY 246,381,012 15/05/2023	27	0.01
	Buy GBP 86,529 Sell JPY 14,439,665 15/05/2023	1	-
	Buy GBP 14,403 Sell USD 18,046 15/05/2023	-	-
	Buy GBP 1,315,627 Sell USD 1,647,543 15/05/2023	(6)	-
		22	0.01
	Sterling Denominated Futures Contracts 0.00% (30 April 2022 0.05%)		
(22)	Long Gilt Futures June 2023	(2)	-
		(2)	-
	Australian Dollar Denominated Futures Contracts 0.00% (30 April 2022 (0.05)%)		
4	Australia 10 Year Bond Futures June 2023	5	-
		5	-
	Euro Denominated Futures Contracts 0.00% (30 April 2022 (0.09)%)		
3	Euro-Bund Futures June 2023	4	-
		4	-

Portfolio statement (continued)

as at 30 April 2023

Holding	Investment	Market Value £'000	Percentage of total net assets %
	Euro Denominated Options Contracts 0.00% (30 April 2022 0.06%)		
	US Dollar Denominated Forward Exchange Contracts 0.00% (30 April 2022 0.01%)		
	Buy USD 25,463 Sell GBP 20,423 15/05/2023	-	-
	Buy USD 20,857 Sell GBP 16,743 15/05/2023	-	-
	Buy USD 18,807 Sell GBP 15,115 15/05/2023	-	-
		-	-
	US Dollar Denominated Futures Contracts 0.00% (30 April 2022 (0.08)%)		
	US Dollar Denominated Options Contracts 0.00% (30 April 2022 0.01%)		
	Investment assets**	251,714	98.26
	Net other assets	4,459	1.74
	Total net assets	256,173	100.00

‡ Defaulted.

† Cash equivalents.

** Including investment liabilities.

‡† Fair Value Price approved by the ACD.

¥ Managed by Quilter Investors Limited.

All investments (excluding OTC derivatives) are approved securities being either officially listed in a member state or traded on or under the rules of an eligible securities market or collective investment schemes permitted under the COLL Sourcebook.

Analysis of investments by asset class

	Market Value £'000	Percentage of total net assets %
Collective Investment Schemes	223,658	87.30
Equities	25,225	9.85
Bonds	2,802	1.10
Derivatives	29	0.01
Portfolio of investments	251,714	98.26
Net other assets	4,459	1.74
Total net assets	256,173	100.00

Summary of material purchases and sales

for the year from 1 May 2022 to 30 April 2023

Purchases	Cost £'000	Sales	Proceeds £'000
iShares UK Equity Index Fund (UK) - L Accumulation	15,040	Quilter Investors Global Dynamic Equity Fund - A Accumulation	25,698
BlackRock Institutional Sterling Liquidity Fund - Premier Accumulation*	10,745	Jupiter UK Alpha Fund - I Accumulation	13,065
iShares \$ Treasury Bond UCITS ETF - Distributing (GBP) Hedged	9,169	Quilter Investors UK Equity Mid-Cap Growth Fund - A Accumulation	12,537
iShares North American Equity Index Fund (UK) - L Accumulation	7,501	iShares \$ Treasury Bond UCITS ETF - Distributing (GBP) Hedged	11,752
Quilter Investors Dynamic Bond Fund - A Income	6,276	iShares UK Equity Index Fund (UK) - L Accumulation	10,219
iShares Continental European Equity Index Fund (UK) - L Accumulation	6,176	iShares Continental European Equity Index Fund (UK) - L Accumulation	7,254
JO Hambro UK Dynamic Fund - B Accumulation	6,111	Quilter Investors Europe (ex UK) Equity Fund - U2 Income	6,405
BlackRock Institutional Cash Series Sterling Ultra Short Bond Fund - J Accumulation*	5,388	Wellington Durable Enterprises Fund - T Accumulation (USD)	6,063
Liontrust UK Growth Fund	5,002	iShares Global Govt Bond UCITS ETF	5,597
Premier Miton Financials Capital Securities Fund - C Accumulation	4,907	Lumyna - Sandbar Global Equity Market Neutral UCITS Fund	4,843

* Cash equivalents

Statement of total return

for the year from 1 May 2022 to 30 April 2023

		01.05.22 to 30.04.23 £'000	01.05.22 to 30.04.23 £'000	01.05.21 to 30.04.22 £'000	01.05.21 to 30.04.22 £'000
	Note				
Income					
Net capital losses	2		(193)		(10,024)
Revenue	3	5,407		5,693	
Expenses	4	(2,684)		(3,293)	
Interest payable and similar charges	5	-		(178)	
Net revenue before taxation		2,723		2,222	
Taxation	6	16		(5)	
Net revenue after taxation			2,739		2,217
Total return before distributions			2,546		(7,807)
Distributions	7		(3,329)		(3,246)
Change in net assets attributable to shareholders from investment activities			(783)		(11,053)

Statement of change in net assets attributable to shareholders

for the year from 1 May 2022 to 30 April 2023

		01.05.22 to 30.04.23 £'000	01.05.22 to 30.04.23 £'000	01.05.21 to 30.04.22 £'000	01.05.21 to 30.04.22 £'000
Opening net assets attributable to shareholders			294,773		356,000
Amounts received on issue of shares		1,584		2,232	
Amounts paid on cancellation of shares		(42,673)		(55,561)	
			(41,089)		(53,329)
Dilution adjustment			42		68
Change in net assets attributable to shareholders from investment activities			(783)		(11,053)
Retained distributions on accumulation shares			3,230		3,087
Closing net assets attributable to shareholders			256,173		294,773

The notes on pages 108 to 117 form an integral part of these financial statements.

Balance sheet

as at 30 April 2023

	Note	30.04.23 £'000	30.04.22 £'000
Assets			
Fixed assets			
Investments		236,272	288,095
Current assets			
Debtors	8	440	381
Cash and bank balances	9	4,993	6,967
Cash equivalents*	9	15,450	2,312
Total assets		257,155	297,755
Liabilities			
Investment liabilities		(8)	(1,419)
Creditors			
Other creditors	10	(974)	(1,563)
Total liabilities		(982)	(2,982)
Net assets attributable to shareholders		256,173	294,773

* The investment assets in the portfolio statement include the cash equivalents amount shown under current assets.

The notes on pages 108 to 117 form an integral part of these financial statements.

Notes to the financial statements

for the year from 1 May 2022 to 30 April 2023

1 Accounting policies

The applicable accounting policies adopted by the Quilter Investors Creation Moderate Portfolio are included on pages 183 to 184.

2 Net capital losses

	01.05.22 to 30.04.23 £'000	01.05.21 to 30.04.22 £'000
The net capital losses on investments comprise:		
Gains/(losses) on non-derivative securities	134	(7,867)
Gains/(losses) on derivative securities	537	(448)
Losses on forward currency contracts	(758)	(1,562)
Losses on currency contracts	(235)	(323)
Authorised Corporate Director's capitalised fee rebates	131	179
Handling charges	(2)	(3)
Net capital losses on investments	(193)	(10,024)
Realised gains*	11,272	13,886
Unrealised losses*	(11,360)	(23,763)
Total realised/unrealised losses	(88)	(9,877)

* Where realised gains include gains/losses arising in previous periods, a corresponding loss/gain is included in unrealised losses.

3 Revenue

	01.05.22 to 30.04.23 £'000	01.05.21 to 30.04.22 £'000
Authorised Corporate Director's fee rebates	917	1,390
Bank interest	37	-
Franked distributions on Collective Investment Schemes	2,538	2,414
Interest distributions on Collective Investment Schemes	726	561
Interest on debt securities	89	185
Non-taxable distributions on Offshore Funds	190	233
Non-taxable overseas dividends	125	119
Taxable distributions on Offshore Funds	604	517
UK dividends	161	206
Unfranked distributions on Collective Investment Schemes	2	-
Unfranked UK dividends	18	68
Total revenue	5,407	5,693

4 Expenses

	01.05.22 to 30.04.23 £'000	01.05.21 to 30.04.22 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director, and agents of either of them:		
Fixed Ongoing Charge*	2,684	3,293
Total expenses	2,684	3,293

* These figures represent the Fixed Ongoing Charge, exclusive of the synthetic element, which covers all fees payable by the sub-fund to the Authorised Corporate Director, Depositary (including associates etc.) and other expenses. The Audit fee for the year, excluding VAT, was £13,750 (30 April 2022: £12,500).

Notes to the financial statements (continued)

for the year from 1 May 2022 to 30 April 2023

5 Interest payable and similar charges

	01.05.22 to 30.04.23 £'000	01.05.21 to 30.04.22 £'000
Bank overdraft interest	-	178
Total interest payable and similar charges	-	178

6 Taxation

a) Analysis of tax (credit)/charge in the year

	01.05.22 to 30.04.23 £'000	01.05.21 to 30.04.22 £'000
Corporation tax adjustment in respect of prior periods	14	-
Overseas tax (expense)/charge for year suffered	(30)	5
Total current tax (credit)/charge for the year	(16)	5
Deferred tax charge for the year (see note 6(c))	-	-
Total taxation for the year (see note 6(b))	(16)	5

b) Factors affecting tax charge for the year

	01.05.22 to 30.04.23 £'000	01.05.21 to 30.04.22 £'000
The taxation assessed for the year is lower (2022: lower) than the standard rate of corporation tax in the UK for an open-ended investment company 20% (2022: 20%). The differences are explained below:		
Net revenue before taxation	2,723	2,222
Corporation tax at 20% (2022: 20%)	544	444
Effects of:		
Capitalised revenue subject to taxation	26	36
Corporation tax adjustment in respect of prior periods	14	-
Excess management expenses for which no relief is taken	32	115
Non-taxable overseas dividends	(63)	(70)
Overseas tax expensed	-	(1)
Overseas tax suffered	(30)	5
Revenue not subject to taxation – UK	(539)	(524)
Total tax (credit)/charge for the year (see note 6(a))	(16)	5

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

Notes to the financial statements (continued)

for the year from 1 May 2022 to 30 April 2023

6 Taxation (continued)

c) Movement in deferred tax liability

	01.05.22 to 30.04.23 £'000	01.05.21 to 30.04.22 £'000
Deferred tax liability at the start of the year	-	-
Deferred tax charge for the year (see note 6(a))	-	-
Deferred tax liability at the end of the year	-	-

At 30 April 2023 the sub-fund had surplus management expenses of £735,281 (30 April 2022: £575,587) which can be utilised against profits chargeable to corporation tax in future years. It is unlikely that the sub-fund will generate sufficient taxable profits in the future to utilise these expenses and, therefore, no deferred tax asset has been recognised.

7 Distributions

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

	01.05.22 to 30.04.23 £'000	01.05.21 to 30.04.22 £'000
Interim – Accumulation shares (31 October)	1,934	2,250
Final – Accumulation shares (30 April)	1,296	837
	3,230	3,087
Revenue deducted on cancellation of shares	105	164
Revenue received on issue of shares	(6)	(5)
Total distribution	3,329	3,246
Reconciliation of distributions:		
Net revenue after taxation	2,739	2,217
Corporation tax adjustment in respect of prior periods	14	-
Equalisation on Collective Investment Schemes	559	1,008
Tax effect of fee rebates taken to capital	17	21
Total distribution	3,329	3,246

Details of the interim and final distributions per share are set out in the tables on page 118.

8 Debtors

	30.04.23 £'000	30.04.22 £'000
Accrued Authorised Corporate Director's fee rebates	125	150
Accrued revenue	41	63
Amounts receivable for issue of shares	1	8
Corporation tax recoverable	26	36
Overseas tax recoverable	37	43
Sales awaiting settlement	210	77
United Kingdom income tax recoverable	-	4
Total debtors	440	381

Notes to the financial statements (continued)

for the year from 1 May 2022 to 30 April 2023

9 Cash and bank balances

	30.04.23 £'000	30.04.22 £'000
Amounts held at derivatives clearing houses and brokers	142	1,998
Cash and bank balances	4,851	4,969
Total cash and bank balances	4,993	6,967
BlackRock Institutional Cash Series Sterling Ultra Short Bond Fund - J Accumulation	5,150	-
BlackRock Institutional Sterling Liquidity Fund - Premier Accumulation	10,300	2,312
Cash equivalents	15,450	2,312

10 Other creditors

	30.04.23 £'000	30.04.22 £'000
Accrued expenses	198	233
Amounts payable for cancellation of shares	776	833
Purchases awaiting settlement	-	497
Total other creditors	974	1,563

11 Related party transactions

Quilter Investors Limited, as ACD, is a related party, and acts as principal in respect of all transactions of shares in each sub-fund. The aggregate monies received on issue and paid on cancellation are disclosed in the Statement of change in net assets attributable to shareholders on page 106. Any amounts due to or from the ACD at the end of the accounting year in respect of transactions of shares in each sub-fund are disclosed in notes 8 and 10. Amounts paid to the ACD in respect of expenses are disclosed in note 4 and amounts due to it at the year end are disclosed in note 10. A portion of the authorised corporate director's fee rebates received by the sub-fund are from investment funds managed by Quilter Investors Limited. During the year £770,000 (2022: £1,423,000) has been recognised and is included in the total rebate amounts disclosed in notes 2 and 3. The balance due to the sub-fund at the year end in respect of this amounted to £54,000 (2022: £93,000) and is included in the total rebate amount disclosed in note 8. The sub-fund recognised £891,000 (2022: £849,000) gross revenue from investment funds managed by Quilter Investors Limited. The balance due at the year end in respect of the gross revenue amounted to £108,000 (2022: £34,000). Details of the investments held at the year end are identified in the portfolio statement.

12 Derivatives and other financial instruments

a) Financial instrument risk

The sub-fund has little direct exposure to credit or cash flow risk. The sub-fund is indirectly exposed to credit risk through the bond funds in which it invests. There are no material borrowings or unlisted securities and so little exposure to liquidity risk.

The main risks it faces arising from its financial instruments are (i) interest rate risk, and (ii) other price risk, being the risk that the value of investment holdings will fluctuate as a result of changes in market prices caused by factors other than interest rate movements. In addition, the sub-fund may hold financial instruments such as forward currency contracts, futures or options contracts for the purpose of efficient portfolio management.

These risks are monitored by the Investment Manager in pursuance of the investment objectives and policy set out in page 97.

Adherence to the investment guidelines and the investment and borrowing powers as set out in the Prospectus and in the rules of the COLL Sourcebook also mitigates the risk of excessive exposure to any particular type of security or issuer.

The Investment Manager regularly considers the asset allocation of the portfolio in order to minimise the risk associated with particular market or industry sectors. Stock selection is based on financial, market and sector analysis.

Notes to the financial statements (continued)

for the year from 1 May 2022 to 30 April 2023

12 Derivatives and other financial instruments (continued)

b) Market risk

i) Foreign currency risk

A proportion of the sub-fund's financial assets and liabilities are invested overseas. As a result, movements in exchange rates may affect the market price of investments and, due to timing differences between the transaction dates of investment sales, purchases and income, and actual cash settlement, create currency exchange gains/losses. The Investment Manager does seek to reduce some of this risk by using forward currency contracts.

The foreign currency exposure of the sub-fund as at 30 April 2023 (30 April 2022) was as follows:

Currency	Net foreign currency assets/(liabilities)			Net foreign currency assets/(liabilities)		
	Monetary exposures*	Non-monetary exposures	Total	Monetary exposures*	Non-monetary exposures	Total
	30.04.23 £'000	30.04.23 £'000	30.04.23 £'000	30.04.22 £'000	30.04.22 £'000	30.04.22 £'000
Australian dollar	34	5	39	31	(155)	(124)
Danish krone	3	-	3	3	-	3
Euro	85	3,914	3,999	380	(77)	303
Japanese yen	-	(5)	(5)	-	6	6
US dollar	2	9,220	9,222	237	8,296	8,533
Total	124	13,134	13,258	651	8,070	8,721

* For the purpose of the above disclosure, monetary is taken to include only cash or near-cash items.

ii) Interest rate risk

Interest rate risk is the risk of movements in the value of financial instruments as a result of fluctuations in interest rates.

The interest rate risk profile of the sub-fund's financial assets and liabilities at 30 April 2023 (30 April 2022) was as follows:

Currency	Variable rate financial assets	Fixed rate financial assets	Financial assets not carrying interest	Total
30.04.23	£'000	£'000	£'000	£'000
Australian dollar	34	-	5	39
Danish krone	-	-	3	3
Euro	51	-	3,948	3,999
Japanese yen	-	-	1,537	1,537
Sterling	20,356	2,758	220,829	243,943
US dollar	2	44	10,512	10,558
Total	20,443	2,802	236,834	260,079

Currency	Variable rate financial assets	Fixed rate financial assets	Financial assets not carrying interest	Total
30.04.22	£'000	£'000	£'000	£'000
Australian dollar	31	-	-	31
Danish krone	-	-	3	3
Euro	340	-	243	583
Japanese yen	-	-	2,982	2,982
Sterling	6,468	2,628	279,174	288,270
US dollar	128	2,620	23,948	26,696
Total	6,967	5,248	306,350	318,565

Notes to the financial statements (continued)

for the year from 1 May 2022 to 30 April 2023

12 Derivatives and other financial instruments (continued)

b) Market risk (continued)

ii) Interest rate risk (continued)

Currency	Variable rate financial assets £'000	Fixed rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
30.04.22				
Australian dollar	31	-	-	31
Danish krone	-	-	3	3
Euro	340	-	243	583
Japanese yen	-	-	2,982	2,982
Sterling	6,468	2,628	279,174	288,270
US dollar	128	2,620	23,948	26,696
Total	6,967	5,248	306,350	318,565

Currency	Variable rate financial liabilities £'000	Financial liabilities not carrying interest £'000	Total £'000
30.04.23			
Japanese yen	-	(1,542)	(1,542)
Sterling	-	(1,028)	(1,028)
US dollar	-	(1,336)	(1,336)
Total	-	(3,906)	(3,906)

Currency	Variable rate financial liabilities £'000	Financial liabilities not carrying interest £'000	Total £'000
30.04.22			
Australian dollar	-	(155)	(155)
Euro	-	(280)	(280)
Japanese yen	-	(2,976)	(2,976)
Sterling	-	(2,218)	(2,218)
US dollar	-	(18,163)	(18,163)
Total	-	(23,792)	(23,792)

iii) Other price risk

Other price risk arises from uncertainty about future prices of financial instruments held. The main source of risk to the sub-fund is the potential movement in the value of financial instruments held as a result of price fluctuations. Stock market prices can move erratically and be unpredictably affected by diverse factors including political and economic events but also rumours and sentiment. The ACD adheres to the investment guidelines and borrowing powers set out within the Prospectus and the COLL Sourcebook. In this way the ACD monitors and controls the exposure to risk from any type of security, sector or issuer. The sub-fund may also use derivative instruments to mitigate risk and reduce cost.

c) Credit risk

Credit risk is the risk of suffering loss due to another party not meeting its financial obligation. The risk is managed by the Investment Manager who monitors the credit profile of financial instruments in accordance with the objective and policy of the sub-fund.

Adherence to the investment guidelines and the investment and borrowing powers as set out in the Prospectus and in the rules of the COLL Sourcebook also mitigates the risk of excessive exposure to any particular type of security or issuer.

Notes to the financial statements (continued)

for the year from 1 May 2022 to 30 April 2023

12 Derivatives and other financial instruments (continued)

d) Counterparty risk

Certain transactions in financial instruments that the sub-fund enters into have the risk that the counterparty will not meet its financial obligations, i.e. the investment (purchase) or cash (sale) after the sub-fund has fulfilled its responsibilities.

The sub-fund will only buy and sell investments through brokers which have been approved by the ACD and Investment Manager as an acceptable counterparty. This is overseen by the Depositary to ensure that the exposure to any counterparty remains appropriate for investors.

Exposure Table 30.04.23	Credit default swaps exposure	Interest rate swaps exposure	Futures and options exposure	Forward foreign exchange contracts exposure	Collateral held
Counterparty	£'000	£'000	£'000	£'000	£'000
Citibank	-	-	-	22	-
Merrill Lynch	-	-	7	-	-

Exposure Table 30.04.22

Counterparty	£'000	£'000	£'000	£'000	£'000
No uncollateralised counterparty exposure	-	-	-	-	-

Positive exposure represents the sub-fund's exposure to that counterparty and not the sub-fund's holdings with that counterparty.

For futures contracts, variation margin in the form of cash is pledged by the counterparty to mitigate the credit risk arising from positive balances. Where the sub-fund is in a liability position, the sub-fund pledges variation margin in the form of cash.

Collateral arrangements with counterparties require assets of an agreed type and quality to be pledged where exposures are above a certain magnitude. At the year end, collateral of £Nil in the form of Cash was held for the sub-fund on behalf of counterparties (2022: £400,000 in the form of Cash).

e) Liquidity risk

The sub-fund's assets comprise mainly of readily realisable securities which can be sold promptly to meet liquidity requirements. The main source of this risk comes from the obligation to shareholders to meet any cancellation of shares. Assets from a sub-fund may need to be sold to meet any redemption proceeds. As part of its operating duties the ACD regularly monitors the liquidity levels held on each sub-fund (cash and underlying securities) to ensure any redemptions can be readily met. Some investments may be less liquid than other securities and can be more sensitive to economic factors. The rules of the COLL Sourcebook mitigate the risk of excessive exposure to assets which are not readily realisable.

f) Fair value of financial assets and financial liabilities

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

Basis of valuation	30.04.23		30.04.22	
	Assets £'000	Liabilities £'000	Assets £'000	Liabilities £'000
Level 1: Quoted prices	27,992	(2)	40,657	(710)
Level 2: Observable market data	223,325	(6)	249,136	(709)
Level 3: Unobservable data*	405	-	614	-
Total	251,722	(8)	290,407	(1,419)

* For the level 3 assets this is made up of 1 security (2022: 2). This is a Quilter Investors managed collective investment scheme holding a small residual portfolio of illiquid stocks. This scheme has closed and is currently in the process of winding down. It is valued on an adjusted NAV basis taking into account changes within the scheme since the last quoted price.

Notes to the financial statements (continued)

for the year from 1 May 2022 to 30 April 2023

12 Derivatives and other financial instruments (continued)

g) Sensitivity analysis

The Investment Manager assesses the market risk of the Quilter Investors Creation Moderate Portfolio, including any derivative exposures, using an absolute Value at Risk ('VaR') methodology. VaR is a process that provides the Investment Manager with an estimate of the maximum potential loss that could be expected to occur as a result of changes in market prices over a given period of time in all but a given percentage of circumstances. As the sub-fund adopts an absolute VaR Model to measure the global market risk, the daily VaR limit for the sub-fund cannot be greater than 20% of the Net Asset Value of the sub-fund. The VaR is calculated using a one-tailed 99 per cent confidence level, a one day holding period and the historical period of one year (250 Business Days). Derivatives are used to efficiently manage the tactical asset allocation positioning of the sub-fund, Quilter Investors Creation Moderate Portfolio. The sub-fund uses absolute methodology to measure Value at Risk (VaR). The VaR for the sub-fund at 30 April 2023 was 6.23% (30 April 2022: 11.61%).

The minimum, average and maximum VaR of the sub-fund over the year was 6.21%, 7.10% and 7.74% (30 April 2022: 10.82%, 10.99% and 11.61%).

The Gross sum of notionals ("GSON") leverage figures are prepared with no hedging or netting of any asset class. Across the range of asset classes exposures are treated differently. For instance, currency forwards are treated by valuing both legs of the underlying and expressing them as a percentage of the NAV. Physical assets are excluded to get the incremental exposure resulting from derivatives.

The sub-fund is limited to 200% gross leverage. Using the GSON methodology, the average leverage for the year ended 30 April 2023 was 5.10% (30 April 2022: 12.80%).

Leverage figures for fund of funds do not include a look through of the funds held.

13 Contingent liabilities

The sub-fund had no contingent liabilities at the balance sheet date (30 April 2022: £Nil).

Notes to the financial statements (continued)

for the year from 1 May 2022 to 30 April 2023

14 Portfolio transaction costs

Analysis of total purchase costs	Value	Commissions		Other costs	
01.05.22 to 30.04.23	£'000	£'000	%	£'000	%
Bonds	2,731	-	-	-	-
Collective Investment Schemes	123,515	10	0.01%	1	-
Total	126,246	10		1	
Total purchases including transaction costs	126,257				

	Value	Commissions		Other costs	
01.05.21 to 30.04.22	£'000	£'000	%	£'000	%
Bonds	10,411	-	-	-	-
Equities	1,199	1	0.05%	2	0.13%
Collective Investment Schemes	87,332	14	0.02%	4	-
Corporate actions	72	-	-	-	-
Total	99,014	15		6	
Total purchases including transaction costs	99,035				

Analysis of total sale costs	Value	Commissions		Other costs	
01.05.22 to 30.04.23	£'000	£'000	%	£'000	%
Bonds	5,034	-	-	-	-
Collective Investment Schemes	162,918	15	0.01%	-	-
Total	167,952	15		-	
Total sales including transaction costs	167,937				

	Value	Commissions		Other costs	
01.05.21 to 30.04.22	£'000	£'000	%	£'000	%
Bonds	23,338	-	-	-	-
Equities	2,050	1	0.05%	-	-
Collective Investment Schemes	128,862	8	0.01%	-	-
Total	154,250	9		-	
Total sales including transaction costs	154,241				

Transaction costs as a percentage of average Net Assets

	30.04.23	30.04.22
Commissions:	0.01%	0.01%
Other costs:	0.00%	0.00%

There were commissions on derivative transactions of £1,404 (30 April 2022: £12,802). There were no taxes on derivative transactions (30 April 2022: £Nil).

In the case of shares, transaction costs are paid by the sub-fund on each transaction. Commissions relate to those paid to agents, advisers, brokers and dealers in the buying and selling of securities. Other costs include any additional fees that may be paid to agents, advisers, brokers and dealers as well as levies by regulatory agencies and security exchanges and any transfer taxes or duties. In addition, there is a dealing spread between the buying and selling prices of the underlying investments. Unlike shares, other types of investments have no separately identifiable transaction costs; these costs form part of the dealing spread. Dealing spreads may vary considerably depending on the transaction value and market sentiment. At the balance sheet date the dealing spread was 0.11% (30 April 2022: 0.25%), this is representative of the average spread on the assets held during the year.

Notes to the financial statements (continued)

for the year from 1 May 2022 to 30 April 2023

15 Shareholders' funds

The sub-fund currently has four share classes; Accumulation 'A', Accumulation 'R', Accumulation 'U1' and Accumulation 'U2'. The net asset value of each share class, net asset value per share and the number of shares in issue are given in the sub-fund's comparative table.

The share classes currently in issue and the Fixed Ongoing Charge, inclusive of the synthetic element, of each share class are shown below.

	30.04.23	30.04.22
- Accumulation 'A'	1.85%	1.85%
- Accumulation 'R'	1.10%	1.10%
- Accumulation 'U1'	0.95%	0.95%
- Accumulation 'U2'	0.95%	0.95%

Share class movement reconciliation

	Opening 01.05.22	Issued	Redeemed	Converted	Closing 30.04.23
- Accumulation 'A'	125,041,440	254,728	(17,558,478)	-	107,737,690
- Accumulation 'R'	24,073,200	331,700	(3,585,839)	27,665	20,846,726
- Accumulation 'U1'	1,734,814	68,237	(648,805)	-	1,154,246
- Accumulation 'U2'	120,810,960	736,072	(17,846,008)	(17,693)	103,683,331

16 Post balance sheet date events

The table below shows the net asset values per share as at the balance sheet date, compared against values as at 24 August 2023 and the percentage movement in that period:

	30.04.23 pence per share	24.08.23 pence per share	% Movement
- Accumulation 'A'	84.16	83.46	(0.83)
- Accumulation 'R'	89.55	88.88	(0.75)
- Accumulation 'U1'	140.10	139.10	(0.71)
- Accumulation 'U2'	140.06	139.10	(0.69)

Distribution tables

Final distribution

Group 1: Shares purchased prior to 1 November 2022
Group 2: Shares purchased from 1 November 2022 to 30 April 2023

	Revenue pence per share	Equalisation pence per share*	Distribution paid 30.06.23 pence per share	Distribution paid 30.06.22 pence per share
Accumulation 'A' Shares				
Group 1	0.2283	-	0.2283	0.0015
Group 2	0.1500	0.0783	0.2283	0.0015
Accumulation 'R' Shares				
Group 1	0.5222	-	0.5222	0.3302
Group 2	0.3344	0.1878	0.5222	0.3302
Accumulation 'U1' Shares				
Group 1	0.8986	-	0.8986	0.6166
Group 2	0.6542	0.2444	0.8986	0.6166
Accumulation 'U2' Shares				
Group 1	0.8978	-	0.8978	0.6167
Group 2	0.3709	0.5269	0.8978	0.6167

Interim distribution

Group 1: Shares purchased prior to 1 May 2022
Group 2: Shares purchased from 1 May 2022 to 31 October 2022

	Revenue pence per share	Equalisation pence per share*	Distribution paid 30.12.22 pence per share	Distribution paid 31.12.21 pence per share
Accumulation 'A' Shares				
Group 1	0.3864	-	0.3864	0.3753
Group 2	0.2641	0.1223	0.3864	0.3753
Accumulation 'R' Shares				
Group 1	0.6941	-	0.6941	0.7037
Group 2	0.4374	0.2567	0.6941	0.7037
Accumulation 'U1' Shares				
Group 1	1.1665	-	1.1665	1.1854
Group 2	0.8055	0.3610	1.1665	1.1854
Accumulation 'U2' Shares				
Group 1	1.1656	-	1.1656	1.1849
Group 2	0.5933	0.5723	1.1656	1.1849

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

Quilter Investors Monthly Income Portfolio

Launch date	26 June 2019
IA Sector	Mixed Investment 20-60% Shares
Investment Manager	Quilter Investors Limited
Net asset value	£161,964,934

Objective

The sub-fund aims to provide income with the potential for some capital growth over a period of five years or more.

Policy

The risk profile of the sub-fund is broadly balanced, with between 20% and 60% invested in equities and the remainder in other asset classes and with volatility of between 6% and 10%*.

The sub-fund will invest through collective investment schemes (up to 100% of the value of the sub-fund, including those that are managed or operated by the ACD or an associate of the ACD) in order to give exposure to a diversified portfolio of asset classes. It is expected that exposure will be to equities, fixed interest, property, commodities and currency. Whilst the sub-fund is actively managed, it will typically hold a minimum of 35% in passive investment vehicles or instruments. The use of passive investment vehicles or instruments when blended with active vehicles and instruments will form part of the overall strategy to meet the sub-fund's objective.

The sub-fund may also invest directly in transferable securities, derivative instruments and forward transactions (for investment purposes or Efficient Portfolio Management), cash, near cash, warrants, money market instruments, and permitted deposits. The sub-fund may sell call options over securities or portfolios of securities or indices in order to generate additional income. The use of derivatives for the purpose of investment may affect the risk profile of the sub-fund although this is not the ACD's intention. The use of derivatives for Efficient Portfolio Management is unlikely to affect the risk profile of the sub-fund.

*The volatility range is a target, based on long term actuarial assumptions and the sub-fund is managed to stay within this range most of the time. The volatility range is regularly reviewed and may change from time to time due to changes in these assumptions.

Investment Manager's review

Market Review

At the start of the review period, global stock markets fell as investors became increasingly concerned that interest rate rises driven by persistent inflation would cause a recession. Inflation climbed to multi-decade highs, particularly in the US and UK, where consumer prices increased at the fastest pace for 40 years, prompting interest-rate hikes from major central banks. Inflation remained elevated largely due to energy prices, which stayed high as the war in Ukraine continued.

The US Federal Reserve ("Fed") increased interest rates by 0.5% in May and 0.75% in June to bring its benchmark rate to 1.75%. US stock markets jumped in July on hopes that the Fed may consider cutting interest rates in 2023, owing to fears around slowing economic growth. However, such hopes were dashed in August as the Fed crystallised its commitment to raising interest rates.

The European Central Bank ("ECB") was forced to raise interest rates twice – its first upward move in over a decade. The ECB hiked interest rates by 0.75% in October, as euro area annual inflation was forecast to come in at 10.7%, up from 9.9% the previous month. The Bank of England's ("BoE") more cautious approach to rate rises, compared with the Fed, contributed to sterling weakness during the period.

The US was the top performing region, despite disappointing financial results from some of the tech giants, including Meta (Platforms (formally named Facebook) and Amazon. Meanwhile, UK and European equity markets stabilised in the second half of the review period.

Emerging market equities declined, as emerging market economies were buffered by both inflation and the slowdown in economic growth. In China, negative sentiment surrounding the country's zero-COVID policy also weighed on equity markets.

Widespread inflation and expectations of further interest-rate hikes globally meant that bond markets suffered. In the UK, September's mini-budget sparked a mass sell-off with questions over its fiscal sustainability triggering a sharp rise in UK gilt yields, forcing the BoE to intervene to calm the market. In the US, bond markets began pricing in the Fed's next 0.75% rate hike.

In the latter half of the review period, growth stocks generally outperformed value stocks and larger companies outperformed smaller ones. This difference was most stark in US markets where mega cap tech companies such as Meta more than

doubled, driving the NASDAQ 100 Index to a 6.4% gain in Sterling. Conversely the Russell 200 Index, representative of small and medium sized companies, fell 12.0% in Sterling.

Fixed Income generally delivered small but positive returns. Medium and long-term Interest rates stabilised as investors looked forward to the end of central bank policy rate hikes and credit spreads for corporate bonds tightened in lockstep with the rising equity markets.

Performance Review

Over the twelve-month period under review, the sub-fund outperformed its Performance Comparator, delivering a negative return of 1.86%.

Despite a great deal of volatility, global equities ended the period in positive territory. Against this backdrop, most equity holdings delivered positive returns although there was dispersion regionally.

European equities were the standout region as they staged a comeback in Q4 2022. Europe had faced challenging times in 2022, with rising inflation, energy uncertainty as well as the Russian invasion of Ukraine. However, Q4 2023 saw the region rally fuelled by positive sentiment and low starting valuations. This outperformance continued in 2023, as falling gas prices buoyed sentiment and economic data, especially for the services sector, improved over the quarter. As a result, all European equity holdings delivered positive returns, with the SPDR S&P Euro Dividend Aristocrats being the standout performer, returning 14%. UK equities also fared well over the period, with the UK market outperforming its peers in 2022. Much of this was driven by the stock market's exposure to commodity producers as well as its low exposure to high-growth technology names which lagged against a backdrop of rising interest rates. JO Hambro UK Dynamic Fund delivered strong relative and absolute returns, boosted by strong stock selection. Emerging markets lagged over the period under review, despite a rally in Q4 after Chinese leadership took steps to dramatically loosen coronavirus restrictions after nearly 3 years. The bounce was not sufficient to recoup losses from earlier in the period for the region, although the policy pivot did help provide hope that a global downturn in 2023 could be avoided. Against this backdrop our managers in the region struggled on the whole to deliver positive returns, with Allspring Emerging Market Income Fund declining over 7%. Elsewhere, our Asian equity holdings, were able to outperform the broader market, boosted by an underweight to many of the sectors in China that had been affected by the regulatory crackdown.

Bonds were a detractor over the period as inflation surged and interest rate rises were priced into bond markets – at first gradually, but then much more rapidly as we moved into 2022. Persistent inflation and hawkish central banks saw sovereign bonds lead the declines. The UK gilts fared much worse than US Treasuries, never fully shaking off the impact of the UK mini-budget meltdown in September. As a result, the gilt exposure within the Monthly Income portfolio was the worst performer. Elsewhere £ investment grade was unable to escape the impact of rising gilt yields, and both the iShares £ Corporate Bond ETF and Quilter Investors Sterling Corporate Bond Fund were amongst the portfolio's worst performing holdings. Overall, the portfolio's overweight exposure to high yield was a relative positive. The iShares USD High Yield Corporate Bond ETF managed to eke out positive returns over the period, as did AXA US Short Duration High Yield Fund. The alternative fixed income holdings were the standout performers, with BioPharma Credit returning double digit positive returns and the CVC European Credit Opportunities saw its share price up nearly 4%. The loans market pandemic recovery lagged the high-yield market, so some performance catch-up took place, but in addition, the floating rate nature of the coupons from loans made them attractive assets in a rising rate environment.

Performance within the alternatives portfolio was mixed over the period. Foresight Solar Fund was the star performer, benefitting from increases in short- and medium-term power price forecasts in the first half of 2022. The second half of the period provided a number of headwinds for many of our alternative income trusts. September's market volatility after the Truss mini-budget saw many of their premiums to NAV erode and as we came into 2023, sentiment continued to sour as investors re-priced the impact of rising interest rates on the underlying assets. The Hipgnosis Songs Fund was a particular casualty and saw double digit declines in its share price.

While we certainly did not foresee the degree of monetary tightening that was delivered over 2022, we were of the view that slowing economic activity favoured quality stocks, rising interest rates would be a positive for the value factor and elevated inflation would be a boon for dividend stocks. One way we played these themes was through an allocation to a new holding, SPDR S&P US Dividend Aristocrats UCITS, an ETF which invests in companies that have increased their dividend for 20 consecutive years. The stability and reliability of cashflows required to achieve this feat gives the holding a quality-value tilt, which was particularly appealing given the cyclical nature of other value factor exposures. Over the year we continued to dial up our exposure to the SPDR holding. Similar style and factor tilts were made

Quilter Investors Monthly Income Portfolio

elsewhere during the year, notably in Europe and the UK. Elsewhere, Baillie Gifford Japan Income Growth Fund was sold, with proceeds reallocated to M&G Japan Fund. Private equity exposure was reduced through the year, with aggregate exposure moving from c.2.2% to 1.2% by year end. Towards the end of 2022, the portfolios added a position in US Treasury Inflation-Protected Securities ("TIPS"), expressed through a short maturity ETF and an all-maturities ETF. 10y real yields had recently touched 1.75%, comfortably above the Fed's estimate of the real neutral rate but given on going inflation uncertainty we had more conviction in calling the top in real yields than in nominal yields. Tight breakeven spreads at the front end of the curve also meant linkers offered attractive carry in the near term versus nominals. Elsewhere, we generally allocated more to lower risk holdings such as Allspring US Short-Term High Yield Bond Fund and later AXA US Short Duration High Yield Fund following a switch between the two managers. AXA's team is a market leader in this space, with experience managing through multiple credit cycles as well as a strong process and philosophy.

As we entered the new year, we actively traded the portfolios' bond exposure, reducing it at the end of January following a period of strong performance before topping it back up in early March as news spread of Silicon Valley Bank's collapse. Both proved to be opportune moves. There was little change to the equity portion of the portfolios beyond regular rebalancing to take advantage of short-term performance trends among individual holdings. As we near the end of this interest-rate hiking cycle and economies slow, we prefer to add to higher-quality equity holdings with strong cashflow visibility whilst also building our government bond exposure.

Risk and Reward Profile



The calculated risk and reward category, as shown above, uses a method of calculation derived from EU rules. It is based on the rate at which the returns of the sub-fund have moved up and down in the past (i.e. volatility) and is not a guide to the future risk and reward category of the sub-fund. The category shown is not a target or guarantee and may shift over time. Even the lowest category 1 does not mean a risk-free investment. The seven-category scale is nonlinear, for example, 2 is not twice as risky as 1. The risk and reward indicator changed from 4 to 5 on 6 April 2023.

Sub-funds in category 5 have in the past shown moderately high volatility. With a sub-fund of category 5, you have a moderately high risk of losing money but your chance for gains is also moderately high.

Investment risk - there is no guarantee that the sub-fund will achieve its objective. A capital loss of some or all of the amount invested may occur.

Strategy risk - as the sub-fund invests in other collective investment schemes, which themselves invest in assets such as bonds, company shares, cash and currencies, it will be subject to the collective risks of these other sub-funds. This may include emerging markets risk, sub-investment grade bond credit risk and smaller companies risk.

Company shares (i.e. equities) risk - the value of company shares may rise and fall due to the performance of individual companies or because of general market and economic conditions.

Emerging markets risk - less developed countries may face more political, economic or structural challenges than developed countries.

Credit risk - the issuer of a bond or a similar investment within the sub-fund may not pay income or repay capital to the sub-fund when due. Bonds which are rated below investment grade are considered to have a higher risk exposure with respect to meeting their payment obligations.

Interest rate risk - investments in bonds are affected by interest rates and inflation trends which may affect the value of the sub-fund.

Liquidity risk - some investments may become hard to value or sell at a desired time and price. In extreme circumstances this may affect the sub-fund's ability to meet redemption requests upon demand.

Currency risk - the sub-fund is denominated in British Pounds but may hold assets denominated in, or with exposure to, other currencies. The value of your shares may rise and fall as a result of exchange rate movements.

Derivative risk - the sub-fund may use derivatives for investment purposes and/or for Efficient Portfolio Management (EPM). Using derivatives can involve a higher level of risk. A small movement in the price of an underlying investment may result in a disproportionately large movement in the price of the derivative investment. Derivatives also involve counterparty risk where the institutions acting as counterparty to derivatives may not meet their contractual obligations.

Capital erosion risk - the sub-fund takes its charges from the capital of the sub-fund. Investors should be aware that there is potential for capital erosion if insufficient capital growth is achieved by the sub-fund to cover the charges. Capital erosion may have the effect of reducing the level of income generated.

For a more detailed explanation of risks, please refer to the "Risks" section of the Prospectus.

Performance records

Comparative Tables

Accumulation 'F'	1 May 2022 to 30 April 2023 p/share	1 May 2021 to 30 April 2022 p/share	1 May 2020 to 30 April 2021 p/share
Change in net assets per share			
Opening net asset value per share	108.34	108.33	92.98
Return before operating charges*	(0.99)	0.68	15.96
Operating charges**	(0.63)	(0.67)	(0.61)
Return after operating charges*	(1.62)	0.01	15.35
Distributions	(4.17)	(3.77)	(3.30)
Retained distributions	4.17	3.77	3.30
Closing net asset value per share	106.72	108.34	108.33
* after direct transaction costs of***	0.01	0.01	0.02
Performance			
Return after charges	(1.50)%	0.01%	16.51%
Other information			
Closing net asset value (£)	62,419,598	81,304,244	104,416,706
Closing number of shares	58,488,277	75,045,225	96,388,081
Operating charges****	0.60%	0.60%	0.60%
Direct transaction costs***	0.01%	0.01%	0.02%
Prices	pence per share	pence per share	pence per share
Highest share price	108.7	113.9	108.7
Lowest share price	98.08	105.5	92.07
Income 'F'	1 May 2022 to 30 April 2023 p/share	1 May 2021 to 30 April 2022 p/share	1 May 2020 to 30 April 2021 p/share
Change in net assets per share			
Opening net asset value per share	97.94	101.35	89.85
Return before operating charges*	(0.95)	0.70	15.24
Operating charges**	(0.56)	(0.62)	(0.58)
Return after operating charges*	(1.51)	0.08	14.66
Distributions	(3.73)	(3.49)	(3.16)
Retained distributions	-	-	-
Closing net asset value per share	92.70	97.94	101.35
* after direct transaction costs of***	0.01	0.01	0.02
Performance			
Return after charges	(1.54)%	0.08%	16.32%
Other information			
Closing net asset value (£)	48,646,851	58,705,621	72,312,966
Closing number of shares	52,476,795	59,939,959	71,349,448
Operating charges****	0.60%	0.60%	0.60%
Direct transaction costs***	0.01%	0.01%	0.02%
Prices	pence per share	pence per share	pence per share
Highest share price	97.86	104.8	102.6
Lowest share price	87.57	96.45	88.96

Performance records (continued)

Comparative Tables (continued)

Accumulation 'A'†	1 May 2022 to 30 April 2023 p/share	1 May 2021 to 30 April 2022 p/share	29 January 2021 to 30 April 2021 p/share
Change in net assets per share			
Opening net asset value per share	102.74	103.39	100.00
Return before operating charges*	(0.79)	0.83	3.75
Operating charges**	(1.39)	(1.48)	(0.36)
Return after operating charges*	(2.18)	(0.65)	3.39
Distributions	(4.11)	(3.76)	(0.75)
Retained distributions	4.11	3.76	0.75
Closing net asset value per share	100.56	102.74	103.39
* after direct transaction costs of***	0.01	0.01	-
Performance			
Return after charges	(2.12)%	(0.63)%	3.39%
Other information			
Closing net asset value (£)	2,660,184	2,870,904	3,080,524
Closing number of shares	2,645,253	2,794,294	2,979,623
Operating charges****	1.40%	1.40%	1.40%
Direct transaction costs***	0.01%	0.01%	0.02%
Prices	pence per share	pence per share	pence per share
Highest share price	102.6	108.2	103.8
Lowest share price	92.74	100.2	100.1
Income 'A'†	1 May 2022 to 30 April 2023 p/share	1 May 2021 to 30 April 2022 p/share	29 January 2021 to 30 April 2021 p/share
Change in net assets per share			
Opening net asset value per share	98.40	102.64	100.00
Return before operating charges*	(0.82)	0.90	3.75
Operating charges**	(1.31)	(1.45)	(0.36)
Return after operating charges*	(2.13)	(0.55)	3.39
Distributions	(3.88)	(3.69)	(0.75)
Retained distributions	-	-	-
Closing net asset value per share	92.39	98.40	102.64
* after direct transaction costs of***	0.01	0.01	-
Performance			
Return after charges	(2.16)%	(0.54)%	3.39%
Other information			
Closing net asset value (£)	10,830,938	11,238,299	9,810,483
Closing number of shares	11,723,327	11,421,310	9,558,021
Operating charges****	1.40%	1.40%	1.40%
Direct transaction costs***	0.01%	0.01%	0.02%
Prices	pence per share	pence per share	pence per share
Highest share price	98.26	105.9	103.8
Lowest share price	87.72	97.17	100.1

Performance records (continued)

Comparative Tables (continued)

Accumulation 'U1'	1 May 2022 to 30 April 2023 p/share	1 May 2021 to 30 April 2022 p/share	1 May 2020 to 30 April 2021 p/share
Change in net assets per share			
Opening net asset value per share	107.72	107.92	92.81
Return before operating charges*	(0.93)	0.74	15.97
Operating charges**	(0.89)	(0.94)	(0.86)
Return after operating charges*	(1.82)	(0.20)	15.11
Distributions	(4.20)	(3.81)	(3.29)
Retained distributions	4.20	3.81	3.29
Closing net asset value per share	105.90	107.72	107.92
* after direct transaction costs of***	0.01	0.01	0.02
Performance			
Return after charges	(1.69)%	(0.19)%	16.28%
Other information			
Closing net asset value (£)	13,340,071	12,879,678	10,066,342
Closing number of shares	12,597,125	11,956,951	9,327,701
Operating charges****	0.85%	0.85%	0.85%
Direct transaction costs***	0.01%	0.01%	0.02%
Prices	pence per share	pence per share	pence per share
Highest share price	107.9	113.3	108.3
Lowest share price	97.43	105.0	91.89
Income 'U1'	1 May 2022 to 30 April 2023 p/share	1 May 2021 to 30 April 2022 p/share	1 May 2020 to 30 April 2021 p/share
Change in net assets per share			
Opening net asset value per share	97.34	100.98	89.64
Return before operating charges*	(0.89)	0.74	15.32
Operating charges**	(0.79)	(0.86)	(0.83)
Return after operating charges*	(1.68)	(0.12)	14.49
Distributions	(3.75)	(3.52)	(3.15)
Retained distributions	-	-	-
Closing net asset value per share	91.91	97.34	100.98
* after direct transaction costs of***	0.01	0.01	0.02
Performance			
Return after charges	(1.73)%	(0.12)%	16.16%
Other information			
Closing net asset value (£)	24,067,292	16,433,792	6,713,014
Closing number of shares	26,186,359	16,882,071	6,648,024
Operating charges****	0.85%	0.85%	0.85%
Direct transaction costs***	0.01%	0.01%	0.02%
Prices	pence per share	pence per share	pence per share
Highest share price	97.25	104.3	102.3
Lowest share price	86.95	95.92	88.81

† Share class launched on 29 January 2021.

** The operating charges include all costs borne by the sub-fund, except for direct transaction costs. They include the operating charges of any collective investment schemes in which the sub-fund invests.

*** The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties. They do not include any difference between the quoted bid and offer prices or internal administrative or holding costs. These costs arise as a result of transactions undertaken both for efficient portfolio management and the meeting of the sub-fund's objectives. These costs exclude any effect of dilution adjustments used to offset the costs.

**** The operating charges percentage is the ratio of the sub-fund's ongoing charges (including the ongoing charges of any collective investment schemes in which the sub-fund invests but excluding interest on borrowings) to the average net assets of the sub-fund. If the share class launched during the year the operating figures are annualised. This includes a synthetic element of 0.26% (30.04.2022 - 0.22%) (30.04.2021 - 0.25%) to incorporate the ongoing charge figures of the underlying sub-funds.

Performance

	1 year to 30 April 2023	3 years to 30 April 2023
Quilter Investors Monthly Income Portfolio*	(1.86)%	13.06%
Relative to IA Mixed Investment 20-60% (sector average)	0.79%	2.59%
Quartile ranking	2	2
* Accumulation 'U1' shares		

Data Source – FactSet. Figures are calculated on a total return and single price basis, with net income reinvested into the sub-fund.

Portfolio allocation	Percentage of total net assets	Major holdings	Percentage of total net assets
Collective Investment Schemes Overseas Bonds	36.86	AXA US Short Duration High Yield Fund - ZI Income	5.93
Collective Investment Schemes Overseas Equities	25.22	Federated Hermes Unconstrained Credit Fund - X2	
Collective Investment Schemes United Kingdom Equities	20.49	Distributing (GBP) Hedged	5.53
Collective Investment Schemes United Kingdom Bonds	10.19	Quilter Investors Dynamic Bond Fund - A Income	4.64
Collective Investment Schemes Liquidity Funds	2.22	Quilter Investors UK Equity Large-Cap Income Fund - U2	
Collective Investment Schemes Overseas Alternative		Income	4.37
Investment Instruments	2.01	iShares Core FTSE 100 UCITS ETF	4.28
United Kingdom Equities	1.82	Quilter Investors Sterling Corporate Bond Fund - A	
United Kingdom Property	0.74	Income (GBP)	3.72
Collective Investment Schemes Overseas Private Equities	0.72	Vanguard USD Corporate Bond UCITS ETF	3.65
Derivatives	(0.07)	JO Hambro UK Dynamic - B Income	3.44
		iShares USD Treasury Bond 7-10yr UCITS ETF	3.38
		Allianz Strategic Bond Fund - I Income	3.24
Net other liabilities	(0.20)		
Total	100.00	Number of holdings	46
Asset allocation			
Collective Investment Schemes	97.71		
Equities	2.56		
Derivatives	(0.07)		
Net other liabilities	(0.20)		
Total	100.00		

Portfolio statement

as at 30 April 2023

Holding	Investment	Market Value £'000	Percentage of total net assets %
	Equities 2.56% (30 April 2022 3.18%)		
	United Kingdom Equities 1.82% (30 April 2022 2.16%)		
1,426,892	Hipgnosis Songs	1,250	0.77
1,329,834	Renewables Infrastructure	1,700	1.05
		2,950	1.82
	United Kingdom Property 0.74% (30 April 2022 1.02%)		
2,410,389	Assura REIT	1,203	0.74
		1,203	0.74
	Collective Investment Scheme 97.71% (30 April 2022 93.89%)		
	Liquidity Funds 2.22% (30 April 2022 0.00%)†		
3,596,945	BlackRock Institutional Sterling Liquidity Fund - Premier Income	3,597	2.22
		3,597	2.22
	United Kingdom Bonds 10.19% (30 April 2022 11.25%)		
1,700,160	BioPharma Credit Fund	1,282	0.79
7,357	iShares Core £ Corporate Bond UCITS ETF	892	0.55
19,632,127	Quilter Investors Dynamic Bond Fund - A Income£	7,505	4.64
6,796,588	Quilter Investors Sterling Corporate Bond Fund - A Income (GBP) ¥	6,021	3.72
46,030	Vanguard UK Gilt UCITS ETF	798	0.49
		16,498	10.19
	United Kingdom Equities 20.49% (30 April 2022 21.08%)		
300,968	City of London Investment Trust	1,263	0.78
2,211,135	International Public Partnerships	3,211	1.98
904,700	iShares Core FTSE 100 UCITS ETF	6,935	4.28
632,040	iShares UK Dividend UCITS ETF	4,561	2.82
3,089,886	JO Hambro UK Dynamic - B Income	5,577	3.44
5,951,144	Quilter Investors UK Equity Large-Cap Income Fund - U2 Income£	7,076	4.37
445,769	SPDR S&P UK Dividend Aristocrats UCITS ETF	4,565	2.82
		33,188	20.49
	United Kingdom Private Equities 0.00% (30 April 2022 0.94%)		
	Overseas Bonds 36.86% (30 April 2022 30.73%)		
5,289,342	Allianz Strategic Bond Fund - I Income	5,252	3.24
11,615,787	AXA US Short Duration High Yield Fund - ZI Income	9,605	5.93
1,220,913	Blackstone Loan Financing	742	0.46
2,941,231	Fair Oaks Income	1,156	0.71
9,617,872	Federated Hermes Unconstrained Credit Fund - X2 Distributing (GBP) Hedged	8,950	5.53
682,907	iShares \$ TIPS 0-5 UCITS ETF - Distributing (GBP) Hedged	3,424	2.12
690,127	iShares \$ TIPS UCITS ETF - Distributing (GBP) Hedged	3,443	2.13
53,267	iShares J.P. Morgan USD EM Bond UCITS ETF	3,602	2.22
33,783	iShares USD Corp Bond UCITS ETF - Distributing	2,808	1.73
43,207	iShares USD High Yield Corp Bond UCITS ETF	3,181	1.96
37,353	iShares USD Treasury Bond 7-10yr UCITS ETF	5,472	3.38
4,260,592	Janus Henderson Absolute Return Fixed Income - S Income	4,172	2.58
491,046	Quilter Investors Bond 3 Fund - A Income£†¥	425	0.26
154,729	Vanguard USD Corporate Bond UCITS ETF	5,908	3.65
148,859	Xtrackers USD Corporate Bond UCITS ETF	1,553	0.96
		59,693	36.86

Portfolio statement (continued)

as at 30 April 2023

Holding	Investment	Market Value £'000	Percentage of total net assets %
Overseas Equities 25.22% (30 April 2022 26.23%)			
49,509	Allspring Emerging Markets Equity Income Fund - A Distributing (USD)	3,712	2.29
416,752	Fidelity Global Quality Income UCITS ETF	2,494	1.54
246,091	Fidelity US Quality Income UCITS ETF	1,662	1.03
258,505	iShares Euro Dividend UCITS ETF	3,910	2.41
79,462	M&G Japan Fund - I Income (GBP)	2,108	1.30
1,717,007	Montanaro European Income Fund - Income	3,762	2.32
1,227,827	Montanaro UK Income Fund	2,373	1.47
2,450,044	Quilter Investors Global Equity Value Fund - U2 Income¥	4,586	2.83
4,866,860	Schroder Asian Income Fund - L Income	3,592	2.22
6,538,721	Schroder US Equity Income Maximiser Fund - L Income	4,047	2.50
195,718	SPDR S&P Euro Dividend Aristocrats UCITS ETF	3,813	2.35
87,364	SPDR S&P US Dividend Aristocrats UCITS ETF - Distributing	4,785	2.96
		40,844	25.22
Overseas Private Equities 0.72% (30 April 2022 0.99%)			
76,162	NB Private Equity Partners	1,174	0.72
		1,174	0.72
Overseas Alternative Investment Instruments 2.01% (30 April 2022 2.67%)			
1,373,139	CVC Income & Growth	1,302	0.80
1,770,568	Foresight Solar Fund	1,951	1.21
		3,253	2.01
Derivatives (0.07)% (30 April 2022 (0.72)%)			
Sterling Denominated Forward Exchange Contracts (0.07)% (30 April 2022 (0.74)%)			
	Buy GBP 152,706 Sell USD 189,455 15/05/2023	1	-
	Buy GBP 777,853 Sell EUR 882,110 15/05/2023	-	-
	Buy GBP 25,019,058 Sell USD 31,331,092 15/05/2023	(109)	(0.07)
		(108)	(0.07)
Euro Denominated Forward Exchange Contracts 0.00% (30 April 2022 0.00%)			
	Buy EUR 9,157 Sell GBP 8,108 15/05/2023	-	-
		-	-
US Dollar Denominated Forward Exchange Contracts 0.00% (30 April 2022 0.02%)			
	Buy USD 82,489 Sell GBP 66,170 15/05/2023	-	-
	Buy USD 109,180 Sell GBP 87,825 15/05/2023	-	-
	Buy USD 121,550 Sell GBP 98,248 15/05/2023	(1)	-
		(1)	-
Investment assets**		162,291	100.20
Net other liabilities		(326)	(0.20)
Total net assets		161,965	100.00

† Cash equivalents.

** Including investment liabilities.

‡ Fair Value Price approved by the ACD.

¥ Managed by Quilter Investors Limited.

All investments (excluding OTC derivatives) are approved securities being either officially listed in a member state or traded on or under the rules of an eligible securities market or collective investment schemes permitted under the COLL Sourcebook.

Portfolio statement (continued)

as at 30 April 2023

Analysis of investments by asset class

	Market Value £'000	Percentage of total net assets %
Collective Investment Schemes	82,360	50.86
Equities	80,040	49.41
Derivatives	(109)	(0.07)
Portfolio of investments	162,291	100.20
Net other liabilities	(326)	(0.20)
Total net assets	161,965	100.00

Summary of material purchases and sales

for the year from 1 May 2022 to 30 April 2023

Purchases	Cost £'000	Sales	Proceeds £'000
BlackRock Institutional Sterling Liquidity Fund - Premier Income*	18,251	BlackRock Institutional Sterling Liquidity Fund - Premier Income*	14,654
AXA US Short Duration High Yield Fund - ZI Income	10,181	Allspring US Short Term High Yield Bond Fund - I Income (USD)	9,955
Quilter Investors Sterling Corporate Bond Fund - A Income (GBP)	7,097	Quilter Investors Bond 2 Fund - A Income	6,536
iShares \$ TIPS UCITS ETF - Distributing (GBP) Hedged	5,017	Fidelity US Quality Income UCITS ETF	2,880
SPDR S&P US Dividend Aristocrats UCITS ETF - Distributing	4,949	Schroder US Equity Income Maximiser Fund - L Income	2,502
iShares \$ TIPS 0-5 UCITS ETF - Distributing (GBP) Hedged	3,356	Baillie Gifford Japanese Income Growth Fund - W4 Income	2,400
M&G Japan Fund - I Income (GBP)	2,142	iShares USD Corp Bond UCITS ETF - Distributing	1,786
Allianz Strategic Bond Fund - I Income	1,528	iShares \$ TIPS UCITS ETF - Distributing (GBP) Hedged	1,707
Janus Henderson Absolute Return Fixed Income - S Income	1,191	SPDR S&P UK Dividend Aristocrats UCITS ETF	1,574
iShares USD Treasury Bond 7-10yr UCITS ETF	627	NB Global Monthly Income Fund	1,331

* Cash equivalents.

Statement of total return

for the year from 1 May 2022 to 30 April 2023

	Note	01.05.22 to 30.04.23 £'000	01.05.22 to 30.04.23 £'000	01.05.21 to 30.04.22 £'000	01.05.21 to 30.04.22 £'000
Income					
Net capital losses	2		(9,165)		(5,367)
Revenue	3	7,320		7,185	
Expenses	4	(767)		(931)	
Net revenue before taxation		6,553		6,254	
Taxation	5	(645)		(544)	
Net revenue after taxation			5,908		5,710
Total return before distributions			(3,257)		343
Distributions	6		(6,841)		(6,840)
Change in net assets attributable to shareholders from investment activities			(10,098)		(6,497)

Statement of change in net assets attributable to shareholders

for the year from 1 May 2022 to 30 April 2023

	01.05.22 to 30.04.23 £'000	01.05.22 to 30.04.23 £'000	01.05.21 to 30.04.22 £'000	01.05.21 to 30.04.22 £'000
Opening net assets attributable to shareholders		183,433		206,400
Amounts transferred from Quilter Investors Generation CPI+ 3 Portfolio	40		-	
Amounts received on issue of shares	20,055		21,879	
Amounts paid on cancellation of shares	(34,784)		(42,018)	
		(14,689)		(20,139)
Dilution adjustment		28		34
Change in net assets attributable to shareholders from investment activities		(10,098)		(6,497)
Retained distributions on accumulation shares		3,291		3,635
Closing net assets attributable to shareholders		161,965		183,433

The notes on pages 131 to 138 form an integral part of these financial statements.

Balance sheet

as at 30 April 2023

	Note	30.04.23 £'000	30.04.22 £'000
Assets			
Fixed assets			
Investments		158,804	178,095
Current assets			
Debtors	7	460	1,118
Cash and bank balances	8	994	7,258
Cash equivalents*	8	3,597	-
Total assets		163,855	186,471
Liabilities			
Investment liabilities		(110)	(1,350)
Creditors			
Distribution payable		(979)	(752)
Other creditors	9	(801)	(936)
Total liabilities		(1,890)	(3,038)
Net assets attributable to shareholders		161,965	183,433

* The investments assets in the portfolio statement includes the cash equivalents amount shown under current assets.

The notes on pages 131 to 138 form an integral part of these financial statements.

Notes to the financial statements

for the year from 1 May 2022 to 30 April 2023

1 Accounting policies

The applicable accounting policies adopted by the Quilter Investors Monthly Income Portfolio are included on pages 183 to 184.

2 Net capital losses

The net capital losses on investments comprise:

	01.05.22 to 30.04.23 £'000	01.05.21 to 30.04.22 £'000
Losses on non-derivative securities	(7,808)	(1,760)
Losses on forward currency contracts	(1,659)	(4,017)
Gains on currency contracts	17	1
Authorised Corporate Director's capitalised fee rebates	285	409
Net capital losses	(9,165)	(5,367)
Realised losses*	(3,580)	(188)
Unrealised losses*	(5,887)	(5,589)
Total realised/unrealised losses	(9,467)	(5,777)

* Where realised losses include gains/losses arising in previous periods, a corresponding loss/gain is included in unrealised losses.

3 Revenue

	01.05.22 to 30.04.23 £'000	01.05.21 to 30.04.22 £'000
Authorised Corporate Director's fee rebates	23	8
Bank interest	12	-
Franked distributions on Collective Investment Schemes	968	994
Interest distributions on Collective Investment Schemes	1,096	716
Non-taxable distributions on Offshore Funds	1,870	2,155
Non-taxable overseas dividends	523	481
Taxable distributions on Offshore Funds	2,054	2,066
UK dividends	251	311
UK REIT dividends	59	45
Unfranked UK distributions on Collective Investment Schemes	207	284
Unfranked UK dividends	257	125
Total revenue	7,320	7,185

4 Expenses

	01.05.22 to 30.04.23 £'000	01.05.21 to 30.04.22 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Fixed Ongoing Charge*	767	931
Total expenses	767	931

* These figures represents the Fixed Ongoing Charge, which covers all fees payable by the sub-fund to the Authorised Corporate Director, Depositary (including associates etc.) and other expenses. The Audit fee for the year, excluding VAT, was £16,060 (30 April 2022: £12,500).

Notes to the financial statements (continued)

for the year from 1 May 2022 to 30 April 2023

5 Taxation

a) Analysis of tax charge in the year

	01.05.22 to 30.04.23 £'000	01.05.21 to 30.04.22 £'000
Corporation tax suffered	645	544
Double taxation relief	-	(1)
Overseas tax suffered	-	1
Total current tax charge for the year	645	544
Deferred tax charge for the year (see note 5(c))	-	-
Total taxation for the year (see note 5(b))	645	544

b) Factors affecting tax charge for the year

	01.05.22 to 30.04.23 £'000	01.05.21 to 30.04.22 £'000
The taxation assessed for the year is lower (2022: lower) than the standard rate of corporation tax in the UK for an open-ended investment company 20% (2022: 20%). The differences are explained below:		
Net revenue before taxation	6,553	6,254
Corporation tax at 20% (2022: 20%)	1,311	1,251
Effects of:		
Capitalised revenue subject to taxation	57	82
Double taxation relief	-	(2)
Non-taxable overseas dividends	(479)	(527)
Overseas tax suffered	-	1
Revenue not subject to taxation – UK	(244)	(261)
Total tax charge for the year (see note 5(a))	645	544

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

c) Movement in deferred tax liability

	01.05.22 to 30.04.23 £'000	01.05.21 to 30.04.22 £'000
Deferred tax liability at the start of the year	-	-
Deferred tax charge for the year (see note 5(a))	-	-
Deferred tax liability at the end of the year	-	-

At 30 April 2023 the sub-fund had surplus management expenses of £Nil (30 April 2022: £Nil) which can be utilised against profits chargeable to corporation tax in future years. It is unlikely that the sub-fund will generate sufficient taxable profits in the future to utilise these expenses and, therefore, no deferred tax asset has been recognised.

Notes to the financial statements (continued)

for the year from 1 May 2022 to 30 April 2023

6 Distributions

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

	01.05.22 to 30.04.23 £'000	01.05.21 to 30.04.22 £'000
First Interim – Accumulation shares (31 May)	185	224
First Interim – Income shares (31 May)	186	184
Second Interim – Accumulation shares (30 June)	183	220
Second Interim – Income shares (30 June)	189	182
Third Interim – Accumulation shares (31 July)	217	259
Third Interim – Income shares (31 July)	226	218
Fourth Interim – Accumulation shares (31 August)	214	256
Fourth Interim – Income shares (31 August)	225	216
Fifth Interim – Accumulation shares (30 September)	209	251
Fifth Interim – Income shares (30 September)	228	217
Sixth Interim – Accumulation shares (31 October)	204	248
Sixth Interim – Income shares (31 October)	228	218
Seventh Interim – Accumulation shares (30 November)	199	243
Seventh Interim – Income shares (30 November)	227	218
Eighth Interim – Accumulation shares (31 December)	197	239
Eighth Interim – Income shares (31 December)	227	219
Ninth Interim – Accumulation shares (31 January)	194	236
Ninth Interim – Income shares (31 January)	227	220
Tenth Interim – Accumulation shares (28 February)	192	234
Tenth Interim – Income shares (28 February)	229	218
Eleventh Interim – Accumulation shares (31 March)	187	229
Eleventh Interim – Income shares (31 March)	229	218
Final – Accumulation shares (30 April)	1,110	996
Final – Income shares (30 April)	979	752
	6,691	6,715
Revenue deducted on cancellation of shares	303	260
Revenue received on issue of shares	(153)	(135)
Total distribution	6,841	6,840
Reconciliation of distributions:		
Net revenue after taxation	5,908	5,710
Capitalised fees	767	931
Equalisation on Collective Investment Schemes	166	199
Total distribution	6,841	6,840

Details of the interim and final distributions per share are set out in the tables on pages 139 to 150.

7 Debtors

	30.04.23 £'000	30.04.22 £'000
Accrued Authorised Corporate Director's fee capitalised rebates	20	29
Accrued Authorised Corporate Director's fee rebates	45	26
Accrued revenue	274	450
Amounts receivable for issue of shares	115	283
Overseas tax recoverable	6	5
Sales awaiting settlement	-	325
Total debtors	460	1,118

Notes to the financial statements (continued)

for the year from 1 May 2022 to 30 April 2023

8 Cash and bank balances

	30.04.23 £'000	30.04.22 £'000
Cash and bank balances	994	7,258
Total cash and bank balances	994	7,258
BlackRock Institutional Sterling Liquidity Fund - Premier Income	3,597	-
Cash equivalents	3,597	-

9 Other creditors

	30.04.23 £'000	30.04.22 £'000
Accrued expenses	56	72
Amounts payable for cancellation of shares	508	631
Corporation tax payable	237	233
Total other creditors	801	936

10 Related party transactions

Quilter Investors Limited, as ACD, is a related party, and acts as principal in respect of all transactions of shares in each sub-fund. The aggregate monies received on issue and paid on cancellation are disclosed in the Statement of change in net assets attributable to shareholders on page 129. Any amounts due to or from the ACD at the end of the accounting year in respect of transactions of shares in each sub-fund are disclosed in notes 7 and 9. Amounts paid to the ACD in respect of expenses are disclosed in note 4 and amounts due to it at the year end are disclosed in note 9. A portion of the authorised corporate director's fee rebates received by the sub-fund are from investment funds managed by Quilter Investors Limited. During the year £125,000 (2022: £186,000) has been recognised and is included in the total rebate amounts disclosed in note 2. The balance due to the sub-fund at the year end in respect of this amounted to £10,000 (2022: £14,000) and is included in the total rebate amount disclosed in note 7. The sub-fund recognised £1,120,000 (2022: £1,168,000) gross revenue from investment funds managed by Quilter Investors Limited. The balance due at the year end in respect of the gross revenue amounted to £36,000 (2022: £35,000). Details of the investments held at the year end are identified in the portfolio statement.

11 Derivatives and other financial instruments

a) Financial instrument risk

The sub-fund has little direct exposure to credit or cash flow risk. The sub-fund is indirectly exposed to credit risk through the bond funds in which it invests. There are no material borrowings or unlisted securities and so little exposure to liquidity risk.

The main risks it faces arising from its financial instruments are (i) interest rate risk, and (ii) other price risk, being the risk that the value of investment holdings will fluctuate as a result of changes in market prices caused by factors other than interest rate movements. In addition, the sub-fund may hold financial instruments such as forward currency contracts, futures or options contracts for the purpose of efficient portfolio management.

These risks are monitored by the Investment Manager in pursuance of the investment objectives and policy set out in page 119.

Adherence to the investment guidelines and the investment and borrowing powers as set out in the Prospectus and in the rules of the COLL Sourcebook also mitigates the risk of excessive exposure to any particular type of security or issuer.

The Investment Manager regularly considers the asset allocation of the portfolio in order to minimise the risk associated with particular market or industry sectors. Stock selection is based on financial, market and sector analysis.

Notes to the financial statements (continued)

for the year from 1 May 2022 to 30 April 2023

11 Derivatives and other financial instruments (continued)

b) Market risk

i) Foreign currency risk

A proportion of the sub-fund's financial assets and liabilities are invested overseas. As a result, movements in exchange rates may affect the market price of investments and, due to timing differences between the transaction dates of investment sales, purchases and income, and actual cash settlement, create currency exchange gains/losses. The Investment Manager does seek to reduce some of this risk by using forward currency contracts.

The foreign currency exposure of the sub-fund as at 30 April 2023 (30 April 2022) was as follows:

Currency	Net foreign currency assets/(liabilities)			Net foreign currency assets		
	Monetary exposures*	Non-monetary exposures	Total	Monetary exposures*	Non-monetary exposures	Total
	30.04.23 £'000	30.04.23 £'000	30.04.23 £'000	30.04.22 £'000	30.04.22 £'000	30.04.22 £'000
Euro	5	(27)	(22)	10	1,714	1,724
US dollar	156	12,585	12,741	434	12,289	12,723
Total	161	12,558	12,719	444	14,003	14,447

* For the purpose of the above disclosure, monetary is taken to include only cash or near-cash items.

ii) Interest rate risk

Interest rate risk is the risk of movements in the value of financial instruments as a result of fluctuations in interest rates.

The interest rate risk profile of the sub-fund's financial assets and liabilities at 30 April 2023 is as follows:

Currency	Variable rate financial assets £'000	Fixed rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
30.04.23				
Euro	-	-	756	756
Sterling	4,459	-	146,827	151,286
US dollar	132	-	37,889	38,021
Total	4,591	-	185,472	190,063

Currency	Variable rate financial assets £'000	Fixed rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
30.04.22				
Euro	-	-	2,610	2,610
Sterling	6,995	-	164,699	171,694
US dollar	263	-	53,426	53,689
Total	7,258	-	220,735	227,993

Currency	Variable rate financial liabilities £'000	Financial liabilities not carrying interest £'000	Total £'000
30.04.23			
Euro	-	(778)	(778)
Sterling	-	(2,040)	(2,040)
US dollar	-	(25,280)	(25,280)
Total	-	(28,098)	(28,098)

Currency	Variable rate financial liabilities £'000	Financial liabilities not carrying interest £'000	Total £'000
30.04.22			
Euro	-	(886)	(886)
Sterling	-	(2,708)	(2,708)
US dollar	-	(40,966)	(40,966)
Total	-	(44,560)	(44,560)

Notes to the financial statements (continued)

for the year from 1 May 2022 to 30 April 2023

11 Derivatives and other financial instruments (continued)

b) Market risk (continued)

iii) Other price risk

Other price risk arises from uncertainty about future prices of financial instruments held. The main source of risk to the sub-fund is the potential movement in the value of financial instruments held as a result of price fluctuations. Stock market prices can move erratically and be unpredictably affected by diverse factors including political and economic events but also rumours and sentiment. The ACD adheres to the investment guidelines and borrowing powers set out within the Prospectus and the COLL Sourcebook. In this way the ACD monitors and controls the exposure to risk from any type of security, sector or issuer. The sub-fund may also use derivative instruments to mitigate risk and reduce cost.

c) Credit risk

Credit risk is the risk of suffering loss due to another party not meeting its financial obligation. The risk is managed by the Investment Manager who monitors the credit profile of financial instruments in accordance with the objective and policy of the sub-fund.

Adherence to the investment guidelines and the investment and borrowing powers as set out in the Prospectus and in the rules of the COLL Sourcebook also mitigates the risk of excessive exposure to any particular type of security or issuer.

d) Counterparty risk

Certain transactions in financial instruments that the sub-fund enters into have the risk that the counterparty will not meet its financial obligations, i.e. the investment (purchase) or cash (sale) after the sub-fund has fulfilled its responsibilities.

The sub-fund will only buy and sell investments through brokers which have been approved by the ACD and Investment Manager as an acceptable counterparty. This is overseen by the Depositary to ensure that the exposure to any counterparty remains appropriate for investors.

e) Liquidity risk

The sub-fund's assets comprise mainly of readily realisable securities which can be sold promptly to meet liquidity requirements. The main source of this risk comes from the obligation to shareholders to meet any cancellation of shares. Assets from a sub-fund may need to be sold to meet any redemption proceeds. As part of its operating duties the ACD regularly monitors the liquidity levels held on each sub-fund (cash and underlying securities) to ensure any redemptions can be readily met. Some investments may be less liquid than other securities and can be more sensitive to economic factors. The rules of the COLL Sourcebook mitigate the risk of excessive exposure to assets which are not readily realisable.

f) Fair value of financial assets and financial liabilities

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

Basis of valuation	30.04.23		30.04.22	
	Assets £'000	Liabilities £'000	Assets £'000	Liabilities £'000
Level 1: Quoted prices	80,040	-	88,683	-
Level 2: Observable market data	81,936	(110)	88,860	(1,350)
Level 3: Unobservable data*	425	-	552	-
Total	162,401	(110)	178,095	(1,350)

* For the level 3 assets this is made up of 1 security (2022: 1), a Quilter Investors managed collective investment scheme holding a small residual portfolio of illiquid stocks. This scheme has closed and is currently in the process of winding down. It is valued on an adjusted NAV basis taking into account changes within the scheme since the last quoted price.

g) Sensitivity analysis

The Investment Manager assesses the market risk of the Quilter Investors Monthly Income Portfolio, including any derivative exposures, using an Absolute Value at Risk ('VaR') methodology. VaR is a process that provides the Investment Manager with an estimate of the maximum potential loss that could be expected to occur as a result of changes in market prices over a given period of time in all but a given percentage of circumstances. As the sub-fund adopts an absolute VaR Model to measure the global market risk, the daily VaR limit for the sub-fund cannot be greater than 20% of the Net Asset Value of the sub-fund. The VaR is calculated using a one-tailed 99% confidence level, a one month holding period and the historical period of one year (250 Business Days). Derivatives are used to efficiently manage the tactical asset allocation positioning of the sub-fund, Quilter Investors Monthly Income Portfolio. The sub-fund uses absolute methodology to measure Value at Risk (VaR). The VaR for the sub-fund at 30 April 2023 was 4.46% (30 April 2022: 7.20%).

The minimum, average and maximum VaR of the sub-fund over the year was 4.46%, 5.01% and 5.85% (30 April 2022: 6.99%, 7.09% and 7.20%).

The Gross sum of notionals (GSON) leverage figures are prepared with no hedging or netting of any asset class. Across the range of asset classes exposures are treated differently. For instance, currency forwards are treated by valuing both legs of the underlying and expressing them as a percentage of the NAV. Physical assets are excluded to get the incremental exposure resulting from derivatives.

The sub-fund is limited to 300% gross leverage. Using the GSON methodology, the average leverage for the year ended 30 April 2023 was 21.80% (30 April 2022: 21.40%).

Leverage figures for fund of funds do not include a look through of the funds held.

Notes to the financial statements (continued)

for the year from 1 May 2022 to 30 April 2023

12 Contingent liabilities

The sub-fund had no contingent liabilities at the balance sheet date (30 April 2022: £Nil).

13 Portfolio transaction costs

Analysis of total purchase costs	Value	Commissions		Other costs	
01.05.22 to 30.04.23	£'000	£'000	%	£'000	%
Equities	157	-	0.05%	1	0.50%
Collective Investment Schemes	56,712	8	0.01%	-	-
Total	56,869	8		1	
Total purchases including transaction costs	56,878				

	Value	Commissions		Other costs	
01.05.21 to 30.04.22	£'000	£'000	%	£'000	%
Equities	233	-	0.05%	-	-
Collective Investment Schemes	21,578	2	0.01%	-	-
Total	21,811	2		-	
Total purchases including transaction costs	21,813				

Analysis of total sale costs	Value	Commissions		Other costs	
01.05.22 to 30.04.23	£'000	£'000	%	£'000	%
Equities	425	-	0.05%	-	-
Collective Investment Schemes	64,371	11	0.02%	-	-
Total	64,796	11		-	
Total sales including transaction costs	64,785				

	Value	Commissions		Other costs	
01.05.21 to 30.04.22	£'000	£'000	%	£'000	%
Equities	277	-	0.05%	-	-
Collective Investment Schemes	42,229	10	0.02%	-	-
Total	42,506	10		-	
Total sales including transaction costs	42,496				

Transaction costs as a percentage of average Net Assets	30.04.23	30.04.22
Commissions:	0.01%	0.01%
Other costs:	0.00%	0.00%

In the case of shares, transaction costs are paid by the sub-fund on each transaction. Commissions relate to those paid to agents, advisers, brokers and dealers in the buying and selling of securities. Other costs include any additional fees that may be paid to agents, advisers, brokers and dealers as well as levies by regulatory agencies and security exchanges and any transfer taxes or duties. In addition, there is a dealing spread between the buying and selling prices of the underlying investments. Unlike shares, other types of investments have no separately identifiable transaction costs; these costs form part of the dealing spread. Dealing spreads may vary considerably depending on the transaction value and market sentiment. At the balance sheet date the dealing spread was 0.19% (30 April 2022: 0.32%), this is representative of the average spread on the assets held during the year.

Notes to the financial statements (continued)

for the year from 1 May 2022 to 30 April 2023

14 Shareholders' funds

The sub-fund currently has six share classes; Accumulation 'F', Income 'F', Accumulation 'A', Income 'A', Accumulation 'U1' and Income 'U1'. The net asset value of each share class, net asset value per share and the number of shares in issue are given in the sub-fund's comparative table.

The share classes currently in issue and the Fixed Ongoing Charge, inclusive of the synthetic element, of each share class are shown below.

	30.04.23	30.04.22
- Accumulation 'F'	0.60%	0.60%
- Income 'F'	0.60%	0.60%
- Accumulation 'A'	1.40%	1.40%
- Income 'A'	1.40%	1.40%
- Accumulation 'U1'	0.85%	0.85%
- Income 'U1'	0.85%	0.85%

Share class movement reconciliation

	Opening 01.05.22	Issued	Redeemed	Converted	Closing 30.04.23
- Accumulation 'F'	75,045,225	157,588	(16,657,522)	(57,014)	58,488,277
- Income 'F'	59,939,959	963,636	(8,301,405)	(125,395)	52,476,795
- Accumulation 'A'	2,794,294	6,650	(155,691)	-	2,645,253
- Income 'A'	11,421,310	2,990,763	(2,688,746)	-	11,723,327
- Accumulation 'U1'	11,956,951	4,474,353	(3,891,566)	57,387	12,597,125
- Income 'U1'	16,882,071	12,465,525	(3,287,454)	126,217	26,186,359

15 Post balance sheet date events

The table below shows the net asset values per share as at the balance sheet date, compared against values as at 24 August 2023 and the percentage movement in that period:

	30.04.23 pence per share	24.08.23 pence per share	% Movement
- Accumulation 'F'	106.72	103.30	(3.20)
- Income 'F'	92.70	89.08	(3.91)
- Accumulation 'A'	100.56	97.14	(3.40)
- Income 'A'	92.39	88.59	(4.11)
- Accumulation 'U1'	105.90	102.40	(3.31)
- Income 'U1'	91.91	88.26	(3.97)

Distribution tables

Final distribution

Group 1: Shares purchased prior to 1 April 2023
Group 2: Shares purchased from 1 April 2023 to 30 April 2023

	Revenue pence per share	Equalisation pence per share*	Distribution paid 31.05.23 pence per share	Distribution paid 31.05.22 pence per share
Accumulation 'F' Shares				
Group 1	1.5046	-	1.5046	1.1047
Group 2	0.1143	1.3903	1.5046	1.1047
Income 'F' Shares				
Group 1	1.0569	-	1.0569	0.8221
Group 2	0.1193	0.9376	1.0569	0.8221
Accumulation 'A' Shares				
Group 1	1.4351	-	1.4351	1.0904
Group 2	0.1185	1.3166	1.4351	1.0904
Income 'A' Shares				
Group 1	1.2133	-	1.2133	1.0156
Group 2	0.1187	1.0946	1.2133	1.0156
Accumulation 'U1' Shares				
Group 1	1.5275	-	1.5275	1.1380
Group 2	0.1053	1.4222	1.5275	1.1380
Income 'U1' Shares				
Group 1	1.0752	-	1.0752	0.8506
Group 2	0.1032	0.9720	1.0752	0.8506

Distribution tables (continued)

Eleventh interim distribution

Group 1: Shares purchased prior to 1 March 2023
Group 2: Shares purchased from 1 March 2023 to 31 March 2023

	Revenue pence per share	Equalisation pence per share*	Distribution paid 28.04.23 pence per share	Distribution paid 29.04.22 pence per share
Accumulation 'F' Shares				
Group 1	0.2500	-	0.2500	0.2500
Group 2	0.0000	0.2500	0.2500	0.2500
Income 'F' Shares				
Group 1	0.2500	-	0.2500	0.2500
Group 2	0.0000	0.2500	0.2500	0.2500
Accumulation 'A' Shares				
Group 1	0.2500	-	0.2500	0.2500
Group 2	0.0000	0.2500	0.2500	0.2500
Income 'A' Shares				
Group 1	0.2500	-	0.2500	0.2500
Group 2	0.0000	0.2500	0.2500	0.2500
Accumulation 'U1' Shares				
Group 1	0.2500	-	0.2500	0.2500
Group 2	0.0000	0.2500	0.2500	0.2500
Income 'U1' Shares				
Group 1	0.2500	-	0.2500	0.2500
Group 2	0.0000	0.2500	0.2500	0.2500

Distribution tables (continued)

Tenth interim distribution

Group 1: Shares purchased prior to 1 February 2023
Group 2: Shares purchased from 1 February 2023 to 28 February 2023

	Revenue pence per share	Equalisation pence per share*	Distribution paid 31.03.23 pence per share	Distribution paid 31.03.22 pence per share
Accumulation 'F' Shares				
Group 1	0.2500	-	0.2500	0.2500
Group 2	0.0000	0.2500	0.2500	0.2500
Income 'F' Shares				
Group 1	0.2500	-	0.2500	0.2500
Group 2	0.0000	0.2500	0.2500	0.2500
Accumulation 'A' Shares				
Group 1	0.2500	-	0.2500	0.2500
Group 2	0.0000	0.2500	0.2500	0.2500
Income 'A' Shares				
Group 1	0.2500	-	0.2500	0.2500
Group 2	0.0000	0.2500	0.2500	0.2500
Accumulation 'U1' Shares				
Group 1	0.2500	-	0.2500	0.2500
Group 2	0.0000	0.2500	0.2500	0.2500
Income 'U1' Shares				
Group 1	0.2500	-	0.2500	0.2500
Group 2	0.0000	0.2500	0.2500	0.2500

Distribution tables (continued)

Ninth interim distribution

Group 1: Shares purchased prior to 1 January 2023
Group 2: Shares purchased from 1 January 2023 to 31 January 2023

	Revenue pence per share	Equalisation pence per share*	Distribution paid 28.02.23 pence per share	Distribution paid 28.02.22 pence per share
Accumulation 'F' Shares				
Group 1	0.2500	-	0.2500	0.2500
Group 2	0.0000	0.2500	0.2500	0.2500
Income 'F' Shares				
Group 1	0.2500	-	0.2500	0.2500
Group 2	0.0000	0.2500	0.2500	0.2500
Accumulation 'A' Shares				
Group 1	0.2500	-	0.2500	0.2500
Group 2	0.0000	0.2500	0.2500	0.2500
Income 'A' Shares				
Group 1	0.2500	-	0.2500	0.2500
Group 2	0.0000	0.2500	0.2500	0.2500
Accumulation 'U1' Shares				
Group 1	0.2500	-	0.2500	0.2500
Group 2	0.0000	0.2500	0.2500	0.2500
Income 'U1' Shares				
Group 1	0.2500	-	0.2500	0.2500
Group 2	0.0000	0.2500	0.2500	0.2500

Distribution tables (continued)

Eighth interim distribution

Group 1: Shares purchased prior to 1 December 2022
Group 2: Shares purchased from 1 December 2022 to 31 December 2022

	Revenue pence per share	Equalisation pence per share*	Distribution paid 31.01.23 pence per share	Distribution paid 31.01.22 pence per share
Accumulation 'F' Shares				
Group 1	0.2500	-	0.2500	0.2500
Group 2	0.0000	0.2500	0.2500	0.2500
Income 'F' Shares				
Group 1	0.2500	-	0.2500	0.2500
Group 2	0.0000	0.2500	0.2500	0.2500
Accumulation 'A' Shares				
Group 1	0.2500	-	0.2500	0.2500
Group 2	0.0000	0.2500	0.2500	0.2500
Income 'A' Shares				
Group 1	0.2500	-	0.2500	0.2500
Group 2	0.0000	0.2500	0.2500	0.2500
Accumulation 'U1' Shares				
Group 1	0.2500	-	0.2500	0.2500
Group 2	0.0000	0.2500	0.2500	0.2500
Income 'U1' Shares				
Group 1	0.2500	-	0.2500	0.2500
Group 2	0.0000	0.2500	0.2500	0.2500

Distribution tables (continued)

Seventh interim distribution

Group 1: Shares purchased prior to 1 November 2022
Group 2: Shares purchased from 1 November 2022 to 30 November 2022

	Revenue pence per share	Equalisation pence per share*	Distribution paid 30.12.22 pence per share	Distribution paid 31.12.21 pence per share
Accumulation 'F' Shares				
Group 1	0.2500	-	0.2500	0.2500
Group 2	0.0000	0.2500	0.2500	0.2500
Income 'F' Shares				
Group 1	0.2500	-	0.2500	0.2500
Group 2	0.0000	0.2500	0.2500	0.2500
Accumulation 'A' Shares				
Group 1	0.2500	-	0.2500	0.2500
Group 2	0.0000	0.2500	0.2500	0.2500
Income 'A' Shares				
Group 1	0.2500	-	0.2500	0.2500
Group 2	0.0000	0.2500	0.2500	0.2500
Accumulation 'U1' Shares				
Group 1	0.2500	-	0.2500	0.2500
Group 2	0.0000	0.2500	0.2500	0.2500
Income 'U1' Shares				
Group 1	0.2500	-	0.2500	0.2500
Group 2	0.0000	0.2500	0.2500	0.2500

Distribution tables (continued)

Sixth interim distribution

Group 1: Shares purchased prior to 1 October 2022
Group 2: Shares purchased from 1 October 2022 to 31 October 2022

	Revenue pence per share	Equalisation pence per share*	Distribution paid 30.11.22 pence per share	Distribution paid 30.11.21 pence per share
Accumulation 'F' Shares				
Group 1	0.2500	-	0.2500	0.2500
Group 2	0.0000	0.2500	0.2500	0.2500
Income 'F' Shares				
Group 1	0.2500	-	0.2500	0.2500
Group 2	0.0000	0.2500	0.2500	0.2500
Accumulation 'A' Shares				
Group 1	0.2500	-	0.2500	0.2500
Group 2	0.0000	0.2500	0.2500	0.2500
Income 'A' Shares				
Group 1	0.2500	-	0.2500	0.2500
Group 2	0.0000	0.2500	0.2500	0.2500
Accumulation 'U1' Shares				
Group 1	0.2500	-	0.2500	0.2500
Group 2	0.0000	0.2500	0.2500	0.2500
Income 'U1' Shares				
Group 1	0.2500	-	0.2500	0.2500
Group 2	0.0000	0.2500	0.2500	0.2500

Distribution tables (continued)

Fifth interim distribution

Group 1: Shares purchased prior to 1 September 2022
Group 2: Shares purchased from 1 September 2022 to 30 September 2022

	Revenue pence per share	Equalisation pence per share*	Distribution paid 31.10.22 pence per share	Distribution paid 29.10.21 pence per share
Accumulation 'F' Shares				
Group 1	0.2500	-	0.2500	0.2500
Group 2	0.0000	0.2500	0.2500	0.2500
Income 'F' Shares				
Group 1	0.2500	-	0.2500	0.2500
Group 2	0.0000	0.2500	0.2500	0.2500
Accumulation 'A' Shares				
Group 1	0.2500	-	0.2500	0.2500
Group 2	0.0000	0.2500	0.2500	0.2500
Income 'A' Shares				
Group 1	0.2500	-	0.2500	0.2500
Group 2	0.0000	0.2500	0.2500	0.2500
Accumulation 'U1' Shares				
Group 1	0.2500	-	0.2500	0.2500
Group 2	0.0000	0.2500	0.2500	0.2500
Income 'U1' Shares				
Group 1	0.2500	-	0.2500	0.2500
Group 2	0.0000	0.2500	0.2500	0.2500

Distribution tables (continued)

Fourth interim distribution

Group 1: Shares purchased prior to 1 August 2022
Group 2: Shares purchased from 1 August 2022 to 31 August 2022

	Revenue pence per share	Equalisation pence per share*	Distribution paid 30.09.22 pence per share	Distribution paid 30.09.21 pence per share
Accumulation 'F' Shares				
Group 1	0.2500	-	0.2500	0.2500
Group 2	0.0000	0.2500	0.2500	0.2500
Income 'F' Shares				
Group 1	0.2500	-	0.2500	0.2500
Group 2	0.0000	0.2500	0.2500	0.2500
Accumulation 'A' Shares				
Group 1	0.2500	-	0.2500	0.2500
Group 2	0.0000	0.2500	0.2500	0.2500
Income 'A' Shares				
Group 1	0.2500	-	0.2500	0.2500
Group 2	0.0000	0.2500	0.2500	0.2500
Accumulation 'U1' Shares				
Group 1	0.2500	-	0.2500	0.2500
Group 2	0.0000	0.2500	0.2500	0.2500
Income 'U1' Shares				
Group 1	0.2500	-	0.2500	0.2500
Group 2	0.0000	0.2500	0.2500	0.2500

Distribution tables (continued)

Third interim distribution

Group 1: Shares purchased prior to 1 July 2022
Group 2: Shares purchased from 1 July 2022 to 31 July 2022

	Revenue pence per share	Equalisation pence per share*	Distribution paid 31.08.22 pence per share	Distribution paid 31.08.21 pence per share
Accumulation 'F' Shares				
Group 1	0.2500	-	0.2500	0.2500
Group 2	0.0000	0.2500	0.2500	0.2500
Income 'F' Shares				
Group 1	0.2500	-	0.2500	0.2500
Group 2	0.0000	0.2500	0.2500	0.2500
Accumulation 'A' Shares				
Group 1	0.2500	-	0.2500	0.2500
Group 2	0.0000	0.2500	0.2500	0.2500
Income 'A' Shares				
Group 1	0.2500	-	0.2500	0.2500
Group 2	0.0000	0.2500	0.2500	0.2500
Accumulation 'U1' Shares				
Group 1	0.2500	-	0.2500	0.2500
Group 2	0.0000	0.2500	0.2500	0.2500
Income 'U1' Shares				
Group 1	0.2500	-	0.2500	0.2500
Group 2	0.0000	0.2500	0.2500	0.2500

Distribution tables (continued)

Second interim distribution

Group 1: Shares purchased prior to 1 June 2022
Group 2: Shares purchased from 1 June 2022 to 30 June 2022

	Revenue pence per share	Equalisation pence per share*	Distribution paid 29.07.22 pence per share	Distribution paid 30.07.21 pence per share
Accumulation 'F' Shares				
Group 1	0.2100	-	0.2100	0.2100
Group 2	0.0301	0.1799	0.2100	0.2100
Income 'F' Shares				
Group 1	0.2100	-	0.2100	0.2100
Group 2	0.1008	0.1092	0.2100	0.2100
Accumulation 'A' Shares				
Group 1	0.2100	-	0.2100	0.2100
Group 2	0.0000	0.2100	0.2100	0.2100
Income 'A' Shares				
Group 1	0.2100	-	0.2100	0.2100
Group 2	0.0120	0.1980	0.2100	0.2100
Accumulation 'U1' Shares				
Group 1	0.2100	-	0.2100	0.2100
Group 2	0.0000	0.2100	0.2100	0.2100
Income 'U1' Shares				
Group 1	0.2100	-	0.2100	0.2100
Group 2	0.0000	0.2100	0.2100	0.2100

Distribution tables (continued)

First interim distribution

Group 1: Shares purchased prior to 1 May 2022
Group 2: Shares purchased from 1 May 2022 to 31 May 2022

	Revenue pence per share	Equalisation pence per share*	Distribution paid 30.06.22 pence per share	Distribution paid 30.06.21 pence per share
Accumulation 'F' Shares				
Group 1	0.2100	-	0.2100	0.2100
Group 2	0.0474	0.1626	0.2100	0.2100
Income 'F' Shares				
Group 1	0.2100	-	0.2100	0.2100
Group 2	0.0655	0.1445	0.2100	0.2100
Accumulation 'A' Shares				
Group 1	0.2100	-	0.2100	0.2100
Group 2	0.1277	0.0823	0.2100	0.2100
Income 'A' Shares				
Group 1	0.2100	-	0.2100	0.2100
Group 2	0.0501	0.1599	0.2100	0.2100
Accumulation 'U1' Shares				
Group 1	0.2100	-	0.2100	0.2100
Group 2	0.0000	0.2100	0.2100	0.2100
Income 'U1' Shares				
Group 1	0.2100	-	0.2100	0.2100
Group 2	0.0004	0.2096	0.2100	0.2100

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

Quilter Investors Monthly Income and Growth Portfolio

Launch date	26 June 2019
IA Sector	Mixed Investment 40-85% Shares
Investment Manager	Quilter Investors Limited
Net asset value	£191,060,329

Objective

The sub-fund aims to provide income and capital growth over a period of five years or more.

Policy

The risk profile of the sub-fund is broadly moderate, with between 40% and 85% invested in equities and the remainder in other asset classes and with volatility of between 9% and 13%*.

The sub-fund will invest through collective investment schemes (up to 100% of the value of the sub-fund, including those that are managed or operated by the ACD or an associate of the ACD) in order to give exposure to a diversified portfolio of asset classes. It is expected that exposure will be to equities, fixed interest, property, commodities and currency. Whilst the sub-fund is actively managed, it will typically hold a minimum of 35% in passive investment vehicles or instruments. The use of passive investment vehicles or instruments when blended with active vehicles and instruments will form part of the overall strategy to meet the sub-fund's objective.

The sub-fund may also invest directly in transferable securities, derivative instruments and forward transactions (for investment purposes or Efficient Portfolio Management), cash, near cash, warrants, money market instruments, and permitted deposits. The sub-fund may sell call options over securities or portfolios of securities or indices in order to generate additional income. The use of derivatives for the purpose of investment may affect the risk profile of the sub-fund although this is not the ACD's intention. The use of derivatives for Efficient Portfolio Management is unlikely to affect the risk profile of the sub-fund.

*The volatility range is a target, based on long term actuarial assumptions and the sub-fund is managed to stay within this range most of the time. The volatility range is regularly reviewed and may change from time to time due to changes in these assumptions.

Investment Manager's review

Market Review

At the start of the review period, global stock markets fell as investors became increasingly concerned that interest rate rises driven by persistent inflation would cause a recession. Inflation climbed to multi-decade highs, particularly in the US and UK, where consumer prices increased at the fastest pace for 40 years, prompting interest-rate hikes from major central banks. Inflation remained elevated largely due to energy prices, which stayed high as the war in Ukraine continued.

The US Federal Reserve ("Fed") increased interest rates by 0.5% in May and 0.75% in June to bring its benchmark rate to 1.75%. US stock markets jumped in July on hopes that the Fed may consider cutting interest rates in 2023, owing to fears around slowing economic growth. However, such hopes were dashed in August as the Fed crystallised its commitment to raising interest rates.

The European Central Bank ("ECB") was forced to raise interest rates twice – its first upward move in over a decade. The ECB hiked interest rates by 0.75% in October, as euro area annual inflation was forecast to come in at 10.7%, up from 9.9% the previous month. The Bank of England's ("BoE") more cautious approach to rate rises, compared with the Fed, contributed to sterling weakness during the period.

The US was the top performing region, despite disappointing financial results from some of the tech giants, including Meta (Platforms (formerly named Facebook)) and Amazon. Meanwhile, UK and European equity markets stabilised in the second half of the review period.

Emerging market equities declined, as emerging market economies were buffered by both inflation and the slowdown in economic growth. In China, negative sentiment surrounding the country's zero-COVID policy also weighed on equity markets.

Widespread inflation and expectations of further interest-rate hikes globally meant that bond markets suffered. In the UK, September's mini-budget sparked a mass sell-off with questions over its fiscal sustainability triggering a sharp rise in UK gilt yields, forcing the BoE to intervene to calm the market. In the US, bond markets began pricing in the Fed's next 0.75% rate hike.

In the latter half of the review period, growth stocks generally outperformed value stocks and larger companies outperformed smaller ones. This difference was most stark in US markets where mega cap tech companies such as Meta more than

doubled, driving the NASDAQ 100 Index to a 6.4% gain in Sterling. Conversely the Russell 200 Index, representative of small and medium sized companies, fell 12.0% in Sterling.

Fixed Income generally delivered small but positive returns. Medium and long-term Interest rates stabilised as investors looked forward to the end of central bank policy rate hikes and credit spreads for corporate bonds tightened in lockstep with the rising equity markets.

Performance Review

Over the twelve-month period under review, the sub-fund outperformed its Performance Comparator, delivering a negative return of 0.35%.

Despite a great deal of volatility, global equities ended the period in positive territory. Against this backdrop, most equity holdings delivered positive returns although there was dispersion regionally.

European equities were the standout region as they staged a comeback in Q4 2022. Europe had faced challenging times in 2022, with rising inflation, energy uncertainty as well as the Russian invasion of Ukraine. However, Q4 2023 saw the region rally fuelled by positive sentiment and low starting valuations. This outperformance continued in 2023, as falling gas prices buoyed sentiment and economic data, especially for the services sector, improved over the quarter. As a result, all European equity holdings delivered positive returns, with the SPDR S&P Euro Dividend Aristocrats being the standout performer, returning 14%. UK equities also fared well over the period, with the UK market outperforming its peers in 2022. Much of this was driven by the stock market's exposure to commodity producers as well as its low exposure to high-growth technology names which lagged against a backdrop of rising interest rates. The standout holding over the period was Finsbury Growth & Income trust (held in Income & Growth only) which was able to outperform in H2 against a falling stock market. Elsewhere, JO Hambro UK Dynamic Fund delivered strong relative and absolute returns, boosted by strong stock selection. Emerging markets lagged over the period under review, despite a rally in Q4 after Chinese leadership took steps to dramatically loosen coronavirus restrictions after nearly 3 years. The bounce was not sufficient to recoup losses from earlier in the period for the region, although the policy pivot did help provide hope that a global downturn in 2023 could be avoided. Against this backdrop our managers in the region struggled on the whole to deliver positive returns, with Allspring Emerging Market Income Fund declining over 7%. Elsewhere, our Asian equity holdings, were able to outperform the broader market, boosted by an underweight to many of the sectors in China that had been affected by the regulatory crackdown.

Bonds were a detractor over the period as inflation surged and interest rate rises were priced into bond markets – at first gradually, but then much more rapidly as we moved into 2022. Persistent inflation and hawkish central banks saw sovereign bonds lead the declines. The UK gilts fared much worse than US Treasuries, never fully shaking off the impact of the UK mini-budget meltdown in September. As a result, the gilt exposure within the Monthly Income portfolio was the worst performer. Elsewhere £ investment grade was unable to escape the impact of rising gilt yields, and both the iShares £ Corporate Bond ETF and Quilter Investors Sterling Corporate Bond Fund were amongst the portfolio's worst performing holdings. Overall, the portfolio's overweight exposure to high yield was a relative positive. the iShares USD High Yield Corporate Bond ETF managed to eke out positive returns over the period, as did AXA US Short Duration High Yield Fund. The alternative fixed income holdings were the standout performers, with BioPharma Credit returning double digit positive returns and the CVC European Credit Opportunities saw its share price up nearly 4%. The loans market pandemic recovery lagged the high-yield market, so some performance catch-up took place, but in addition, the floating rate nature of the coupons from loans made them attractive assets in a rising rate environment.

Performance within the alternatives portfolio was mixed over the period. Foresight Solar Fund was the star performer, benefitting from increases in short- and medium-term power price forecasts in the first half of 2022. The second half of the period provided a number of headwinds for many of our alternative income trusts. September's market volatility after the Truss mini-budget saw many of their premiums to NAV erode and as we came into 2023, sentiment continued to sour as investors repriced the impact of rising interest rates on the underlying assets. The Hipgnosis Songs Fund was a particular casualty and saw double digit declines in its share price.

While we certainly did not foresee the degree of monetary tightening that was delivered over 2022, we were of the view that slowing economic activity favoured quality stocks, rising interest rates would be a positive for the value factor and elevated inflation would be a boon for dividend stocks. One way we played these themes was through an allocation to a new holding, SPDR S&P US Dividend Aristocrats UCITS, an ETF which invests in companies that have increased their dividend for 20 consecutive years. The stability and reliability of cashflows required to achieve this feat gives the holding a quality-value tilt, which was particularly appealing given the

Quilter Investors Monthly Income and Growth Portfolio

cyclicality inherent in other value factor exposures. Over the year we continued to dial up our exposure to the SPDR holding. Similar style and factor tilts were made elsewhere during the year, notably in Europe and the UK. Elsewhere, Baillie Gifford Japan Income Growth Fund was sold, with proceeds reallocated to M&G Japan Fund. Private equity exposure was reduced through the year, with aggregate exposure moving from c.2.2% to 1.2% by year end. Towards the end of 2022, the portfolios added a position in US Treasury Inflation-Protected Securities ("TIPS"), expressed through a short maturity ETF and an all-maturities ETF. 10y real yields had recently touched 1.75%, comfortably above the Fed's estimate of the real neutral rate but given on going inflation uncertainty we had more conviction in calling the top in real yields than in nominal yields. Tight breakeven spreads at the front end of the curve also meant linkers offered attractive carry in the near term versus nominals. Elsewhere, we generally allocated more to lower risk holdings such as Allspring US Short-Term High Yield Bond Fund and later AXA US Short Duration High Yield Fund following a switch between the two managers. AXA's team is a market leader in this space, with experience managing through multiple credit cycles as well as a strong process and philosophy.

As we entered the new year, we actively traded the portfolios' bond exposure, reducing it at the end of January following a period of strong performance before topping it back up in early March as news spread of Silicon Valley Bank's collapse. Both proved to be opportune moves. There was little change to the equity portion of the portfolios beyond regular rebalancing to take advantage of short-term performance trends among individual holdings. As we near the end of this interest-rate hiking cycle and economies slow, we prefer to add to higher-quality equity holdings with strong cashflow visibility whilst also building our government bond exposure.

Risk and Reward Profile



The calculated risk and reward category, as shown above, uses a method of calculation derived from EU rules. It is based on the rate at which the returns of the sub-fund have moved up and down in the past (i.e. volatility) and is not a guide to the future risk and reward category of the sub-fund. The category shown is not a target or guarantee and may shift over time. Even the lowest category 1 does not mean a risk-free investment. The seven-category scale is nonlinear, for example, 2 is not twice as risky as 1.

Sub-funds in category 5 have in the past shown moderately high volatility. With a sub-fund of category 5, you have a moderately high risk of losing money but your chance for gains is also moderately high.

Investment risk - there is no guarantee that the sub-fund will achieve its objective. A capital loss of some or all of the amount invested may occur.

Strategy risk - as the sub-fund invests in other collective investment schemes, which themselves invest in assets such as bonds, company shares, cash and currencies, it will be subject to the collective risks of these other sub-funds. This may include emerging markets risk, sub-investment grade credit risk and smaller companies risk.

Company shares (i.e. equities) risk - the value of company shares may rise and fall due to the performance of individual companies or because of general market and economic conditions.

Emerging markets risk - less developed countries may face more political, economic or structural challenges than developed countries.

Credit risk - the issuer of a bond or a similar investment within the sub-fund may not pay income or repay capital to the sub-fund when due. Bonds which are rated below investment grade are considered to have a higher risk exposure with respect to meeting their payment obligations.

Interest rate risk - investments in bonds are affected by interest rates and inflation trends which may affect the value of the sub-fund.

Liquidity risk - some investments may become hard to value or sell at a desired time and price. In extreme circumstances this may affect the sub-fund's ability to meet redemption requests upon demand.

Currency risk - the sub-fund is denominated in British Pounds but may hold assets denominated in, or with exposure to, other currencies. The value of your shares may rise and fall as a result of exchange rate movements.

Derivative risk - the sub-fund may use derivatives for investment purposes and/or for Efficient Portfolio Management (EPM). Using derivatives can involve a higher level of risk. A small movement in the price of an underlying investment may result in a disproportionately large movement in the price of the derivative investment. Derivatives also involve counterparty risk where the institutions acting as counterparty to derivatives may not meet their contractual obligations.

Capital erosion risk - the sub-fund takes its charges from the capital of the sub-fund. Investors should be aware that there is potential for capital erosion if insufficient capital growth is achieved by the sub-fund to cover the charges. Capital erosion may have the effect of reducing the level of income generated.

For a more detailed explanation of risks, please refer to the "Risks" section of the Prospectus.

Performance records

Comparative Tables

Accumulation 'F'	1 May 2022 to 30 April 2023 p/share	1 May 2021 to 30 April 2022 p/share	1 May 2020 to 30 April 2021 p/share
Change in net assets per share			
Opening net asset value per share	113.89	112.30	93.20
Return before operating charges*	0.86	2.29	19.72
Operating charges**	(0.67)	(0.70)	(0.62)
Return after operating charges*	0.19	1.59	19.10
Distributions	(4.14)	(3.63)	(3.11)
Retained distributions	4.14	3.63	3.11
Closing net asset value per share	114.08	113.89	112.30
* after direct transaction costs of***	0.01	0.01	0.01
Performance			
Return after charges	0.17%	1.42%	20.49%
Other information			
Closing net asset value (£)	74,748,644	85,361,436	97,347,524
Closing number of shares	65,522,703	74,948,145	86,688,418
Operating charges****	0.60%	0.60%	0.60%
Direct transaction costs***	0.01%	0.01%	0.01%
Prices	pence per share	pence per share	pence per share
Highest share price	116.7	120.2	112.8
Lowest share price	104.2	109.5	91.45
Income 'F'	1 May 2022 to 30 April 2023 p/share	1 May 2021 to 30 April 2022 p/share	1 May 2020 to 30 April 2021 p/share
Change in net assets per share			
Opening net asset value per share	103.81	105.65	90.34
Return before operating charges*	0.70	2.21	18.89
Operating charges**	(0.60)	(0.66)	(0.60)
Return after operating charges*	0.10	1.55	18.29
Distributions	(3.73)	(3.39)	(2.98)
Retained distributions	-	-	-
Closing net asset value per share	100.18	103.81	105.65
* after direct transaction costs of***	0.01	0.01	0.01
Performance			
Return after charges	0.10%	1.47%	20.25%
Other information			
Closing net asset value (£)	34,744,533	42,293,586	50,965,746
Closing number of shares	34,680,620	40,741,243	48,242,120
Operating charges****	0.60%	0.60%	0.60%
Direct transaction costs***	0.01%	0.01%	0.01%
Prices	pence per share	pence per share	pence per share
Highest share price	104.4	111.2	107.0
Lowest share price	93.90	100.8	88.63

Performance records (continued)

Comparative Tables (continued)

Accumulation 'A'†	1 May 2022 to 30 April 2023 p/share	1 May 2021 to 30 April 2022 p/share	29 June 2020 to 30 April 2021 p/share
Change in net assets per share			
Opening net asset value per share	115.32	114.43	100.00
Return before operating charges*	1.04	2.54	15.70
Operating charges**	(1.58)	(1.65)	(1.27)
Return after operating charges*	(0.54)	0.89	14.43
Distributions	(4.36)	(3.83)	(2.78)
Retained distributions	4.36	3.83	2.78
Closing net asset value per share	114.78	115.32	114.43
* after direct transaction costs of***	0.01	0.01	0.01
Performance			
Return after charges	(0.47)%	0.78%	14.43%
Other information			
Closing net asset value (£)	22,675,481	24,858,563	27,093,514
Closing number of shares	19,756,198	21,556,399	23,677,661
Operating charges****	1.40%	1.40%	1.40%
Direct transaction costs***	0.01%	0.01%	0.01%
Prices	pence per share	pence per share	pence per share
Highest share price	117.6	121.9	114.9
Lowest share price	105.2	110.9	99.63
Income 'A'†	1 May 2022 to 30 April 2023 p/share	1 May 2021 to 30 April 2022 p/share	29 June 2020 to 30 April 2021 p/share
Change in net assets per share			
Opening net asset value per share	108.79	111.56	100.00
Return before operating charges*	0.94	2.53	15.59
Operating charges**	(1.47)	(1.60)	(1.26)
Return after operating charges*	(0.53)	0.93	14.33
Distributions	(4.07)	(3.70)	(2.77)
Retained distributions	-	-	-
Closing net asset value per share	104.19	108.79	111.56
* after direct transaction costs of***	0.01	0.01	0.01
Performance			
Return after charges	(0.49)%	0.83%	14.33%
Other information			
Closing net asset value (£)	119,341	599,450	704,920
Closing number of shares	114,544	551,005	631,850
Operating charges****	1.40%	1.40%	1.40%
Direct transaction costs***	0.01%	0.01%	0.01%
Prices	pence per share	pence per share	pence per share
Highest share price	109.2	117.0	113.4
Lowest share price	98.19	106.0	99.44

Performance records (continued)

Comparative Tables (continued)

Accumulation 'U1'	1 May 2022 to 30 April 2023 p/share	1 May 2021 to 30 April 2022 p/share	1 May 2020 to 30 April 2021 p/share
Change in net assets per share			
Opening net asset value per share	113.33	111.96	93.11
Return before operating charges*	0.90	2.36	19.73
Operating charges**	(0.94)	(0.99)	(0.88)
Return after operating charges*	(0.04)	1.37	18.85
Distributions	(4.17)	(3.67)	(3.10)
Retained distributions	4.17	3.67	3.10
Closing net asset value per share	113.29	113.33	111.96
* after direct transaction costs of***	0.01	0.01	0.01
Performance			
Return after charges	(0.04)%	1.22%	20.24%
Other information			
Closing net asset value (£)	18,288,217	18,185,768	13,248,624
Closing number of shares	16,142,399	16,046,740	11,833,359
Operating charges****	0.85%	0.85%	0.85%
Direct transaction costs***	0.01%	0.01%	0.01%
Prices	pence per share	pence per share	pence per share
Highest share price	115.9	119.6	112.4
Lowest share price	103.6	109.0	91.35
Income 'U1'	1 May 2022 to 30 April 2023 p/share	1 May 2021 to 30 April 2022 p/share	1 May 2020 to 30 April 2021 p/share
Change in net assets per share			
Opening net asset value per share	103.23	105.30	90.23
Return before operating charges*	0.74	2.26	18.90
Operating charges**	(0.85)	(0.92)	(0.85)
Return after operating charges*	(0.11)	1.34	18.05
Distributions	(3.75)	(3.41)	(2.98)
Retained distributions	-	-	-
Closing net asset value per share	99.37	103.23	105.30
* after direct transaction costs of***	0.01	0.01	0.01
Performance			
Return after charges	(0.11)%	1.27%	20.00%
Other information			
Closing net asset value (£)	40,484,113	30,210,661	5,121,825
Closing number of shares	40,740,241	29,266,633	4,864,184
Operating charges****	0.85%	0.85%	0.85%
Direct transaction costs***	0.01%	0.01%	0.01%
Prices	pence per share	pence per share	pence per share
Highest share price	103.7	110.6	106.6
Lowest share price	93.28	100.3	88.52

† Share class launched on 29 June 2020.

** The operating charges include all costs borne by the sub-fund, except for direct transaction costs. They include the operating charges of any collective investment schemes in which the sub-fund invests.

*** The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties. They do not include any difference between the quoted bid and offer prices or internal administrative or holding costs. These costs arise as a result of transactions undertaken both for efficient portfolio management and the meeting of the sub-fund's objectives. These costs exclude any effect of dilution adjustments used to offset the costs.

**** The operating charges percentage is the ratio of the sub-fund's ongoing charges (including the ongoing charges of any collective investment schemes in which the sub-fund invests but excluding interest on borrowings) to the average net assets of the sub-fund. If the share class launched during the year the operating figures are annualised. This includes a synthetic element of 0.29% (30.04.2022 - 0.22%) (30.04.2021 - 0.26%) to incorporate the ongoing charge figures of the underlying sub-funds.

Performance

	1 year to 30 April 2023	3 years to 30 April 2023
Quilter Investors Monthly Income and Growth Portfolio*	(0.35)%	21.08%
Relative to IA Mixed Investment 40-85% shares (sector average)	1.45%	1.94%
Quartile ranking	2	2
* Accumulation 'U1' shares		

Data Source – FactSet. Figures are calculated on a total return and single price basis, with net income reinvested into the sub-fund.

Portfolio allocation	Percentage of total net assets	Major holdings	Percentage of total net assets
Collective Investment Schemes Overseas Equities	41.94	Quilter Investors Global Equity Value Fund - U2 Income	5.01
Collective Investment Schemes United Kingdom Equities	24.77	Fidelity US Quality Income UCITS ETF	4.24
Collective Investment Schemes Overseas Bonds	21.93	Fidelity Global Quality Income UCITS ETF	4.22
Collective Investment Schemes United Kingdom Bonds	4.48	SPDR S&P US Dividend Aristocrats UCITS ETF - Distributing	4.19
United Kingdom Equities	2.11	Quilter Investors UK Equity Large-Cap Income Fund - U2 Income	4.11
Collective Investment Schemes Liquidity Funds	1.78	iShares Core FTSE 100 UCITS ETF	4.10
Collective Investment Schemes Overseas Alternative Investment Instruments	1.71	Federated Hermes Unconstrained Credit Fund - X2 Distributing (GBP) Hedged	3.96
Collective Investment Schemes Overseas Private Equities	0.71	AXA US Short Duration High Yield Fund - Z1 Income	3.84
Derivatives	(0.03)	Montanaro European Income Fund - Income	3.83
Net other assets	0.60	JO Hambro UK Dynamic - B Income	3.60
Total	100.00	Number of holdings	46
Asset allocation			
Collective Investment Schemes	97.32		
Equities	2.11		
Derivatives	(0.03)		
Net other assets	0.60		
Total	100.00		

Portfolio statement

as at 30 April 2023

Holding	Investment	Market Value £'000	Percentage of total net assets %
Equities 2.11% (30 April 2022 2.57%)			
United Kingdom Equities 2.11% (30 April 2022 2.57%)			
1,825,988	Assura REIT	912	0.48
1,392,136	Hipgnosis Songs	1,219	0.64
1,490,424	Renewables Infrastructure	1,905	0.99
		4,036	2.11
Collective Investment Schemes 97.32% (30 April 2022 93.99%)			
Liquidity Funds 1.78% (30 April 2022 0.00%)†			
3,403,703	BlackRock Institutional Sterling Liquidity Fund - Premier Income	3,404	1.78
		3,404	1.78
United Kingdom Bonds 4.48% (30 April 2022 4.67%)			
1,160,572	BioPharma Credit Fund	875	0.46
13,844,162	Quilter Investors Dynamic Bond Fund - A Income¥	5,293	2.77
2,168,977	Quilter Investors Sterling Corporate Bond Fund - A Income (GBP) ¥	1,921	1.01
26,634	Vanguard UK Gilt UCITS ETF	462	0.24
		8,551	4.48
United Kingdom Equities 24.77% (30 April 2022 24.42%)			
132,077	Finsbury Growth & Income Trust	1,206	0.63
1,511,777	International Public Partnerships	2,195	1.15
1,021,436	iShares Core FTSE 100 UCITS ETF	7,830	4.10
712,176	iShares UK Dividend UCITS ETF	5,140	2.69
3,812,818	JO Hambro UK Dynamic - B Income	6,882	3.60
2,967,075	Montanaro UK Income Fund	5,735	3.00
4,386,710	Ninety One UK Equity Income Fund - K Income	5,078	2.66
6,601,751	Quilter Investors UK Equity Large-Cap Income Fund - U2 Income¥	7,850	4.11
528,636	SPDR S&P UK Dividend Aristocrats UCITS ETF	5,413	2.83
		47,329	24.77
United Kingdom Private Equities 0.00% (30 April 2022 0.97%)			
Overseas Bonds 21.93% (30 April 2022 18.18%)			
4,254,164	Allianz Strategic Bond Fund - I Income	4,224	2.21
8,864,507	AXA US Short Duration High Yield Fund - ZI Income	7,330	3.84
1,427,143	Blackstone Loan Financing	868	0.45
8,121,209	Federated Hermes Unconstrained Credit Fund - X2 Distributing (GBP) Hedged	7,558	3.96
592,762	iShares \$ TIPS 0-5 UCITS ETF - Distributing (GBP) Hedged	2,972	1.56
608,964	iShares \$ TIPS UCITS ETF - Distributing (GBP) Hedged	3,039	1.59
41,217	iShares J.P. Morgan USD EM Bond UCITS ETF	2,787	1.46
22,779	iShares USD Corp Bond UCITS ETF - Distributing	1,893	0.99
44,642	iShares USD High Yield Corp Bond UCITS ETF	3,287	1.72
3,799,793	Janus Henderson Absolute Return Fixed Income - S Income	3,720	1.95
155,913	Quilter Investors Bond 3 Fund - A Income††¥	135	0.07
106,840	Vanguard USD Corporate Bond UCITS ETF	4,079	2.13
		41,892	21.93

Portfolio statement (continued)

as at 30 April 2023

Holding	Investment	Market Value £'000	Percentage of total net assets %
	Overseas Equities 41.94% (30 April 2022 42.96%)		
74,131	Allspring Emerging Markets Equity Income Fund - A Distributing (USD)	5,558	2.91
1,347,269	Fidelity Global Quality Income UCITS ETF	8,064	4.22
1,199,530	Fidelity US Quality Income UCITS ETF	8,099	4.24
672,022	iShares Core MSCI EM IMI UCITS ETF	2,286	1.20
145,283	iShares Core S&P 500 UCITS ETF USD - Distributing	4,782	2.50
305,067	iShares Euro Dividend UCITS ETF	4,614	2.41
146,348	M&G Japan Fund - I Income (GBP)	3,883	2.03
3,343,320	Montanaro European Income Fund - Income	7,325	3.83
5,109,527	Quilter Investors Global Equity Value Fund - U2 Income¥	9,565	5.01
7,555,870	Schroder Asian Income Fund - L Income	5,577	2.92
1,223,507	Schroder Oriental Income Fund	3,144	1.65
351,982	SPDR S&P Euro Dividend Aristocrats UCITS ETF	6,857	3.59
146,270	SPDR S&P US Dividend Aristocrats UCITS ETF - Distributing	8,011	4.19
95,494	Vanguard FTSE Japan UCITS ETF	2,365	1.24
		80,130	41.94
	Overseas Alternative Investment Instruments 1.71% (30 April 2022 1.86%)		
1,067,166	CVC Income & Growth	1,012	0.53
2,053,376	Foresight Solar Fund	2,263	1.18
		3,275	1.71
	Overseas Private Equities 0.71% (30 April 2022 0.93%)		
87,444	NB Private Equity Partners	1,348	0.71
		1,348	0.71
	Derivatives (0.03)% (30 April 2022 (0.35)%)		
	Sterling Denominated Forward Exchange Contracts (0.03)% (30 April 2022 (0.36)%)		
	Buy GBP 909,244 Sell EUR 1,031,111 15/05/2023	-	-
	Buy GBP 72,159 Sell USD 89,525 15/05/2023	-	-
	Buy GBP 12,955,218 Sell USD 16,223,651 15/05/2023	(56)	(0.03)
		(56)	(0.03)
	Euro Denominated Forward Exchange Contracts 0.00% (30 April 2022 0.00%)		
	Buy EUR 10,703 Sell GBP 9,478 15/05/2023	-	-
		-	-
	US Dollar Denominated Forward Exchange Contracts 0.00% (30 April 2022 0.01%)		
	Buy USD 83,774 Sell GBP 67,327 15/05/2023	-	-
	Buy USD 76,091 Sell GBP 61,504 15/05/2023	(1)	-
		(1)	-
	Investment assets**	189,908	99.40
	Net other assets	1,152	0.60
	Total net assets	191,060	100.00

† Cash equivalents.

** Including investment liabilities.

‡ Fair Value Price approved by the ACD.

¥ Managed by Quilter Investors Limited.

All investments (excluding OTC derivatives) are approved securities being either officially listed in a member state or traded on or under the rules of an eligible securities market or collective investment schemes permitted under the COLL Sourcebook.

Portfolio statement (continued)

as at 30 April 2023

Analysis of investments by asset class

	Market Value £'000	Percentage of total net assets %
Equities	98,927	51.77
Collective Investment Schemes	91,038	47.66
Derivatives	(57)	(0.03)
Portfolio of investments	189,908	99.40
Net other assets	1,152	0.60
Total net assets	191,060	100.00

Summary of material purchases and sales

for the year from 1 May 2022 to 30 April 2023

Purchases	Cost £'000	Sales	Proceeds £'000
BlackRock Institutional Sterling Liquidity Fund - Premier Income*	14,701	BlackRock Institutional Sterling Liquidity Fund - Premier Income*	11,297
SPDR S&P US Dividend Aristocrats UCITS ETF - Distributing	8,247	Allspring US Short Term High Yield Bond Fund - I Income (USD)	6,697
AXA US Short Duration High Yield Fund - ZI Income	7,558	iShares Core S&P 500 UCITS ETF USD - Distributing	5,393
iShares \$ TIPS UCITS ETF - Distributing (GBP) Hedged	4,368	Fidelity US Quality Income UCITS ETF	4,235
M&G Japan Fund - I Income (GBP)	3,951	Baillie Gifford Japanese Income Growth Fund - W4 Income	3,787
iShares \$ TIPS 0-5 UCITS ETF - Distributing (GBP) Hedged	2,913	Quilter Investors Bond 2 Fund - A Income	2,626
Quilter Investors Global Equity Value Fund - U2 Income	2,422	Fidelity Global Quality Income UCITS ETF	2,523
Quilter Investors Sterling Corporate Bond Fund - A Income (GBP)	2,174	Montanaro European Income Fund - Income	1,581
JO Hambro UK Dynamic - B Income	1,795	iShares \$ TIPS UCITS ETF - Distributing (GBP) Hedged	1,447
Allianz Strategic Bond Fund - I Income	1,395	Princess Private Equity	1,435

* Cash equivalents

Statement of total return

for the year from 1 May 2022 to 30 April 2023

	Note	01.05.22 to 30.04.23 £'000	01.05.22 to 30.04.23 £'000	01.05.21 to 30.04.22 £'000	01.05.21 to 30.04.22 £'000
Income					
Net capital losses	2		(6,391)		(2,679)
Revenue	3	7,465		6,471	
Expenses	4	(942)		(1,104)	
Net revenue before taxation		6,523		5,367	
Taxation	5	(309)		(170)	
Net revenue after taxation			6,214		5,197
Total return before distributions			(177)		2,518
Distributions	6		(7,332)		(6,434)
Change in net assets attributable to shareholders from investment activities			(7,509)		(3,916)

Statement of change in net assets attributable to shareholders

for the year from 1 May 2022 to 30 April 2023

	01.05.22 to 30.04.23 £'000	01.05.22 to 30.04.23 £'000	01.05.21 to 30.04.22 £'000	01.05.21 to 30.04.22 £'000
Opening net assets attributable to shareholders		201,509		194,482
Amounts transferred from Quilter Investors Generation CPI+ 4 Portfolio and Quilter Investors Generation CPI+ 5 Portfolio		2		-
Amounts received on issue of shares	28,636		41,634	
Amounts paid on cancellation of shares	(35,997)		(34,946)	
		(7,359)		6,688
Dilution levy/adjustment		9		(5)
Change in net assets attributable to shareholders from investment activities		(7,509)		(3,916)
Retained distributions on accumulation shares		4,410		4,260
Closing net assets attributable to shareholders		191,060		201,509

The notes on pages 163 to 170 form an integral part of these financial statements.

Balance sheet

as at 30 April 2023

	Note	30.04.23 £'000	30.04.22 £'000
Assets			
Fixed assets			
Investments		186,561	194,601
Current assets			
Debtors	7	1,162	376
Cash and bank balances	8	1,215	8,456
Cash equivalents*	8	3,404	-
Total assets		192,342	203,433
Liabilities			
Investment liabilities		(57)	(735)
Creditors			
Distribution payable		(824)	(592)
Other creditors	9	(401)	(597)
Total liabilities		(1,282)	(1,924)
Net assets attributable to shareholders		191,060	201,509

* The investments assets in the portfolio statement includes the Cash equivalents amount shown under current assets.

The notes on pages 163 to 170 form an integral part of these financial statements.

Notes to the financial statements

for the year from 1 May 2022 to 30 April 2023

1 Accounting policies

The applicable accounting policies adopted by the Quilter Investors Monthly Income and Growth Portfolio are included on pages 183 to 184.

2 Net capital losses

The net capital losses on investments comprise:

	01.05.22 to 30.04.23 £'000	01.05.21 to 30.04.22 £'000
Losses on non-derivative securities	(5,748)	(932)
Losses on forward currency contracts	(951)	(2,121)
Gains on currency contracts	18	8
Authorised Corporate Director's capitalised fee rebates	290	366
Net capital losses	(6,391)	(2,679)
Realised gains*	108	1,437
Unrealised losses*	(6,808)	(4,490)
Total realised/unrealised losses	(6,700)	(3,053)

* Where realised gains include gains/losses arising in previous periods, a corresponding loss/gain is included in unrealised losses.

3 Revenue

	01.05.22 to 30.04.23 £'000	01.05.21 to 30.04.22 £'000
Authorised Corporate Director's fee rebates	21	6
Bank interest	9	-
Franked distributions on Collective Investment Schemes	1,316	1,126
Interest distributions on Collective Investment Schemes	705	390
Non-taxable distributions on Offshore Funds	3,071	2,830
Non-taxable overseas dividends	570	638
Taxable distributions on Offshore Funds	1,284	1,116
UK dividends	294	289
UK REIT dividends	49	33
Unfranked UK dividends	146	43
Total revenue	7,465	6,471

4 Expenses

	01.05.22 to 30.04.23 £'000	01.05.21 to 30.04.22 £'000
Payable to the Authorised Corporate Director, associates of the Authorised Corporate Director and agents of either of them:		
Fixed Ongoing Charge*	942	1,104
Total expenses	942	1,104

* These figures represent the Fixed Ongoing Charge, exclusive of the synthetic element, which covers all fees payable by the sub-fund to the Authorised Corporate Director, Depositary (including associates etc.) and other expenses. The Audit fee for the year, excluding VAT, was £16,060 (30 April 2022: £12,500).

Notes to the financial statements (continued)

for the year from 1 May 2022 to 30 April 2023

5 Taxation

a) Analysis of tax charge in the year

	01.05.22 to 30.04.23 £'000	01.05.21 to 30.04.22 £'000
Corporation tax suffered	312	170
Overseas tax suffered	(3)	-
Total current tax charge for the year	309	170
Deferred tax charge for the year (see note 5(c))	-	-
Total taxation for the year (see note 5(b))	309	170

b) Factors affecting tax charge for the year

	01.05.22 to 30.04.23 £'000	01.05.21 to 30.04.22 £'000
The taxation assessed for the year is lower (2022: lower) than the standard rate of corporation tax in the UK for an open-ended investment company 20% (2022: 20%). The differences are explained below:		
Net revenue before taxation	6,523	5,367
Corporation tax at 20% (2022: 20%)	1,304	1,073
Effects of:		
Capitalised revenue subject to taxation	58	73
Non-taxable overseas dividends	(728)	(693)
Overseas tax suffered	(3)	-
Revenue not subject to taxation – UK	(322)	(283)
Total tax charge for the year (see note 5(a))	309	170

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

c) Movement in deferred tax liability

	01.05.22 to 30.04.23 £'000	01.05.21 to 30.04.22 £'000
Deferred tax liability at the start of the year	-	-
Deferred tax charge for the year (see note 5(a))	-	-
Deferred tax liability at the end of the year	-	-

At 30 April 2023 the sub-fund had surplus management expenses of £Nil (30 April 2022: £Nil) which can be utilised against profits chargeable to corporation tax in future years. It is unlikely that the sub-fund will generate sufficient taxable profits in the future to utilise these expenses and, therefore, no deferred tax asset has been recognised.

Notes to the financial statements (continued)

for the year from 1 May 2022 to 30 April 2023

6 Distributions

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

	01.05.22 to 30.04.23 £'000	01.05.21 to 30.04.22 £'000
First Interim – Accumulation shares (31 May)	224	242
First Interim – Income shares (31 May)	147	109
Second Interim – Accumulation shares (30 June)	226	242
Second Interim – Income shares (30 June)	148	114
Third Interim – Accumulation shares (31 July)	278	289
Third Interim – Income shares (31 July)	187	141
Fourth Interim – Accumulation shares (31 August)	277	288
Fourth Interim – Income shares (31 August)	187	144
Fifth Interim – Accumulation shares (30 September)	272	287
Fifth Interim – Income shares (30 September)	187	152
Sixth Interim – Accumulation shares (31 October)	267	284
Sixth Interim – Income shares (31 October)	189	151
Seventh Interim – Accumulation shares (30 November)	266	281
Seventh Interim – Income shares (30 November)	188	156
Eighth Interim – Accumulation shares (31 December)	264	274
Eighth Interim – Income shares (31 December)	188	160
Ninth Interim – Accumulation shares (31 January)	266	273
Ninth Interim – Income shares (31 January)	189	158
Tenth Interim – Accumulation shares (28 February)	260	272
Tenth Interim – Income shares (28 February)	188	159
Eleventh Interim – Accumulation shares (31 March)	255	271
Eleventh Interim – Income shares (31 March)	187	165
Final – Accumulation shares (30 April)	1,555	1,257
Final – Income shares (30 April)	824	592
	7,219	6,461
Revenue deducted on cancellation of shares	323	218
Revenue received on issue of shares	(210)	(245)
Total distribution	7,332	6,434
Reconciliation of distributions:		
Net revenue after taxation	6,214	5,197
Capitalised fees	941	1,104
Equalisation on Collective Investment Schemes	177	145
Tax relief on capitalised fees	-	(12)
Total distribution	7,332	6,434

Details of the interim and final distributions per share are set out in the tables on pages 171 to 182.

7 Debtors

	30.04.23 £'000	30.04.22 £'000
Accrued Authorised Corporate Director's fee capitalised rebates	21	28
Accrued Authorised Corporate Director's fee rebates	48	22
Accrued revenue	275	247
Amounts receivable for issue of shares	811	72
Overseas tax recoverable	7	7
Total debtors	1,162	376

Notes to the financial statements (continued)

for the year from 1 May 2022 to 30 April 2023

8 Cash and bank balances

	30.04.23 £'000	30.04.22 £'000
Cash and bank balances	1,215	8,456
Total cash and bank balances	1,215	8,456
BlackRock Institutional Sterling Liquidity Fund - Premier Accumulation	3,404	-
Cash equivalents	3,404	-

9 Other creditors

	30.04.23 £'000	30.04.22 £'000
Accrued expenses	69	90
Amounts payable for cancellation of shares	211	424
Corporation tax payable	121	83
Total other creditors	401	597

10 Related party transactions

Quilter Investors Limited, as ACD, is a related party, and acts as principal in respect of all transactions of shares in each sub-fund. The aggregate monies received on issue and paid on cancellation are disclosed in the Statement of change in net assets attributable to shareholders on page 161. Any amounts due to or from the ACD at the end of the accounting year in respect of transactions of shares in each sub-fund are disclosed in notes 7 and 9. Amounts paid to the ACD in respect of expenses are disclosed in note 4 and amounts due to it at the year end are disclosed in note 9. A portion of the authorised corporate director's fee rebates received by the sub-fund are from investment funds managed by Quilter Investors Limited. During the year £89,000 (2022: £127,000) has been recognised and is included in the total rebate amounts disclosed in note 2. The balance due to the sub-fund at the year end in respect of this amounted to £7,000 (2022: £10,000) and is included in the total rebate amount disclosed in note 7. The sub-fund recognised £947,000 (2022: £872,000) gross revenue from investment funds managed by Quilter Investors Limited. The balance due at the year end in respect of the gross revenue amounted to £76,000 (2022: £52,000). Details of the investments held at the year end are identified in the portfolio statement.

11 Derivatives and other financial instruments

a) Financial instrument risk

The sub-fund has little direct exposure to credit or cash flow risk. The sub-fund is indirectly exposed to credit risk through the bond funds in which it invests. There are no material borrowings or unlisted securities and so little exposure to liquidity risk.

The main risks it faces arising from its financial instruments are (i) interest rate risk, and (ii) other price risk, being the risk that the value of investment holdings will fluctuate as a result of changes in market prices caused by factors other than interest rate movements. In addition, the sub-fund may hold financial instruments such as forward currency contracts, futures or options contracts for the purpose of efficient portfolio management.

These risks are monitored by the Investment Manager in pursuance of the investment objectives and policy set out in page 151.

Adherence to the investment guidelines and the investment and borrowing powers as set out in the Prospectus and in the rules of the COLL Sourcebook also mitigates the risk of excessive exposure to any particular type of security or issuer.

The Investment Manager regularly considers the asset allocation of the portfolio in order to minimise the risk associated with particular market or industry sectors. Stock selection is based on financial, market and sector analysis.

Notes to the financial statements (continued)

for the year from 1 May 2022 to 30 April 2023

11 Derivatives and other financial instruments (continued)

b) Market risk

i) Foreign currency risk

A proportion of the sub-fund's financial assets and liabilities are invested overseas. As a result, movements in exchange rates may affect the market price of investments and, due to timing differences between the transaction dates of investment sales, purchases and income, and actual cash settlement, create currency exchange gains/losses. The Investment Manager does seek to reduce some of this risk by using forward currency contracts.

The foreign currency exposure of the sub-fund as at 30 April 2023 (30 April 2022) is as follows:

Currency	Net foreign currency assets/(liabilities)			Net foreign currency assets		
	Monetary exposures*	Non-monetary exposures	Total	Monetary exposures*	Non-monetary exposures	Total
	30.04.23 £'000	30.04.23 £'000	30.04.23 £'000	30.04.22 £'000	30.04.22 £'000	30.04.22 £'000
Euro	6	(32)	(26)	6	1,943	1,949
US dollar	144	31,984	32,128	293	32,679	32,972
Total	150	31,952	32,102	299	34,622	34,921

* For the purpose of the above disclosure, monetary is taken to include only cash or near-cash items.

ii) Interest rate risk

Interest rate risk is the risk of movements in the value of financial instruments as a result of fluctuations in interest rates.

The interest rate risk profile of the sub-fund's financial assets and liabilities at 30 April 2023 is as follows:

Currency	Variable rate financial assets £'000	Fixed rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
30.04.23				
Euro	-	-	884	884
Sterling	4,491	-	155,830	160,321
US dollar	128	-	45,083	45,211
Total	4,619	-	201,797	206,416

Currency	Variable rate financial assets £'000	Fixed rate financial assets £'000	Financial assets not carrying interest £'000	Total £'000
30.04.22				
Euro	-	-	2,983	2,983
Sterling	8,163	-	160,125	168,288
US dollar	293	-	54,844	55,137
Total	8,456	-	217,952	226,408

Currency	Variable rate financial liabilities £'000	Financial liabilities not carrying interest £'000	Total £'000
30.04.23			
Euro	-	(910)	(910)
Sterling	-	(1,363)	(1,363)
US dollar	-	(13,083)	(13,083)
Total	-	(15,356)	(15,356)

Currency	Variable rate financial liabilities £'000	Financial liabilities not carrying interest £'000	Total £'000
30.04.22			
Euro	-	(1,034)	(1,034)
Sterling	-	(1,700)	(1,700)
US dollar	-	(22,165)	(22,165)
Total	-	(24,899)	(24,899)

Notes to the financial statements (continued)

for the year from 1 May 2022 to 30 April 2023

11 Derivatives and other financial instruments (continued)

b) Market risk (continued)

iii) Other price risk

Other price risk arises from uncertainty about future prices of financial instruments held. The main source of risk to the sub-fund is the potential movement in the value of financial instruments held as a result of price fluctuations. Stock market prices can move erratically and be unpredictably affected by diverse factors including political and economic events but also rumours and sentiment. The ACD adheres to the investment guidelines and borrowing powers set out within the Prospectus and the COLL Sourcebook. In this way the ACD monitors and controls the exposure to risk from any type of security, sector or issuer. The sub-fund may also use derivative instruments to mitigate risk and reduce cost.

c) Credit risk

Credit risk is the risk of suffering loss due to another party not meeting its financial obligation. The risk is managed by the Investment Manager who monitors the credit profile of financial instruments in accordance with the objective and policy of the sub-fund.

Adherence to the investment guidelines and the investment and borrowing powers as set out in the Prospectus and in the rules of the COLL Sourcebook also mitigates the risk of excessive exposure to any particular type of security or issuer.

d) Counterparty risk

Certain transactions in financial instruments that the sub-fund enters into have the risk that the counterparty will not meet its financial obligations, i.e. the investment (purchase) or cash (sale) after the sub-fund has fulfilled its responsibilities.

The sub-fund will only buy and sell investments through brokers which have been approved by the ACD and Investment Manager as an acceptable counterparty. This is overseen by the Depositary to ensure that the exposure to any counterparty remains appropriate for investors.

e) Liquidity risk

The sub-fund's assets comprise mainly of readily realisable securities which can be sold promptly to meet liquidity requirements. The main source of this risk comes from the obligation to shareholders to meet any cancellation of shares. Assets from a sub-fund may need to be sold to meet any redemption proceeds. As part of its operating duties the ACD regularly monitors the liquidity levels held on each sub-fund (cash and underlying securities) to ensure any redemptions can be readily met. Some investments may be less liquid than other securities and can be more sensitive to economic factors. The rules of the COLL Sourcebook mitigate the risk of excessive exposure to assets which are not readily realisable.

f) Fair value of financial assets and financial liabilities

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

Basis of valuation	30.04.23		30.04.22	
	Assets £'000	Liabilities £'000	Assets £'000	Liabilities £'000
Level 1: Quoted prices	98,927	-	107,121	-
Level 2: Observable market data	90,903	(57)	87,305	(735)
Level 3 : Unobservable data*	135	-	175	-
Total	189,965	(57)	194,601	(735)

* For the level 3 assets this is made up of 1 security (2022: 1), a Quilter Investors managed collective investment scheme holding a small residual portfolio of illiquid stocks. This scheme has closed and is currently in the process of winding down. It is valued on an adjusted NAV basis taking into account changes within the scheme since the last quoted price.

g) Sensitivity analysis

The Investment Manager assesses the market risk of the Quilter Investors Monthly Income and Growth Portfolio, including any derivative exposures, using an Absolute Value at Risk ("VaR") methodology. VaR is a process that provides the Investment Manager with an estimate of the maximum potential loss that could be expected to occur as a result of changes in market prices over a given period of time in all but a given percentage of circumstances. As the sub-fund adopts an absolute VaR Model to measure the global market risk, the daily VaR limit for the sub-fund cannot be greater than 20% of the Net Asset Value of the sub-fund. The VaR is calculated using a one-tailed 99% confidence level, a one month holding period and the historical period of one year (250 Business Days). Derivatives are used to efficiently manage the tactical asset allocation positioning of the sub-fund, Quilter Investors Monthly Income and Growth Portfolio. The sub-fund uses absolute methodology to measure Value at Risk (VaR). The VaR for the sub-fund at 30 April 2023 was 5.73% (30 April 2022: 9.42%).

The minimum, average and maximum VaR of the sub-fund over the year was 5.73%, 6.34% and 6.89% (30 April 2022: 9.16%, 9.36% and 9.44%).

The Gross sum of notionals (GSON) leverage figures are prepared with no hedging or netting of any asset class. Across the range of asset classes exposures are treated differently. For instance, currency forwards are treated by valuing both legs of the underlying and expressing them as a percentage of the NAV. Physical assets are excluded to get the incremental exposure resulting from derivatives.

The sub-fund is limited to 300% gross leverage. Using the GSON methodology, the average leverage for the year ended 30 April 2023 was 9.90% (30 April 2022: 9.20%).

Leverage figures for fund of funds do not include a look through of the funds held.

Notes to the financial statements (continued)

for the year from 1 May 2022 to 30 April 2023

12 Contingent liabilities

The sub-fund had no contingent liabilities at the balance sheet date (30 April 2022: £Nil).

13 Portfolio transaction costs

Analysis of total purchase costs	Value	Commissions		Other costs	
01.05.22 to 30.04.23	£'000	£'000	%	£'000	%
Equities	72	-	0.05%	-	0.50%
Collective Investment Schemes	56,469	10	0.02%	-	-
Total	56,541	10		-	
Total purchases including transaction costs	56,551				

	Value	Commissions		Other costs	
01.05.21 to 30.04.22	£'000	£'000	%	£'000	%
Equities	331	-	0.05%	1	0.16%
Collective Investment Schemes	40,178	7	0.02%	3	0.01%
Total	40,509	7		4	
Total purchases including transaction costs	40,520				

Analysis of total sale costs	Value	Commissions		Other costs	
01.05.22 to 30.04.23	£'000	£'000	%	£'000	%
Equities	282	-	0.05%	-	-
Collective Investment Schemes	54,998	12	0.02%	-	-
Total	55,280	12		-	
Total sales including transaction costs	55,268				

	Value	Commissions		Other costs	
01.05.21 to 30.04.22	£'000	£'000	%	£'000	%
Equities	52	-	0.05%	-	-
Collective Investment Schemes	33,524	7	0.02%	-	-
Total	33,576	7		-	
Total sales including transaction costs	33,569				

Transaction costs as a percentage of average Net Assets

	30.04.23	30.04.22
Commissions:	0.01%	0.01%
Other costs:	0.00%	0.00%

In the case of shares, transaction costs are paid by the sub-fund on each transaction. Commissions relate to those paid to agents, advisers, brokers and dealers in the buying and selling of securities. Other costs include any additional fees that may be paid to agents, advisers, brokers and dealers as well as levies by regulatory agencies and security exchanges and any transfer taxes or duties. In addition, there is a dealing spread between the buying and selling prices of the underlying investments. Unlike shares, other types of investments have no separately identifiable transaction costs; these costs form part of the dealing spread. Dealing spreads may vary considerably depending on the transaction value and market sentiment. At the balance sheet date the dealing spread was 0.15% (30 April 2022: 0.21%), this is representative of the average spread on the assets held during the year.

Notes to the financial statements (continued)

for the year from 1 May 2022 to 30 April 2023

14 Shareholders' funds

The sub-fund currently has six share classes; Accumulation 'F', Income 'F', Accumulation 'A', Income 'A', Accumulation 'U1' and Income 'U1'. The net asset value of each share class, net asset value per share and the number of shares in issue are given in the sub-fund's comparative table.

The share classes currently in issue and the Fixed Ongoing Charge, inclusive of the synthetic element, of each share class are shown below.

	30.04.23	30.04.22
- Accumulation 'F'	0.60%	0.60%
- Income 'F'	0.60%	0.60%
- Accumulation 'A'	1.40%	1.40%
- Income 'A'	1.40%	1.40%
- Accumulation 'U1'	0.85%	0.85%
- Income 'U1'	0.85%	0.85%

Share class movement reconciliation

	Opening 01.05.22	Issued	Redeemed	Converted	Closing 30.04.23
- Accumulation 'F'	74,948,145	3,544,213	(12,942,198)	(27,457)	65,522,703
- Income 'F'	40,741,243	942,424	(7,003,047)	-	34,680,620
- Accumulation 'A'	21,556,399	198,554	(1,998,755)	-	19,756,198
- Income 'A'	551,005	23,087	(459,548)	-	114,544
- Accumulation 'U1'	16,046,740	7,459,909	(7,391,886)	27,636	16,142,399
- Income 'U1'	29,266,633	15,380,351	(3,906,743)	-	40,740,241

15 Post balance sheet date events

The table below shows the net asset values per share as at the balance sheet date, compared against values as at 24 August 2023 and the percentage movement in that period:

	30.04.23 pence per share	24.08.23 pence per share	% Movement
- Accumulation 'F'	114.08	110.70	(2.96)
- Income 'F'	100.18	96.54	(3.63)
- Accumulation 'A'	114.78	111.10	(3.21)
- Income 'A'	104.19	100.20	(3.83)
- Accumulation 'U1'	113.29	109.80	(3.08)
- Income 'U1'	99.37	95.69	(3.70)

Distribution tables

Final distribution

Group 1: Shares purchased prior to 1 April 2023
Group 2: Shares purchased from 1 April 2023 to 30 April 2023

	Revenue pence per share	Equalisation pence per share*	Distribution paid 31.05.23 pence per share	Distribution paid 31.05.22 pence per share
Accumulation 'F' Shares				
Group 1	1.4858	-	1.4858	1.0739
Group 2	0.0201	1.4657	1.4858	1.0739
Income 'F' Shares				
Group 1	1.0775	-	1.0775	0.8251
Group 2	0.2049	0.8726	1.0775	0.8251
Accumulation 'A' Shares				
Group 1	1.7052	-	1.7052	1.2661
Group 2	0.1150	1.5902	1.7052	1.2661
Income 'A' Shares				
Group 1	1.4206	-	1.4206	1.1369
Group 2	0.2120	1.2086	1.4206	1.1369
Accumulation 'U1' Shares				
Group 1	1.5173	-	1.5173	1.1142
Group 2	0.0881	1.4292	1.5173	1.1142
Income 'U1' Shares				
Group 1	1.1013	-	1.1013	0.8526
Group 2	0.1010	1.0003	1.1013	0.8526

Distribution tables (continued)

Eleventh interim distribution

Group 1: Shares purchased prior to 1 March 2023
Group 2: Shares purchased from 1 March 2023 to 31 March 2023

	Revenue pence per share	Equalisation pence per share*	Distribution paid 28.04.23 pence per share	Distribution paid 29.04.22 pence per share
Accumulation 'F' Shares				
Group 1	0.2500	-	0.2500	0.2400
Group 2	0.0000	0.2500	0.2500	0.2400
Income 'F' Shares				
Group 1	0.2500	-	0.2500	0.2400
Group 2	0.0000	0.2500	0.2500	0.2400
Accumulation 'A' Shares				
Group 1	0.2500	-	0.2500	0.2400
Group 2	0.0000	0.2500	0.2500	0.2400
Income 'A' Shares				
Group 1	0.2500	-	0.2500	0.2400
Group 2	0.0000	0.2500	0.2500	0.2400
Accumulation 'U1' Shares				
Group 1	0.2500	-	0.2500	0.2400
Group 2	0.0000	0.2500	0.2500	0.2400
Income 'U1' Shares				
Group 1	0.2500	-	0.2500	0.2400
Group 2	0.0000	0.2500	0.2500	0.2400

Distribution tables (continued)

Tenth interim distribution

Group 1: Shares purchased prior to 1 February 2023
Group 2: Shares purchased from 1 February 2023 to 28 February 2023

	Revenue pence per share	Equalisation pence per share*	Distribution paid 31.03.23 pence per share	Distribution paid 31.03.22 pence per share
Accumulation 'F' Shares				
Group 1	0.2500	-	0.2500	0.2400
Group 2	0.0000	0.2500	0.2500	0.2400
Income 'F' Shares				
Group 1	0.2500	-	0.2500	0.2400
Group 2	0.0000	0.2500	0.2500	0.2400
Accumulation 'A' Shares				
Group 1	0.2500	-	0.2500	0.2400
Group 2	0.0000	0.2500	0.2500	0.2400
Income 'A' Shares				
Group 1	0.2500	-	0.2500	0.2400
Group 2	0.0000	0.2500	0.2500	0.2400
Accumulation 'U1' Shares				
Group 1	0.2500	-	0.2500	0.2400
Group 2	0.0000	0.2500	0.2500	0.2400
Income 'U1' Shares				
Group 1	0.2500	-	0.2500	0.2400
Group 2	0.0000	0.2500	0.2500	0.2400

Distribution tables (continued)

Ninth interim distribution

Group 1: Shares purchased prior to 1 January 2023
Group 2: Shares purchased from 1 January 2023 to 31 January 2023

	Revenue pence per share	Equalisation pence per share*	Distribution paid 28.02.23 pence per share	Distribution paid 28.02.22 pence per share
Accumulation 'F' Shares				
Group 1	0.2500	-	0.2500	0.2400
Group 2	0.0000	0.2500	0.2500	0.2400
Income 'F' Shares				
Group 1	0.2500	-	0.2500	0.2400
Group 2	0.0000	0.2500	0.2500	0.2400
Accumulation 'A' Shares				
Group 1	0.2500	-	0.2500	0.2400
Group 2	0.0000	0.2500	0.2500	0.2400
Income 'A' Shares				
Group 1	0.2500	-	0.2500	0.2400
Group 2	0.0000	0.2500	0.2500	0.2400
Accumulation 'U1' Shares				
Group 1	0.2500	-	0.2500	0.2400
Group 2	0.0000	0.2500	0.2500	0.2400
Income 'U1' Shares				
Group 1	0.2500	-	0.2500	0.2400
Group 2	0.0000	0.2500	0.2500	0.2400

Distribution tables (continued)

Eighth interim distribution

Group 1: Shares purchased prior to 1 December 2022
Group 2: Shares purchased from 1 December 2022 to 31 December 2022

	Revenue pence per share	Equalisation pence per share*	Distribution paid 31.01.23 pence per share	Distribution paid 31.01.22 pence per share
Accumulation 'F' Shares				
Group 1	0.2500	-	0.2500	0.2400
Group 2	0.0000	0.2500	0.2500	0.2400
Income 'F' Shares				
Group 1	0.2500	-	0.2500	0.2400
Group 2	0.0000	0.2500	0.2500	0.2400
Accumulation 'A' Shares				
Group 1	0.2500	-	0.2500	0.2400
Group 2	0.0000	0.2500	0.2500	0.2400
Income 'A' Shares				
Group 1	0.2500	-	0.2500	0.2400
Group 2	0.0000	0.2500	0.2500	0.2400
Accumulation 'U1' Shares				
Group 1	0.2500	-	0.2500	0.2400
Group 2	0.0000	0.2500	0.2500	0.2400
Income 'U1' Shares				
Group 1	0.2500	-	0.2500	0.2400
Group 2	0.0000	0.2500	0.2500	0.2400

Distribution tables (continued)

Seventh interim distribution

Group 1: Shares purchased prior to 1 November 2022
Group 2: Shares purchased from 1 November 2022 to 30 November 2022

	Revenue pence per share	Equalisation pence per share*	Distribution paid 30.12.22 pence per share	Distribution paid 31.12.21 pence per share
Accumulation 'F' Shares				
Group 1	0.2500	-	0.2500	0.2400
Group 2	0.0000	0.2500	0.2500	0.2400
Income 'F' Shares				
Group 1	0.2500	-	0.2500	0.2400
Group 2	0.0000	0.2500	0.2500	0.2400
Accumulation 'A' Shares				
Group 1	0.2500	-	0.2500	0.2400
Group 2	0.0000	0.2500	0.2500	0.2400
Income 'A' Shares				
Group 1	0.2500	-	0.2500	0.2400
Group 2	0.0000	0.2500	0.2500	0.2400
Accumulation 'U1' Shares				
Group 1	0.2500	-	0.2500	0.2400
Group 2	0.0000	0.2500	0.2500	0.2400
Income 'U1' Shares				
Group 1	0.2500	-	0.2500	0.2400
Group 2	0.0000	0.2500	0.2500	0.2400

Distribution tables (continued)

Sixth interim distribution

Group 1: Shares purchased prior to 1 October 2022
Group 2: Shares purchased from 1 October 2022 to 31 October 2022

	Revenue pence per share	Equalisation pence per share*	Distribution paid 30.11.22 pence per share	Distribution paid 30.11.21 pence per share
Accumulation 'F' Shares				
Group 1	0.2500	-	0.2500	0.2400
Group 2	0.0000	0.2500	0.2500	0.2400
Income 'F' Shares				
Group 1	0.2500	-	0.2500	0.2400
Group 2	0.0000	0.2500	0.2500	0.2400
Accumulation 'A' Shares				
Group 1	0.2500	-	0.2500	0.2400
Group 2	0.0000	0.2500	0.2500	0.2400
Income 'A' Shares				
Group 1	0.2500	-	0.2500	0.2400
Group 2	0.0000	0.2500	0.2500	0.2400
Accumulation 'U1' Shares				
Group 1	0.2500	-	0.2500	0.2400
Group 2	0.0000	0.2500	0.2500	0.2400
Income 'U1' Shares				
Group 1	0.2500	-	0.2500	0.2400
Group 2	0.0000	0.2500	0.2500	0.2400

Distribution tables (continued)

Fifth interim distribution

Group 1: Shares purchased prior to 1 September 2022
Group 2: Shares purchased from 1 September 2022 to 30 September 2022

	Revenue pence per share	Equalisation pence per share*	Distribution paid 31.10.22 pence per share	Distribution paid 29.10.21 pence per share
Accumulation 'F' Shares				
Group 1	0.2500	-	0.2500	0.2400
Group 2	0.0000	0.2500	0.2500	0.2400
Income 'F' Shares				
Group 1	0.2500	-	0.2500	0.2400
Group 2	0.0000	0.2500	0.2500	0.2400
Accumulation 'A' Shares				
Group 1	0.2500	-	0.2500	0.2400
Group 2	0.0000	0.2500	0.2500	0.2400
Income 'A' Shares				
Group 1	0.2500	-	0.2500	0.2400
Group 2	0.0000	0.2500	0.2500	0.2400
Accumulation 'U1' Shares				
Group 1	0.2500	-	0.2500	0.2400
Group 2	0.0000	0.2500	0.2500	0.2400
Income 'U1' Shares				
Group 1	0.2500	-	0.2500	0.2400
Group 2	0.0000	0.2500	0.2500	0.2400

Distribution tables (continued)

Fourth interim distribution

Group 1: Shares purchased prior to 1 August 2022
Group 2: Shares purchased from 1 August 2022 to 31 August 2022

	Revenue pence per share	Equalisation pence per share*	Distribution paid 30.09.22 pence per share	Distribution paid 30.09.21 pence per share
Accumulation 'F' Shares				
Group 1	0.2500	-	0.2500	0.2400
Group 2	0.0000	0.2500	0.2500	0.2400
Income 'F' Shares				
Group 1	0.2500	-	0.2500	0.2400
Group 2	0.0000	0.2500	0.2500	0.2400
Accumulation 'A' Shares†				
Group 1	0.2500	-	0.2500	0.2400
Group 2	0.0000	0.2500	0.2500	0.2400
Income 'A' Shares†				
Group 1	0.2500	-	0.2500	0.2400
Group 2	0.0000	0.2500	0.2500	0.2400
Accumulation 'U1' Shares				
Group 1	0.2500	-	0.2500	0.2400
Group 2	0.0000	0.2500	0.2500	0.2400
Income 'U1' Shares				
Group 1	0.2500	-	0.2500	0.2400
Group 2	0.0000	0.2500	0.2500	0.2400

Distribution tables (continued)

Third interim distribution

Group 1: Shares purchased prior to 1 July 2022
Group 2: Shares purchased from 1 July 2022 to 31 July 2022

	Revenue pence per share	Equalisation pence per share*	Distribution paid 31.08.22 pence per share	Distribution paid 31.08.21 pence per share
Accumulation 'F' Shares				
Group 1	0.2500	-	0.2500	0.2400
Group 2	0.0000	0.2500	0.2500	0.2400
Income 'F' Shares				
Group 1	0.2500	-	0.2500	0.2400
Group 2	0.0000	0.2500	0.2500	0.2400
Accumulation 'A' Shares†				
Group 1	0.2500	-	0.2500	0.2400
Group 2	0.0000	0.2500	0.2500	0.2400
Income 'A' Shares†				
Group 1	0.2500	-	0.2500	0.2400
Group 2	0.0000	0.2500	0.2500	0.2400
Accumulation 'U1' Shares				
Group 1	0.2500	-	0.2500	0.2400
Group 2	0.0000	0.2500	0.2500	0.2400
Income 'U1' Shares				
Group 1	0.2500	-	0.2500	0.2400
Group 2	0.0000	0.2500	0.2500	0.2400

Distribution tables (continued)

Second interim distribution

Group 1: Shares purchased prior to 1 June 2022
Group 2: Shares purchased from 1 June 2022 to 30 June 2022

	Revenue pence per share	Equalisation pence per share*	Distribution paid 29.07.22 pence per share	Distribution paid 30.07.21 pence per share
Accumulation 'F' Shares				
Group 1	0.2000	-	0.2000	0.2000
Group 2	0.0176	0.1824	0.2000	0.2000
Income 'F' Shares				
Group 1	0.2000	-	0.2000	0.2000
Group 2	0.0967	0.1033	0.2000	0.2000
Accumulation 'A' Shares				
Group 1	0.2000	-	0.2000	0.2000
Group 2	0.0000	0.2000	0.2000	0.2000
Income 'A' Shares				
Group 1	0.2000	-	0.2000	0.2000
Group 2	0.0666	0.1334	0.2000	0.2000
Accumulation 'U1' Shares				
Group 1	0.2000	-	0.2000	0.2000
Group 2	0.0000	0.2000	0.2000	0.2000
Income 'U1' Shares				
Group 1	0.2000	-	0.2000	0.2000
Group 2	0.0000	0.2000	0.2000	0.2000

Distribution tables (continued)

First interim distribution

Group 1: Shares purchased prior to 1 May 2022
Group 2: Shares purchased from 1 May 2022 to 31 May 2022

	Revenue pence per share	Equalisation pence per share*	Distribution paid 30.06.22 pence per share	Distribution paid 30.06.21 pence per share
Accumulation 'F' Shares				
Group 1	0.2000	-	0.2000	0.2000
Group 2	0.0018	0.1982	0.2000	0.2000
Income 'F' Shares				
Group 1	0.2000	-	0.2000	0.2000
Group 2	0.0401	0.1599	0.2000	0.2000
Accumulation 'A' Shares				
Group 1	0.2000	-	0.2000	0.2000
Group 2	0.0426	0.1574	0.2000	0.2000
Income 'A' Shares				
Group 1	0.2000	-	0.2000	0.2000
Group 2	0.1306	0.0694	0.2000	0.2000
Accumulation 'U1' Shares				
Group 1	0.2000	-	0.2000	0.2000
Group 2	0.0886	0.1114	0.2000	0.2000
Income 'U1' Shares				
Group 1	0.2000	-	0.2000	0.2000
Group 2	0.0452	0.1548	0.2000	0.2000

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

Accounting policies

a) Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments, in compliance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Association (formerly the Investment Management Association) in May 2014 and as amended in June 2017.

The ACD has undertaken a detailed assessment of each sub-fund's ability to meet its liabilities as they fall due, including liquidity, declines in global capital markets and investor redemption levels. Based on this assessment, the sub-funds continue to be open for trading and the ACD is satisfied the sub-funds have adequate financial resources to continue in operation. At the time of approval of the financial statements there are no sub-funds for which there is an intention to terminate during the foreseeable future. Accordingly, it is appropriate to adopt the going concern basis in preparing the financial statements. However, as part of its product governance, the ACD continuously monitors and evaluates each sub-fund and reserves the right to make changes, including the closure or proposing the merger of a sub-fund, where the ACD believes such changes are in the best interests of shareholders.

The principal accounting policies, which have been applied consistently throughout the year, are set out below.

b) Recognition of revenue

Dividends on quoted ordinary shares, preference shares and distributions on holdings in Collective Investment Schemes are recognised when the securities are quoted ex-dividend. Where such securities are not quoted, dividends are recognised when they are declared.

Dividends from UK REITs are split into PID (Property Income Distributions) and Non-PID components for tax purposes. Revenue arising from UK REITs' tax-exempt rental business is commonly known as PID revenue and is taxable in the hands of the sub-fund. A UK REIT may also carry out activities that give rise to taxable profits and gains and it is from these that the REIT will make a Non-PID distribution. These distributions are treated for tax purposes in the same way as dividends from UK companies and are reflected under UK dividends within the revenue note.

All distributions from accumulation holdings in Collective Investment Schemes are treated as revenue. The equalisation component of Collective Investment Scheme distributions has been recognised as capital.

Nominal interest on interest bearing securities and bank interest are recognised on an accrual basis. Accrued interest purchased and sold on interest bearing securities is excluded from the capital cost of these securities and dealt with as part of the revenue of the sub-fund.

Revenue arising on debt securities that are purchased at a discount/premium to the maturity value is amortised or accumulated over the life of such securities and recognised at a consistent rate over the life of the instrument (effective yield basis). This basis uses the effective interest rate of the security to discount exactly the expected stream of future cash flows to the current net carrying value of the security.

Interest receivable or payable on credit default swaps is accounted for on an accrual basis and classified as revenue or capital based on the motives and circumstances of their use with any interest purchased and sold on the derivatives dealt with as part of the revenue of the sub-fund.

c) Treatment of stock dividends

Ordinary stock dividends are recognised wholly as revenue and are based on the market value of the shares on the dates they are quoted ex-dividend. Where an enhancement is offered, the amount by which the market value of the shares (on the date they are quoted ex-dividend) exceeds the cash dividend is taken to capital. The ordinary element of stock dividends is treated as revenue but does not form part of the distribution.

d) Special dividends and share buy backs

The underlying circumstances behind both special dividends and share buy backs are reviewed on a case by case basis in determining whether the amount is revenue or capital in nature. Amounts recognised as revenue will form part of the distribution. Any tax treatment will follow the accounting treatment of the principal amount.

e) Underwriting commissions

Underwriting commission is wholly recognised as revenue when the issue takes place, except where the sub-fund is required to take up some or all of the shares underwritten, in which case an appropriate proportion of the commission received is deducted from the cost of those shares.

f) Treatment of expenses

All expenses, except those relating to the purchase and sale of investments, are included in expenses in the Statement of Total Return. Expenses are recognised on an accrual basis and include irrecoverable VAT where appropriate.

g) Revenue allocation to share classes

Revenue is allocated to the share classes of each sub-fund based on the proportion of assets held within each share class.

h) Rebate of authorised corporate director's periodic charge from underlying instruments

The sub-funds may be entitled to a rebate of authorised corporate director's charge, or is sometimes paid renewal commission, when it holds underlying investments in Collective Investment Schemes. This is accrued daily and treated as revenue or capital depending on the treatment of the authorised corporate director's charge in the underlying investment.

i) Taxation and deferred taxation

Provision is made for corporation tax at the current rate on the excess of taxable revenue over allowable expenses. Provision is made on all material timing differences arising from the different treatment of items for accounting and tax purposes. A deferred tax asset is recognised only to the extent that there will be taxable profits in the future against which the asset can be offset.

Accounting policies (continued)

j) Distribution policy

All of the net revenue available for distribution at the end of interim and final distribution periods will be distributed to shareholders. Any share class in deficit of revenue will be made-up from the capital attributable to that share class. Should taxation and expenses taken together exceed revenue, there will be no distribution and the shortfall will be met from capital. The sub-funds distribute revenue on debt securities on an effective yield basis. Equalisation received on collective investment scheme distributions will be distributed.

For all sub-funds, some or all of the Fixed Ongoing Charge may be treated as a capital expense in accordance with the Prospectus, which may have the effect of constraining capital growth, as the Company may treat the generation of income as a higher priority than capital growth or (as the case may be) place equal emphasis on the generation of income and on capital growth. In respect of the Quilter Investors Monthly Income Portfolio and Quilter Investors Monthly Income and Growth Portfolio the policy is to charge all expenses to capital. For all other sub-funds within the Company, the policy is to charge all expenses to income, apart from transaction charges which are charged to capital.

k) Basis of valuation of investments

The quoted investments of the sub-funds are valued at fair value, which is the 12 noon bid price on the last business day of the accounting year and an analysis has been performed to ensure these are not materially different to the close of business valuation. Any unquoted or suspended investments are valued at the ACD's valuation taking into account, where appropriate, latest dealing prices, valuations from reliable sources, financial performance and other relevant factors.

Derivatives are valued based on counterparty valuations, appropriate pricing models and the ACD's opinion of fair value.

The ACD may apply a fair value price determined in accordance with the COLL Sourcebook if it has reasonable grounds for believing that no reliable price exists for a security at a valuation point or the most recent price available does not reflect the ACD's best estimate of the value at the valuation point.

Where a sub-fund invests in securities markets that are closed for trading (including planned stock exchange closures) at the sub-fund's valuation point, there is a risk that the price calculated is not representative of the markets in which it invests due to developments since the market's closure. Potentially this could lead to gains or losses on the sub-fund as it opens a window for investors or market timers to buy or sell at stale prices. An example would be when a sub-fund is priced using end of day prices from a market which closed for trading for a material period prior to the sub-fund's valuation point, for example, a UK fund which is invested in US stocks, valuing at 12 noon UK time and using US asset prices from the previous day close of the US market within the sub-fund valuation. During this period it may be concluded that prices may change significantly when the market re-opens, based on a global event or on indications from the global futures markets. In this scenario, the ACD may invoke a fair value price to give our best estimate of the value of the market or asset in question using a reliable source. A delegated committee is responsible for the monitoring and approval of any fair value pricing decisions.

The fair value pricing policy for Quilter Investors Multi-Asset OEIC differs dependant on the type of instruments held within the portfolio, their economic exposure and the materiality of any fair value adjustment. The ACD's fair value pricing policy is regularly reviewed by the Depositary of the sub-funds to ensure adherence to the COLL Sourcebook.

Authorised unit trusts and collective investment schemes operated by the ACD have been valued at cancellation price. Single priced authorised trusts, open ended investment companies and collective investment schemes have been valued at the latest available dealing price. Dual priced authorised trusts, open ended investment companies and collective investment schemes have been valued at the latest available bid price.

Quilter Investors Bond 3 Fund is closed. The sub-fund holds illiquid investments and is being valued as at 30 April 2023. Please see the relevant sub-funds' note on the fair value of financial assets and financial liabilities for further information.

l) Exchange rates

Assets and liabilities in foreign currencies are translated into sterling at the exchange rates ruling at 12 noon on the last business day of the accounting year for all sub-funds with a 12 noon valuation. Revenue items in foreign currencies are translated into sterling at the exchange rates ruling when the revenue is received.

m) Financial instruments

Where appropriate, certain permitted financial instruments such as derivatives or forward currency contracts are used for the purpose of meeting the investment objective and/or Efficient Portfolio Management (EPM). Both the motive and circumstances are used to determine whether the derivative returns should be treated as capital or revenue. Where such financial instruments are used to protect or enhance revenue, and the circumstances support it, the revenue and expenses derived therefrom are netted for purposes of disclosure and included in "revenue" in the statement of total return. Where such financial instruments are used to protect or enhance capital, and the circumstances support it, the gains and losses derived there from are included in "Net capital gains/(losses)" in the statement of total return.

Forwards

Forward foreign currency contracts are used to manage currency risk arising from holdings of overseas securities. In these circumstances, all gains and losses are taken to capital. Subsequent changes to the exchange rates during the life of the currency forward contract and on closure would be recognised as a capital gain/(loss).

Futures

A future is a financial contract obligating the buyer to purchase or sell an asset, at a predetermined future date and price. The holder of a futures contract is obligated to fulfil the terms of his/her contract. Futures are held within the sub-funds for Efficient Portfolio Management (EPM) purposes.

Options

An option is a contract between two parties for a future transaction on a reference entity at a reference price (known as a strike or exercise price), that can be exercised at expiry date (European Option) or up to and including expiry date (American Option). The price of an option derives from the difference between the reference price and the value of the underlying asset, plus a premium based on the time remaining until the expiration of the option. There are 4 possible option types:

Call buyer – pays premium, obtains right, no obligation to buy underlying at exercise date.

Call writer – receives premium, takes obligation to deliver underlying if buyer exercises.

Put buyer – pays premium, obtains right, no obligation to sell underlying at exercise price.

Put writer – receives premium, takes obligation to take delivery of underlying and pay exercise price if call holder decides to exercise.

n) Dilution policy

The ACD has discretion to require a dilution adjustment to the price of a share on the purchase or redemption of shares in the sub-fund. The ACD's policy is to make a dilution adjustment when the ACD believes it is in the interest of the shareholders to do so.