

# Annual Report & Financial Statements

FP Octopus Investments UCITS Funds

For the year ended 28 February 2023

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\* Collectively these comprise the ACD's Report.

## FP Octopus Investments UCITS Funds

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

We are pleased to present the Annual Report & Audited Financial Statements for FP Octopus Investments UCITS Funds for the year ended 28 February 2023.

#### Authorised Status

FP Octopus Investments UCITS Funds ("the Company") is an investment company with variable capital ("ICVC") incorporated in England and Wales under registered number IC001071 and authorised by the Financial Conduct Authority ("FCA"), with effect from 23 August 2016. The Company has an unlimited duration.

Shareholders are not liable for the debts of the Company.

Head Office: the Head Office of the Company is at Hamilton Centre, Rodney Way, Chelmsford, CM1 3BY.

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

#### Structure of the Company

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

The Company is a UK UCITS scheme.

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

Currently the Company has three Funds, FP Octopus UK Future Generations Fund, FP Octopus UK Micro Cap Growth Fund and FP Octopus UK Multi Cap Income Fund. In the future there may be other Funds established.

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

Under the relevant provisions of COLL Sourcebook, FP as UK UCITS Manager, is required to disclose remuneration information on how those whose actions have a material impact on the Fund are remunerated (see page 72).

#### Crossholdings

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

#### Important Events during the Year

On 9 May 2022, the Company's prospectus was approved noting the following changes:

- launch of P and S Income Share classes on FP Octopus UK Micro Cap Growth Fund.
- increase in Annual Management Charge ("AMC") fees for FP Octopus UK Micro Cap Growth Fund Share class P to 0.95% and to 0.85% for Share class S. The removal of investment management fees.
- reduction of AMC fees for FP Octopus UK Multi Cap Income Fund Share class R to 0.65%.

## FP Octopus Investments UCITS Funds

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

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

- the maximum ongoing charges figure of FP Octopus UK Micro Cap Growth Fund Share class P was decreased to 1.10% and to 1.00% for Share class S.
- the maximum ongoing charges figure of FP Octopus UK Multi Cap Growth Fund Share class R was decreased to 0.80%.

On 5 August 2022, S. Gordon-Hart was appointed as a Non-Executive Director of FundRock Partners Limited.

On 30 September 2022, T. Gregoire resigned as a Director of FundRock Partners Limited.

On 19 October 2022, L. Poynter was appointed as a Director of FundRock Partners Limited.

On 25 November 2022, P. Spendiff resigned as a Director of FundRock Partners Limited.

On 10 December 2022, X. Parain resigned as a Director of FundRock Partners Limited.

#### Important Events after the Year End

On 31 March 2023, the FundRock Partners Limited registered address changed to Hamilton Centre, Rodney Way, Chelmsford, England, CM1 3BY.

#### Base Currency:

The base currency of the Company is Pound Sterling.

#### Share Capital:

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

### Certification of Financial Statements by Directors of the ACD For the year ended 28 February 2023

#### **Directors' Certification**

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

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

S. Gunson

**FundRock Partners Limited**

22 June 2023

### Statement of the ACD's Responsibilities For the year ended 28 February 2023

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

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

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

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

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

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

In accordance with COLL 4.5.8BR, the Annual Report and the Audited Financial Statements were approved by the Board of Directors of the ACD of the Company and authorised for issue on 22 June 2023.

## FP Octopus Investments UCITS Funds

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### Statement of the Depositary's Responsibilities in Respect of the Scheme and Report of the Depositary to the Shareholders of the FP Octopus Investments UCITS Funds for the year ended 28 February 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' Collective Investment Schemes Sourcebook ("the Sourcebook"), the Open-Ended Investment Companies Regulations 2001 (SI 2001/1228) (the OEIC Regulations), the Company's Instrument of Incorporation, and the Prospectus, as appropriate, concerning: the pricing of and dealing in Shares in the Company; the application of income of the Company; and the investment portfolio and borrowing activities of the Company.

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

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

**Citibank UK Limited, London**

UK Trustee and Depositary Services

22 June 2023

### Independent Auditor's Report to the Shareholders of FP Octopus Investments UCITS Funds For the year ended 28 February 2023

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

##### Opinion

In our opinion the Financial Statements of FP Octopus Investments UCITS Funds (the "Company"):

- give a true and fair view of the financial position of the Company and its sub-funds as at 28 February 2023 and of the net revenue and the net capital losses on the property of the Company and its sub-funds for the year ended 28 February 2023; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", the Statement of Recommended Practice "Financial Statements of UK Authorised Funds", the rules in the Collective Investment Schemes Sourcebook and the Instrument of Incorporation.

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

- the statement of total return;
- the statement of change in net assets attributable to Shareholders;
- the balance sheet;
- the distribution tables; and
- the summary of significant accounting policies, judgements and estimates applicable to all sub-funds and individual notes.

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

##### Basis for opinion

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

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

##### Conclusions relating to going concern

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

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

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

### Independent Auditor's Report to the Shareholders of FP Octopus Investments UCITS Funds (continued) For the year ended 28 February 2023

#### **Other information**

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

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

We have nothing to report in this regard.

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

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

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

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

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

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

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

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

We considered the nature of the company's industry and its control environment, and reviewed the company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and the ACD about their own identification and assessment of the risks of irregularities, including those that are specific to the company's business sector.

### Independent Auditor's Report to the Shareholders of FP Octopus Investments UCITS Funds (continued) For the year ended 28 February 2023

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

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

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

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

As a result of performing the above, we identified the greatest potential for fraud in the valuation and existence of investments due to its significance to the net asset values of the company's sub-funds. In response we have: involved our financial instruments specialists to assess the applied valuation methodologies; agreed investment holdings to independent confirmations; and agreed investment valuations to reliable independent sources.

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

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

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

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

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

In our opinion:

- proper accounting records for the Company and the sub-funds have been kept and the Financial Statements are in agreement with those records;
- we have received all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit; and
- the information given in the ACD's Report for the year ended 28 February 2023 is consistent with the Financial Statements.

### Independent Auditor's Report to the Shareholders of FP Octopus Investments UCITS Funds (continued) For the year ended 28 February 2023

#### **Use of our report**

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

#### **Deloitte LLP**

Statutory Auditor  
Glasgow, United Kingdom

22 June 2023

### Accounting Policies and Financial Instruments For the year ended 28 February 2023

#### 1 Accounting Basis And Policies

##### ***(a) Basis of accounting***

The Financial Statements have been prepared under the historical cost basis, as modified by the revaluation of investments and in accordance with FRS 102 "The Financial Reporting Standards Applicable in the UK and Republic of Ireland" and the "Statement of Recommended Practice: Financial Statements of UK Authorised Funds" issued by the Investment Association in May 2014 and amended in June 2017.

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

The preparation of Financial Statements in accordance with FRS 102 requires the ACD to make judgements, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expenses. As at 28 February 2023, judgements and estimates have been applied in determining the valuation of the Hasgrove Limited security held on the portfolio of the FP Octopus UK Micro Cap Growth Fund, and the MJ Hudson security held on the portfolio of the FP Octopus UK Future Generations Fund. Details of the methodology applied in determining the valuation of the Hasgrove Limited security and the MJ Hudson security are included on page 14. There were no other significant judgements or estimates involved in the determination of the values of assets and liabilities reported in these Financial

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

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

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

All foreign currency transactions are recorded using an exchange rate from the effective date of the transaction (e.g. the trade date of a trade, the ex-div date of a dividend, or the date of a currency disposal).

Central Securities Depositories Regulation (CSDR) entered into force in 2014 with an objective of improving securities settlements in the European Union. One of the cornerstones of the CSDR is the introduction of an obligation on central securities depositories (CSDs) to impose cash penalties on participants to their securities settlement systems that cause settlement failures. The cash penalties regime came into force from 1 February 2022. CSDR penalties applied to the Funds are recognised as capital and presented in net capital (losses)/gains note in these Financial Statements. The penalties may be accounted for as an expense or income (if the 3rd party was responsible for the failure of trade settlement). The CSDR penalties will be reimbursed by the Investment Manager as necessary to ensure that the Funds will not suffer undue costs.

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

Dividends on quoted equities and preference Shares are recognised when the securities are quoted ex-dividend and are recognised net of attributable tax credits.

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

All revenue includes withholding taxes but excludes irrecoverable tax credits.

### Accounting Policies and Financial Instruments (continued) For the year ended 28 February 2023

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

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

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

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

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

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

All expenses are charged to capital for FP Octopus UK Future Generations Fund and FP Octopus UK Multi Cap Income Fund. Expenses are taken from income for FP Octopus UK Micro Cap Growth Fund.

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

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

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

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

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

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

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

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

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

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

The ACD has elected to pay all revenue less expenses charged to revenue and taxation as a bi-annual distribution at the end of each annual accounting year, with the exception of FP Octopus UK Multi Cap Income Fund where distributions are paid quarterly.

### Accounting Policies and Financial Instruments (continued)

For the year ended 28 February 2023

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

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

Listed investments are valued at close of business bid prices excluding any accrued interest in the case of fixed interest securities, on the last business day of the accounting year.

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

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

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

Hasgrove Limited has been delisted from the Alternative Investment Market ("AIM") Exchange market listings and is therefore priced by the Fair Value Pricing ("the FVP") Committee of the ACD on a Fair Value Price Basis of 2079p which was taken from the independent valuation performed by Markit Valuation Services Limited.

MJ Hudson, held in FP Octopus UK Future Generations Fund, is currently suspended from AIM market listings and is therefore priced by the FVP Committee of the ACD on a Fair Value Price Basis of 0.00p.

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

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

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

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

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

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

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

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

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

### Accounting Policies and Financial Instruments (continued) For the year ended 28 February 2023

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

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

Where the transactions are used to protect or enhance capital, the gains/losses are treated as capital and included within gains/losses on investments in the Statement of Total Return. Any open positions in these types of transactions at the year end are included in the Balance Sheet at their mark to market value. There were no derivative transactions during the year.

#### 2 Derivatives and other financial instruments

Management of risk is a critical responsibility of the ACD in managing the Company.

The Funds for which FundRock Partners Limited acts as ACD are exposed to a wide range of risks. The purpose of the ACD's Risk Management Policy ("RMP") is to identify these risks and document the controls and processes in place to manage and mitigate these risks. The specific risks to the Funds are documented in sections (a) to (i) below and are reviewed on a regular basis.

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

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

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

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

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

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

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

The Company did not have any long term financial liabilities at the balance sheet date (2022: nil).

### Accounting Policies and Financial Instruments (continued)

For the year ended 28 February 2023

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

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

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

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

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

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

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

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

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

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

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

### Accounting Policies and Financial Instruments (continued)

For the year ended 28 February 2023

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

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

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

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

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

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

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

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

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

## FP Octopus UK Future Generations Fund

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### Investment Manager's Report For the year ended 28 February 2023

#### Investment Objective

The investment objective of the FP Octopus UK Future Generations Fund ("the Fund") is to achieve capital growth over rolling five year periods by focussing on investing in companies meeting the Investment Manager's sustainable investment themes.

#### Investment Policy

The Fund will make investments in companies:

- (i) which generate a financial return; and
- (ii) with business activities which are aligned with sustainability themes and the United Nations Sustainable Development Goals.

Investments will be made in shares of companies which fall within the following sustainability themes: building a sustainable planet, empowering people, and revitalising healthcare, as further described in the Investment Strategy below.

The Fund will invest at least 70% (including, to a limited extent, through real estate investment trusts (REITs) and investment companies) in companies that are listed and domiciled in the UK, or incorporated in the UK, or have a significant exposure to the UK (the "UK Conditions").

Under extraordinary market conditions such as political or economic unrest or instability, world events leading to market instability, closure of any UK stock exchange, in the event of materially large inflows to the Fund, or any event which could cause the risk profile of the Fund to be materially increased, the Fund may hold less than 70% of its portfolio in shares of companies meeting the UK Conditions.

The Fund may also invest in other asset classes including money market instruments (i.e. debt securities with short-term maturities), and/or cash.

The Fund may use derivatives (investments where the value is linked to another investment, or the performance of a stock exchange or to some other variable factor, such as interest rates) for efficient portfolio management. Efficient portfolio management means managing the Fund in a way to reduce risk or cost and/or generate extra income.

#### Investment Review

This report covers the twelve-month investment period for the FP Octopus UK Future Generations Fund from 28 February 2022 to 28 February 2023. In terms of investment performance, the FP Octopus UK Future Generations Fund declined by 15.03% over the period, this compares to an increase of 7.3% in the FTSE All Share Index TR, an increase of 3.0% in the IA UK All Companies Sector and a decrease of 16.3% in the FTSE AIM All Share Index TR. Whilst the short term underperformance is frustrating, we remain optimistic for the long term outlook of the strategy and the underlying value embedded within our investee businesses and the portfolio at large.

Over the year the Fund has made significant progress in investing into businesses looking to solve important problems within our strategic investment themes: Building a sustainable planet, empowering people, and revitalising healthcare. As of the 31 August the Fund's cash balance stood at 12.13%, the Fund had 50 portfolio constituents and its active share versus its comparator stood at 92.6%.

Building a sustainable planet (19.1% value of the Fund and 15 portfolio constituents): Focuses on sustainable energy generation, energy storage, ecosystem integrity, circular economy and emissions, among others.

### Investment Manager's Report (continued)

For the year ended 28 February 2023

#### Investment Review (continued)

Key contributors included public transport software specialist Journeo plc, which we backed in a primary fundraise to grow its market share, sustainable infrastructure group Renew Holdings plc and electric vehicle Group Equipmake Holdings plc, which we supported in its initial public offering. The main detractor was sustainable fabric specialist HeiQ plc which was heavily impacted by lockdowns in the far east. Overall, we continue to see exciting opportunities and valuations within this segment and have seen strong operational progress from portfolio companies and the market at large. Cumulatively holdings within the building a sustainable planet vertical detracted 6.4% from performance of the Fund over the year.

Empowering people (49.9% value of the Fund and 26 portfolio constituents): Focus on businesses which are reimagining the future for society. Companies who conduct or contribute to activities such as research, digital infrastructure, improving how we make things, how we communicate, living standards, how we stay secure, how we entertain, and financial inclusion, among others. Strongest contributors to performance included digital education specialist Pearson plc, real time database provider FD Technologies and low code specialist Netcall plc. The biggest detractor to performance was digital transformation provider TPXimpact Holdings plc which failed to deliver on its growth strategy. Cumulatively holdings within the empowering people vertical detracted 8.1% from performance of the Fund over the year.

Revitalising healthcare (18.1% value of the Fund and 9 portfolio constituents): Focus on how healthcare systems function, how drugs are discovered and developed, personal health and physical wellness and mental health, among others. Strongest contributors to the Fund included pharmaceutical group AstraZeneca plc after strong financial results and positive regulatory developments, radiology software specialist Medica Group plc after it benefited from recovery in elective procedures and precision medicine data company Diaceutics plc after a strong operational performance. The main detractor was endoscopy medical device developer Creo Medical Group plc. Cumulatively holdings within the revitalising healthcare vertical detracted 0.5% from performance of the Fund over the year.

#### Market Overview

An economic environment, predominantly dominated by global central banks removing liquidity from the financial system and rising interest rates, has proven a challenging one for investors in smaller, fast-growing, innovate businesses.

As we reported in the interim report, UK equities continued to be out of favour of global investment decision makers and the IA UK sectors have seen continued net outflows, despite the wider index performing relatively well. In the rising rate environment, we saw commodities, oil & gas and mining companies perform well and this provided strong performance to the FTSE All Share Index TR. The index remains highly concentrated within these sectors. While these sectors have performed extremely well in the short term, we believe that they earn low returns of capital relative to their cost of capital and do not adequately price for the external harm they inflict on people and planet. We believe that in the long term these industries are unlikely to play a major role in the energy infrastructure, and we prefer to focus on progressive businesses looking to solve the problems created in the past.

As characterised by the Funds' performance over the year, the investor sentiment towards sustainable, progressive, growth equities has remained negative even though the underlying operational performance and trading results have been relatively positive and share prices have largely contracted because of multiple compression rather than earning declines. Each holding is trading on average at a 30% discount to its respective three-year average rating.

### Investment Manager's Report (continued)

For the year ended 28 February 2023

#### Outlook

At the time of writing, uncertainty and nervousness have returned to the forefront of investors' minds. Regulators have taken over the operations of Silicon Valley Bank, a prominent lender to the venture capital and start-up ecosystem. Failures of US banks like Silicon Valley Bank and First Republic can be linked to the rapid increase in interest rates and the impact onto the wider financial ecosystem. Whilst inflation seems to have cooled for the time being investors are still not clear about where long-term interest rates will go.

We remain excited about the prospects of our investee companies and the value embedded within the portfolio. Many of the smaller and medium-sized companies have significant growth runways, large addressable markets and continue to deliver against their targets. The themes we are looking to invest in continue to grow in importance as well as in urgency. We continue to focus on bottom-up, fundamental investing and back businesses looking to solve important problems.

We are looking forward to publishing our inaugural Future Generations report for the Fund which will highlight the operational progress the businesses have made and bring to life how the companies are looking to solve some of the most challenging problems for our planet and society.

We can only repeat ourselves in saying a heartfelt thank you to all investors who have invested alongside us and supported the Fund over its full first year. It is your support which allows us to back important businesses working on solutions to important problems facing us and our planet.

#### Source:

All data and factual information within this document is sourced to Octopus Investments, Lipper, Factset and Apex Fund Services and is correct as at 28 February 2023 unless otherwise stated.

#### Investment Manager

Octopus Investments Limited

28 February 2023

## FP Octopus UK Future Generations Fund

### Comparative Tables As at 28 February 2023

	C Accumulation		C Income	
	28/02/23 (p)	28/02/22 (p)	28/02/23 (p)	28/02/22 (p)
Change in net assets per Share				
Opening net asset value per Share	85.96	100.00	85.47	100.00
Return before operating charges*	(12.40)	(12.62)	(12.08)	(12.65)
Operating charges	(1.18)	(1.42)	(1.17)	(1.42)
Return after operating charges*	(13.58)	(14.04)	(13.25)	(14.07)
Distributions	(1.26)	(0.46)	(1.25)	(0.46)
Retained distributions on accumulation	1.26	0.46	-	-
Closing net asset value per Share	72.38	85.96	70.97	85.47
* after direct transaction costs of:	0.17	0.40	0.17	0.40
Performance				
Return after operating charges	(15.80%)	(14.04%)	(15.50%)	(14.07%)
Other information				
Closing net asset value	£4,223,586	£3,986,978	£13,156	£1,657
Closing number of Shares	5,835,448	4,638,278	18,539	1,939
Operating charges	1.50%	1.50%	1.50%	1.50%
Direct transaction costs	0.22%	0.42%	0.22%	0.42%
Prices				
Highest Share price	88.61	100.46	88.06	100.46
Lowest Share price	70.70	84.96	69.76	84.94

	R Accumulation		R Income	
	28/02/23 (p)	28/02/22 (p)	28/02/23 (p)	28/02/22 (p)
Change in net assets per Share				
Opening net asset value per Share	85.96	100.00	85.50	100.00
Return before operating charges*	(12.47)	(12.72)	(12.27)	(12.72)
Operating charges	(1.10)	(1.32)	(1.09)	(1.32)
Return after operating charges*	(13.57)	(14.04)	(13.36)	(14.04)
Distributions	(1.26)	(0.46)	(1.24)	(0.46)
Retained distributions on accumulation	1.26	0.46	-	-
Closing net asset value per Share	72.39	85.96	70.90	85.50
* after direct transaction costs of:	0.17	0.40	0.17	0.40
Performance				
Return after operating charges	(15.79%)	(14.04%)	(15.63%)	(14.04%)
Other information				
Closing net asset value	£1,530,781	£860	£709	£855
Closing number of Shares	2,114,598	1,000	1,000	1,000
Operating charges	1.40%	1.40%	1.40%	1.40%
Direct transaction costs	0.22%	0.42%	0.22%	0.42%
Prices				
Highest Share price	88.57	100.46	88.15	100.46
Lowest Share price	70.71	84.97	69.84	84.97

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

All Share Classes launched on 23 August 2021 at a price of 100p per share.



## FP Octopus UK Future Generations Fund

### Portfolio Statement As at 28 February 2023

Holdings or Nominal Value	Investments	Market value £	% of Total Net Assets
	<b>Equities 86.64% [91.55%]</b>		
9,197	Aquis Exchange PLC	34,029	0.59
1,697	AstraZeneca PLC	184,634	3.20
42,454	Beeks Financial Cloud PLC	60,285	1.05
66,230	Benchmark Holdings PLC	23,843	0.41
40,000	Bloomsbury Publishing PLC	167,600	2.91
95,000	Boku Inc	135,850	2.36
55,568	Calnex Solutions PLC	96,688	1.68
6,998	Ceres Power Holdings PLC	29,860	0.52
55,525	D4t4 Solutions PLC	126,597	2.19
79,430	Diaceutics PLC	89,756	1.56
1,411,765	Equipmake Holdings PLC	88,235	1.53
15,000	Ergomed PLC	169,500	2.94
67,058	essensys PLC	37,552	0.65
10,000	FD Technologies PLC	186,800	3.24
21,428	Feedback PLC	38,570	0.67
59,704	Frontier IP Group PLC	40,002	0.69
14,000	Gamma Communications PLC	163,240	2.83
37,000	GBG	123,580	2.14
9,000	GlaxoSmithKline PLC	128,250	2.22
225,267	HeiQ PLC	72,085	1.25
108,369	IDOX PLC	66,105	1.15
16,000	Impax Asset Management Group	127,840	2.22
125,000	Invinity Energy Systems	40,000	0.69
1,176,470	Itaconix	58,824	1.02
118,306	Journeo PLC	156,164	2.71
142,000	Learning Technologies Group PLC	200,078	3.47
250,000	Libertine Holdings PLC	45,000	0.78
1,939	London Stock Exchange Group PLC	144,106	2.50
33,335	MaxCyte Inc	126,673	2.20
70,254	Medica Group PLC	112,406	1.95
14,000	MJ Gleeson PLC	65,800	1.14
425,000	MJ Hudson Group PLC†	-	0.00
80,000	NCC Group PLC	136,160	2.36
156,222	Netcall PLC	146,849	2.55
19,000	Next Fifteen Communications Group PLC	196,840	3.41
14,000	Pearson PLC	128,548	2.23
60,000	Pod Point	41,400	0.72
25,000	Renew Holdings PLC	177,000	3.07
85,175	RM PLC	51,105	0.89
45,000	RWS Holdings	160,200	2.78
50,724	Saietta	20,290	0.35
14,092	Smith & Nephew PLC	166,990	2.89

## FP Octopus UK Future Generations Fund

### Portfolio Statement (continued)

As at 28 February 2023

Holdings or Nominal Value	Investments	Market value £	% of Total Net Assets
124,359	Spectral MD Holdings Ltd	36,064	0.63
59,368	Spirent Communications PLC	126,335	2.19
69,170	Strix Group PLC	69,585	1.20
205,570	Sureserve Group PLC	166,512	2.89
55,663	Tribal Group PLC	26,162	0.45
185,000	Velocys PLC	7,400	0.13
40,000	Volex PLC	90,000	1.56
67,298	XPS Pensions Group PLC	108,350	1.88
		<b>4,995,742</b>	<b>86.64</b>
	<b>Portfolio of investments</b>	<b>4,995,742</b>	<b>86.64</b>
	Net other assets	772,490	13.39
	<b>Net assets</b>	<b>5,768,232</b>	<b>100.03</b>

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

All investments are ordinary shares and admitted to official stock exchange listings, unless otherwise stated.

Comparative figures shown above in square brackets relate to 28 February 2022.

† Priced by the Fair Value Pricing Committee of the ACD on a Fair Value Price basis. Shares of this stock are currently suspended from the Alternative Investment Market ("AIM") Exchange.

Gross purchases for the year: £3,464,364 [2022: £4,392,255] (See Note 14).

Total sales net of transaction costs for the year: £1,166,765 [2022: £175,848] (See Note 14).

## FP Octopus UK Future Generations Fund

### Statement of Total Return For the year ended 28 February 2023

		01/03/22 to 28/02/23		23/08/21 to 28/02/22*	
	Note	£	£	£	£
Income					
Net capital losses	2		(964,162)		(564,065)
Revenue	3	91,555		18,923	
Expenses	4	(71,842)		(30,859)	
Interest paid and similar charges		-		-	
Net revenue/(expense) before taxation		19,713		(11,936)	
Taxation	5	-		-	
Net revenue/(expense) after taxation			19,713		(11,936)
Total return before distributions			(944,449)		(576,001)
Distributions	6		(90,123)		(18,922)
<b>Change in net assets attributable to Shareholders from investment activities</b>			<b>(1,034,572)</b>		<b>(594,923)</b>

### Statement of Change in Net Assets Attributable to Shareholders For the year ended 28 February 2023

		01/03/22 to 28/02/23		23/08/21 to 28/02/22*	
		£	£	£	£
<b>Opening net assets attributable to Shareholders</b>			3,990,350		-
Amounts received on issue of Shares		4,458,696		4,581,586	
Less: Amounts paid on cancellation of Shares		(1,733,338)		(17,640)	
			2,725,358		4,563,946
Change in net assets attributable to Shareholders from investment activities (see above)			(1,034,572)		(594,923)
Retained distribution on accumulation Shares			87,096		21,327
<b>Closing net assets attributable to Shareholders</b>			<b>5,768,232</b>		<b>3,990,350</b>

\* FP Octopus UK Future Generations Fund launched on 23 August 2021.

## FP Octopus UK Future Generations Fund

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### Balance Sheet

As at 28 February 2023

		28/02/23		28/02/22	
	Note	£	£	£	£
<b>Assets</b>					
Fixed assets:					
Investments			4,995,742		3,653,252
Current assets:					
Debtors	7	142,327		82,808	
Cash and bank balances	8	706,185		337,701	
Total current assets			848,512		420,509
Total assets			5,844,254		4,073,761
<b>Liabilities</b>					
Creditors:					
Distribution payable on income Shares		(129)		(14)	
Other creditors	9	(75,893)		(83,397)	
Total creditors			(76,022)		(83,411)
Total liabilities			(76,022)		(83,411)
<b>Net assets attributable to Shareholders</b>					
			<b>5,768,232</b>		<b>3,990,350</b>

## FP Octopus UK Future Generations Fund

### Notes to the Financial Statements For the year ended 28 February 2023

#### 1 Accounting Basis And Policies

The Funds' Financial Statements have been prepared on the basis detailed on pages 12 to 15.

2 Net capital losses	01/03/22 to 28/02/23	23/08/21 to 28/02/22*
	£	£
<b>Net capital losses during the year comprise</b>		
Non-derivative securities	(955,105)	(563,155)
Transaction charges	(9,057)	(910)
<b>Total net capital losses</b>	<b>(964,162)</b>	<b>(564,065)</b>
<b>3 Revenue</b>		
	01/03/22 to 28/02/23	23/08/21 to 28/02/22*
	£	£
Bank interest	7,118	-
Overseas dividends	4,213	1,514
UK dividends	80,224	17,409
<b>Total revenue</b>	<b>91,555</b>	<b>18,923</b>
<b>4 Expenses</b>		
	01/03/22 to 28/02/23	23/08/21 to 28/02/22*
	£	£
<b>Payable to the ACD, associates of the ACD, and agents of either of them</b>		
AMC fees	46,207	16,127
Fund accounting fees	18,090	9,702
Investment manager subsidy***	(37,533)	(15,674)
Printing, postage, stationery and typesetting costs	1,676	818
Registration fees	17,784	3,871
	46,224	14,844
<b>Payable to the Depositary, associates of the Depositary, and agents of either of them</b>		
Depositary's fees	13,679	6,724
Safe custody fees	(1,085)	2,049
	12,594	8,773
<b>Other expenses</b>		
Audit fees**	10,300	6,636
EMX/Calastone fees	1,985	-
FCA fees	25	77
KIID fees	600	-
LEI licence fee	114	108
Sundry charges	-	421
	13,024	7,242
<b>Total expenses</b>	<b>71,842</b>	<b>30,859</b>

\* FP Octopus UK Future Generations Fund launched on 23 August 2021.

\*\* Audit fees of £7,850 + VAT have been charged in the current year (2022: £6,636 + VAT).

\*\*\* The Investment Manager has made a contribution to limit the Fund's share classes C and R's OCF to 1.50 and 1.40 respectively.

## FP Octopus UK Future Generations Fund

### Notes to the Financial Statements (continued) For the year ended 28 February 2023

5 Taxation	01/03/22 to 28/02/23	23/08/21 to 28/02/22*
	£	£
<b>(a) Analysis of the tax charge in the year</b>		
Corporation tax	-	-
<b>Total current tax charge (Note 5 (b))</b>	-	-
Deferred tax (Note 5 (c))	-	-
<b>Total taxation for the year</b>	-	-

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

The tax assessed for the year is different from that calculated when the standard rate of corporation tax for an open ended investment company of 20% (2022: 20%) is applied to the net revenue/(expense) before taxation

The differences are explained below:

	01/03/22 to 28/02/23	23/08/21 to 28/02/22*
	£	£
Net revenue/(expense) before taxation	19,713	(11,936)
Net revenue/(expense) for the year multiplied by the standard rate of corporation tax	3,943	(2,387)
<b>Effects of:</b>		
Movement in excess management expenses	12,945	6,172
Revenue not subject to corporation tax	(16,887)	(3,785)
<b>Total tax charge for the year</b>	-	-

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

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

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

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

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £19,117 (2022: £6,172) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise this amount and therefore no deferred tax asset has been recognised in the year.

\* FP Octopus UK Future Generations Fund launched on 23 August 2021.

## FP Octopus UK Future Generations Fund

### Notes to the Financial Statements (continued) For the year ended 28 February 2023

#### 6 Finance costs

##### Distributions

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

	01/03/22 to 28/02/23	23/08/21 to 28/02/22*
	£	£
Interim	45,860	-
Final	53,002	21,340
Add: Revenue paid on cancellation of Shares	8,371	41
Deduct: Revenue received on issue of Shares	(17,110)	(2,459)
<b>Net distribution for the year</b>	<b>90,123</b>	<b>18,922</b>

##### Reconciliation of net revenue/(expense) after taxation to distributions

Net revenue/(expense) after taxation	19,713	(11,936)
Expenses charged to capital	71,842	30,858
Net movement in revenue account	(8)	-
Tax relief from capital**	(1,424)	-
<b>Net distribution for the year</b>	<b>90,123</b>	<b>18,922</b>

\* FP Octopus UK Future Generations Fund launched on 23 August 2021.

\*\* Included in the tax relief amounts is relief to income from capital expenses.

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

#### 7 Debtors

	28/02/23	28/02/22
	£	£
Accrued bank interest	1,477	-
Accrued revenue	11,704	7,753
Amounts receivable for creation of Shares	103,991	59,380
Investment manager subsidy***	25,155	15,675
<b>Total debtors</b>	<b>142,327</b>	<b>82,808</b>

\*\*\* The Investment Manager has made a contribution to limit the Fund's share classes C and R's OCF to 1.50 and 1.40 respectively.

#### 8 Cash and bank balances

	28/02/23	28/02/22
	£	£
Cash and bank balances	706,185	337,701
<b>Total cash and bank balances</b>	<b>706,185</b>	<b>337,701</b>

## FP Octopus UK Future Generations Fund

### Notes to the Financial Statements (continued) For the year ended 28 February 2023

9 Creditors	28/02/23	28/02/22
	£	£
Purchases awaiting settlement	40,000	63,642
	40,000	63,642
<i>Accrued expenses</i>		
<i>Manager and Agents</i>		
AMC fees	3,640	2,638
Fund accounting fees	1,545	3,000
Registration fees	5,205	1,950
	10,390	7,588
<i>Depositary and Agents</i>		
Depositary fees	13,167	3,600
Safe custody fees	34	1,238
Transaction charges	2,891	616
	16,092	5,454
<i>Other accrued expenses</i>		
Audit fees	9,420	6,636
FCA fees	(9)	77
	9,411	6,713
<b>Total creditors</b>	<b>75,893</b>	<b>83,397</b>

### 10 Related party transactions

The monies received and paid by the ACD through the issue and cancellation of Shares are disclosed in the Statement of Change in Shareholders' Net Assets and amounts due at the year end are disclosed in notes 7 and 9.

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

All other amounts received or paid by the related parties together with the outstanding balances are disclosed within the individual Funds' Financial Statements.

On 23 May 2023, Apex Group announced the acquisition of various operating businesses of MJ Hudson, a provider of services to the asset management industry, specialising in private markets and alternative investments. The ACD of the Company is also part of the Apex Group. At 28 February 2023, FP Octopus UK Future Generations Fund held 425,000 units in MJ Hudson Group PLC, with a market value of £Nil, resulting in an indirect related party relationship between the ACD and MJ Hudson.

### Significant Shareholdings

FundRock Partners Limited, as the Fund's Authorised Corporate Director, wishes to disclose to the Fund's Shareholders that 39.23% and 26.52% of the Fund's shares in issue are under the control of two nominees and their related parties (2022: 30.27% was under the control of a single nominee and its related parties).

### 11 Share Classes

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

Share Class	%
C Accumulation	0.85
C Income	0.85
R Accumulation	0.75
R Income	0.75

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

Notes to the Financial Statements (continued)  
For the year ended 28 February 2023

**11 Share Classes (continued)**

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

	28/02/22	Issued	Cancelled	Converted	28/02/23
C Accumulation	4,638,278	1,229,418	(32,248)	-	5,835,448
C Income	1,939	2,347,379	(2,330,779)	-	18,539
R Accumulation	1,000	2,124,245	(10,647)	-	2,114,598
R Income	1,000	-	-	-	1,000

**12 Capital commitments and contingent liabilities**

There were no contingent liabilities or outstanding commitments at the balance sheet date (2022: Nil).

**13 Derivatives and other financial instruments**

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

**(a) Foreign currency risk**

The functional currency of the Fund is Pound Sterling. All assets and liabilities of the Fund are denominated in Pound Sterling. There was no direct foreign currency exposure within the Fund at the balance sheet date:

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

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

Currency Assets	Floating rate financial assets £	Financial assets not carrying interest £	Total £
<b>28/02/23</b>			
Pound Sterling	706,185	5,138,069	5,844,254
<b>Total</b>	<b>706,185</b>	<b>5,138,069</b>	<b>5,844,254</b>
<b>28/02/22</b>			
Pound Sterling	337,701	3,736,060	4,073,761
<b>Total</b>	<b>337,701</b>	<b>3,736,060</b>	<b>4,073,761</b>

Currency Liabilities	Floating rate financial liabilities £	Financial liabilities not carrying interest £	Total £
<b>28/02/23</b>			
Pound Sterling	-	76,022	76,022
<b>Total</b>	<b>-</b>	<b>76,022</b>	<b>76,022</b>
<b>28/02/22</b>			
Pound Sterling	-	83,410	83,410
<b>Total</b>	<b>-</b>	<b>83,410</b>	<b>83,410</b>

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

Notes to the Financial Statements (continued)  
For the year ended 28 February 2023

13 Derivatives and other financial instruments (continued)

(c) Market Risk

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

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

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

	Increase £	Decrease £
2023	499,574	499,574
2022	365,325	365,325

(d) Leverage

The Fund did not employ any significant leverage as at 28 February 2023 (2022: no significant leverage), other than that available to the Fund as a result of its ability to borrow up to 10% of its value on a permanent basis.

14 Portfolio transaction costs

	01/03/22 to 28/02/23		23/08/21 to 28/02/22*	
	£	£	£	£
<b>Analysis of total purchase costs</b>				
Purchases in year before transaction costs				
Equities		3,454,350		4,376,605
		3,454,350		4,376,605
Commissions - Equities	5,389		7,845	
Fees - Equities	4,625		7,805	
Total purchase costs		10,014		15,650
<b>Gross purchase total</b>		<b>3,464,364</b>		<b>4,392,255</b>
<b>Analysis of total sale costs</b>				
Gross sales in year before transaction costs				
Equities		1,168,850		176,071
		1,168,850		176,071
Commissions - Equities	(2,047)		(219)	
Fees - Equities	(38)		(4)	
Total sale costs		(2,085)		(223)
<b>Total sales net of transaction costs</b>		<b>1,166,765</b>		<b>175,848</b>

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

Separately identifiable direct transaction costs (commissions and taxes etc.) are attributable to the Fund's purchase and sale of equity shares. Additionally for equity shares there is a dealing spread cost (the difference between the buying and selling prices) which will be suffered on purchase and sale transactions.

\* FP Octopus UK Future Generations Fund launched on 23 August 2021.

Notes to the Financial Statements (continued)  
For the year ended 28 February 2023

14 Portfolio transaction costs (continued)

	01/03/22 to 28/02/23	23/08/21 to 28/02/22*
<b>Transaction costs as percentage of principal amounts</b>	<b>%</b>	<b>%</b>
Purchases - Commissions		
Equities	0.1560%	0.1792%
Purchases - Fees		
Equities	0.1339%	0.1783%
Sales - Commissions		
Equities	0.1751%	0.1244%
Sales - Fees		
Equities	0.0033%	0.0023%
	<b>01/03/22 to 28/02/23</b>	<b>23/08/21 to 28/02/22*</b>
<b>Transaction costs as percentage of average net asset value</b>	<b>%</b>	<b>%</b>
Commissions	0.1348%	0.2131%
Fees	0.0845%	0.2063%

\* FP Octopus UK Future Generations Fund launched on 23 August 2021.

15 Post balance sheet events

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

16 Fair value disclosure

	28/02/23		28/02/22	
Valuation technique	Assets £	Liabilities £	Assets £	Liabilities £
Level 1: The unadjusted quoted price in an active market for identical assets or liabilities	4,995,742	-	3,653,252	-
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly	-	-	-	-
Level 3: Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability**	-	-	-	-
	<b>4,995,742</b>	<b>-</b>	<b>3,653,252</b>	<b>-</b>

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

## FP Octopus UK Future Generations Fund

### Distribution Table As at 28 February 2023

#### Interim Distribution in pence per Share

Group 1 Shares purchased prior to 1 March 2022

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

	Net revenue (p)	Equalisation (p)	Distribution paid 31/10/22 (p)	Distribution paid 31/10/21 (p)
<b>Share Class C Accumulation</b>				
Group 1	0.5905	-	0.5905	0.0000
Group 2	0.4290	0.1615	0.5905	0.0000
<b>Share Class C Income</b>				
Group 1	0.5868	-	0.5868	0.0000
Group 2	0.2562	0.3306	0.5868	0.0000
<b>Share Class R Accumulation</b>				
Group 1	0.5972	-	0.5972	0.0000
Group 2	0.2761	0.3211	0.5972	0.0000
<b>Share Class R Income</b>				
Group 1	0.5866	-	0.5866	0.0000
Group 2	0.5866	0.0000	0.5866	0.0000

As at 31 August 2021, there was no income available for distribution.

#### Final Distribution in pence per Share

Group 1 Shares purchased prior to 1 September 2022

Group 2 Shares purchased on or after 1 September 2022 to 28 February 2023

	Net revenue (p)	Equalisation (p)	Distribution payable 30/04/23 (p)	Distribution paid 30/04/22 (p)
<b>Share Class C Accumulation</b>				
Group 1	0.6651	-	0.6651	0.4597
Group 2	0.3305	0.3346	0.6651	0.4597
<b>Share Class C Income</b>				
Group 1	0.6588	-	0.6588	0.4584
Group 2	0.2069	0.4519	0.6588	0.4584
<b>Share Class R Accumulation</b>				
Group 1	0.6650	-	0.6650	0.4610
Group 2	0.2763	0.3887	0.6650	0.4610
<b>Share Class R Income</b>				
Group 1	0.6566	-	0.6566	0.4610
Group 2	0.6566	0.0000	0.6566	0.4610

## FP Octopus UK Micro Cap Growth Fund

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### Investment Manager's Report For the year ended 28 February 2023

#### Investment Objective and Policy

The investment objective of the FP Octopus UK Micro Growth Fund ("the Fund") is to achieve capital growth (the increase in the value of investments), net of fees, over a period of 5 years or more.

#### Investment Policy

The Fund will focus on areas of the UK market where the Investment Manager identifies capital growth opportunities.

The Fund will invest at least 80% in the shares of companies, which at the point of investment, are micro-caps (i.e. has a market capitalization of less than £250 million). However, the companies in which the Fund invests may grow beyond the size of a micro-cap and, consequently, the portfolio of the Fund may hold less than 80% in micro-cap shares at any given time. Where a company has grown beyond the size of a micro-cap, shares in that company may continue to be held by the Fund until such time as the investment manager considers selling the shares to be in the best interests of the Fund. It is expected that opportunities will be focused on UK incorporated smaller companies with a full market listing, AIM listing or listed on ISDX.

The Fund can invest in a limited amount of bonds (which is a loan, usually to a company or government that pays interest) and/or real estate investment trusts and investment companies.

Use may also be made of derivatives (investments whose value is linked to another investment, or the performance of a stock exchange or to some other variable factor, such as interest rates) for efficient portfolio management. Efficient portfolio management is where the Fund is managed in a way to reduce risk or cost and or generate extra income or growth.

On giving Shareholders 60 days' notice, the Funds will be able to also use derivatives for investment purposes.

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

#### Investment Review

The FP Octopus UK Micro Cap Growth Fund (P Share) decreased by 18.78% over the twelve month period to 28 February 2023. The Fund's benchmark, the Numis Smaller Companies Index plus AIM (ex Investment Trusts), was down by 7.54% over the same period. This compares to a decrease of 16.13% in the FTSE AIM All-Share (Total Return), and a rise of 7.30% in the FTSE All-Share Index (Total Return). The disparity in performance between the indices over the year is due to the extremely volatile market conditions in response to the Russian invasion of Ukraine, rising energy costs and other inflationary pressures resulting in the sharp increase in global interest rates during the period. Over the three years to 28 February 2023, the FP Octopus UK Micro Cap Growth Fund returned 17.75% against a rise of 17.18% by the benchmark, and a rise of 11.40% by the IA UK Smaller Companies sector.

At the year end, the Fund had 64 holdings, of which 9 were quoted on the official list of the London Stock Exchange, 53 were quoted on the Alternative Investment Market (AIM), one was quoted on the Aquis Stock Exchange, and one holding was an investment in a now private company which delisted from AIM several years ago. The cash position of the Fund at the year end was 4.8%.

The Fund has remained focused on progressive growth companies which the managers believe have the potential to become substantially larger over the next three to five years. We have been encouraged by the operational progress most of the Fund's holdings have reported this year and remain confident that this will be reflected in share prices once stock market sentiment improves.

### Investment Manager's Report (continued) For the year ended 28 February 2023

#### Investment Review (continued)

The largest contributor to performance during the year under review was IG Design Group plc (+96.2%). The share price was impacted heavily during the supply chain constraints towards the end of 2021, however recent updates from the company confirmed that its return to profitability is on track. Ricardo plc (+34.7%) delivered a 46% increase in profits last year and continues its strategic transformation which should enhance its rating further in due course. H&T Group plc (+66.9%) increased profits by 90% in 2022 and is expected to grow a further 70% in the current year, which is not yet reflected in the share price. FD Technologies plc (+23.1%) delivered a very promising trading update confirming that the growth by its KX Software division is accelerating. Keywords Studios plc (+19.9%) continues to exceed analyst expectations delivering another outstanding year of organic and acquisitive growth. EMIS plc (+53.8%) received a bid approach from a large US Healthcare company at a 50% premium to the prevailing bid, "V" : tr

Other positive contributions from the core portfolio included Boku plc (+9.8%), Renew Holdings plc (+7.4%) M&C Saatchi plc (+8.9%) and discoverIE Group plc (+8.3%).

The main detractor to performance during the year was TPXimpact (-87.9%) which suffered a deterioration in margins and downgraded profit expectations following a group re-organisation. eEnergy Group (-70.6%) also missed profit expectations which resulted in the need to raise additional capital, which took the form of further debt. Both companies have since been sold from the portfolio.

Other companies to reduce profit expectations during the year included HeiQ (-66.8%) which was impacted by the lockdown in China and brand customers decreasing levels of inventory towards the end of the year, and Inspiration Healthcare Group plc (-49.5%), which was also affected by the lockdowns in China and a lengthening sales cycle as a result of recent economic uncertainty. Most of the underperformance from the portfolio has been caused by macro market conditions. The heightened economic uncertainty caused by inflationary pressures has resulted in interest rates rising faster than expected. This has caused a drag on the valuations of smaller companies, particularly growth companies. Even companies exceeding and upgrading profit expectations have posted a negative share price performance as the sell off in small growth companies gathered pace. This has been frustrating but does present active managers with significant opportunities.

#### Outlook

It has been a challenging year for UK Equities and in particular small growth companies. As a result, UK equities are trading at a near 20% discount to their longer-term average. In addition, as investors have sought refuge in larger companies, smaller companies are trading at a near 40% discount to large caps. The continued growth being delivered by our portfolio companies coupled with the potential for the discounts described above to reduce, provides us with exceptional opportunities in today's market. In addition, most of the companies in the portfolio have strong balance sheets with significant cash balances. We expect there to be heightened levels of acquisition activity by investee companies which will accelerate growth further.

Clearly risks remain within the wider economy, which will cause further volatility in financial markets, however we remain very excited about the investment opportunities the recent uncertainty has created. We therefore look forward to the year ahead with confidence in both the portfolio companies' growth prospects and the potential for share prices to recover substantially from very depressed valuation levels.

#### Source:

All data and factual information within this document is sourced to Octopus Investments, Lipper, Factset and Apex Fund Services and is correct as at 28 February 2023 unless otherwise stated.

#### Investment Manager

Octopus Investments Limited  
28 February 2023

## FP Octopus UK Micro Cap Growth Fund

### Comparative Tables As at 28 February 2023

	P Accumulation			P Income
	28/02/23 (p)	28/02/22 (p)	28/02/21 (p)	28/02/23 (p)
Change in net assets per Share				
Opening net asset value per Share	361.06	381.78	249.87	100.00
Return before operating charges*	(63.28)	(15.50)	135.87	(11.08)
Operating charges	(3.51)	(5.22)	(3.96)	(0.99)
Return after operating charges*	(66.79)	(20.72)	131.91	(12.07)
Distributions	(1.51)	0.00	0.00	(0.53)
Retained distributions on accumulation	1.51	0.00	0.00	-
Closing net asset value per Share	294.27	361.06	381.78	87.40
* after direct transaction costs of:	0.20	0.65	1.44	0.06
Performance				
Return after operating charges	(18.50%)	(5.43%)	52.79%	(12.07%)
Other information				
Closing net asset value	£149,721,108	£254,997,986	£164,481,020	£874
Closing number of Shares	50,879,296	70,625,263	43,082,358	1,000
Operating charges	1.13%	1.25%	1.25%	1.10%
Direct transaction costs	0.06%	0.15%	0.43%	0.06%
Prices				
Highest Share price	365.59	446.60	395.55	100.96
Lowest Share price	273.26	358.23	186.98	81.45

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

Share Class P Income launched on 9 May 2022 at a price of 100p per share.

	S Accumulation			S Income
	28/02/23 (p)	28/02/22 (p)	28/02/21 (p)	28/02/23 (p)
Change in net assets per Share				
Opening net asset value per Share	370.31	391.17	255.80	100.00
Return before operating charges*	(64.88)	(15.94)	138.79	(11.12)
Operating charges	(3.28)	(4.92)	(3.42)	(0.90)
Return after operating charges*	(68.16)	(20.86)	135.37	(12.02)
Distributions	(1.93)	0.00	0.00	(0.58)
Retained distributions on accumulation	1.93	0.00	0.00	-
Closing net asset value per Share	302.15	370.31	391.17	87.40
* after direct transaction costs of:	0.21	0.66	1.03	0.06
Performance				
Return after operating charges	(18.41%)	(5.33%)	52.92%	(12.02%)
Other information				
Closing net asset value	£6,743,462	£10,875,935	£11,743,595	£874
Closing number of Shares	2,231,844	2,936,997	3,002,165	1,000
Operating charges	1.03%	1.15%	1.15%	1.00%
Direct transaction costs	0.06%	0.15%	0.43%	0.06%
Prices				
Highest Share price	375.01	457.81	405.26	100.98
Lowest Share price	280.45	367.39	191.40	81.46

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

Share Class S Income launched on 9 May 2022 at a price of 100p per share.

## FP Octopus UK Micro Cap Growth Fund

### Performance Information As at 28 February 2023

#### Operating Charges

	AMC* (%)	Investment Manager fees (%)	Investment Manager subsidy** (%)	Other expenses (%)	Transaction costs (%)	Operating Charges (%)
28/02/23						
Share Class P	0.88	0.14	(0.08)	0.18	0.01	1.13
Share Class S	0.78	0.14	(0.08)	0.18	0.01	1.03
28/02/22						
Share Class P	0.60	0.75	(0.23)	0.13	0.00	1.25
Share Class S	0.50	0.75	(0.23)	0.13	0.00	1.15

\* Annual Management Charge

\*\* The Investment Manager has made a contribution to limit the Fund's OCF ratio.

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

With effect from 9 May 2022, the AMC fees of FP Octopus UK Micro Cap Growth Fund share class P were increased from 0.60% to 0.95% and from 0.50% to 0.85% for share class S. The Investment Management fees were removed. The table above represents the blended fees incurred during the year ended 28 February 2023.

With effect from 9 May 2022, the maximum ongoing charges figure of FP Octopus Micro Cap Growth Fund share class P was decreased to 1.10% and to 1.00% for share class S.

#### Risk and Reward Profile As at 28 February 2023



With effect from 19 July 2022, the risk and rewards indicator changed from "5" to "6".

- The indicator is based on historical data using a similar proxy fund and may not be a reliable indication of the future risk profile of the Fund.
- The risk category shown is not guaranteed to remain unchanged and may shift over time.
- The lowest category does not mean 'risk free'.
- The Fund appears as a "6" on the scale. This is because the Fund by its nature invests in the shares of companies, whose values tend to vary more widely.
- The Fund does not provide its investors with any guarantee on performance, nor on monies invested in it.

#### Risk Warning

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

## FP Octopus UK Micro Cap Growth Fund

### Portfolio Statement As at 28 February 2023

Holdings or Nominal Value	Investments	Market value £	% of Total Net Assets
	<b>Equities 95.69% [94.25%]</b>		
4,000,000	1Spatial PLC	2,000,000	1.28
826,500	ActiveOps PLC	776,910	0.50
1,000,000	Advanced Medical Solutions Group PLC	2,500,000	1.60
1,500,000	AdvancedAdvT Ltd	1,230,000	0.79
3,825,000	Angling Direct PLC	1,032,750	0.66
275,894	Animalcare Group PLC	477,297	0.31
1,829,500	Beeks Financial Cloud Group PLC	2,597,890	1.67
200,000	Best of the Best PLC	1,280,000	0.82
800,000	Bloomsbury Publishing PLC	3,352,000	2.15
1,500,000	Boku Inc	2,145,000	1.37
8,000,000	Brickability Group PLC	5,552,000	3.55
1,500,000	Creo Medical Group PLC	420,000	0.27
214,285	Creo Medical Group PLC - Rights Issue	-	0.00
200,000	Dianomi PLC	160,000	0.10
300,000	discoverIE Group PLC	2,553,000	1.64
17,000,000	Engage XR Holdings PLC	680,000	0.44
250,000	FD Technologies PLC	4,670,000	2.98
479,000	Fintel PLC	1,001,110	0.64
5,800,000	Frenkel Topping Group PLC	4,002,000	2.56
4,500,000	Frontier IP Group PLC	3,015,000	1.93
170,000	Future PLC	2,381,700	1.53
200,000	Gamma Communications PLC	2,332,000	1.49
650,000	GB Group PLC	2,171,000	1.39
900,000	H&T Group PLC	4,086,000	2.61
148,003	Hasgrove Limited*	3,076,982	1.97
3,500,000	HeiQ PLC	1,120,000	0.72
2,000,000	IG Design Group PLC	3,540,000	2.26
4,380,000	Inspiration Healthcare Group PLC	2,409,000	1.54
19,287,288	Itaconix PLC	964,364	0.62
610,194	Journeo PLC	805,456	0.52
400,000	JTC PLC	3,084,000	1.98
170,000	Keywords Studios PLC	4,913,000	3.14
2,000,000	Learning Technologies Group PLC	2,818,000	1.81
4,000,000	Likewise Group PLC	840,000	0.54
2,500,000	M&C Saatchi PLC	4,575,000	2.92
3,900,000	Marks Electrical Group PLC	3,471,000	2.21
550,000	Marlowe PLC	2,557,500	1.63
2,200,000	Marwyn Value Investors LTD	2,068,000	1.33
300,000	Mattioli Woods PLC	1,710,000	1.10
500,000	MaxCyte Inc	1,900,000	1.21
2,144,660	Michelmersh Brick Holdings PLC	2,080,320	1.33
700,000	Midwix Group PLC	3,465,000	2.21

## FP Octopus UK Micro Cap Growth Fund

### Portfolio Statement (continued)

As at 28 February 2023

Holdings or Nominal Value	Investments	Market value £	% of Total Net Assets
7,500,000	Mission Group PLC	3,900,000	2.49
650,000	MJ Gleeson PLC	3,055,000	1.95
800,000	MyCelx Technologies Corp	208,000	0.13
1,400,000	MyCelx Technologies Corp - DI Regs	560,000	0.36
600,000	Next Fifteen Communications Group PLC	6,216,000	3.97
11,190,000	Nightcap PLC	1,174,950	0.75
330,077	Novacyt SA	199,037	0.13
20,881,913	Oberon Investments Group PLC**	730,867	0.47
270,000	Portmeirion Group PLC	945,000	0.60
2,507,972	Premier Miton Group PLC	2,909,248	1.86
750,000	Renew Holdings PLC	5,310,000	3.39
1,000,000	Ricardo PLC	5,690,000	3.64
1,400,000	RWS Holdings PLC	4,984,000	3.19
3,000,000	Sanderson Design Group PLC	3,870,000	2.47
350,000	Silver Bullet Data Services Group PLC	182,000	0.12
8,409,090	Sosandar PLC	1,892,045	1.21
4,371,862	Spectral MD Holdings Ltd	1,267,840	0.81
1,506,011	STV Group PLC	4,623,454	2.95
5,500,000	Sureserve Group PLC	4,455,000	2.85
2,950,000	Various Eateries PLC	796,500	0.51
100,000	Verici Dx	7,000	0.00
1,600,000	Virgin Wines UK PLC	816,000	0.52
		149,605,220	95.69
	<b>Portfolio of investments</b>	<b>149,605,220</b>	<b>95.69</b>
	Net other assets	6,861,098	4.39
	<b>Net assets</b>	<b>156,466,318</b>	<b>100.08</b>

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

The Fund will invest predominantly in small cap equities.

All investments are ordinary shares and admitted to official stock exchange listings or AIM, a sub-market of the London Stock Exchange, unless otherwise stated.

Comparative figures shown above in square brackets relate to 28 February 2022.

\* Delisted from the Alternative Investment Market ("AIM") Exchange in July 2013.

\*\* Listed on Aquis Stock Exchange.

Gross purchases for the year: £11,956,890 [2022: £185,635,021] (See Note 15).

Total sales net of transaction costs for the year: £65,142,860 [2022: £65,268,459] (See Note 15).

## FP Octopus UK Micro Cap Growth Fund

### Statement of Total Return For the year ended 28 February 2023

	Note	01/03/22 to 28/02/23		01/03/21 to 28/02/22	
		£	£	£	£
Income					
Net capital losses	2		(47,778,872)		(24,275,575)
Revenue	3	3,169,571		2,742,655	
Expenses	4	(2,253,508)		(3,575,457)	
Interest paid and similar charges	5	(4,127)		(2,884)	
Net revenue/(expense) before taxation		911,936		(835,686)	
Taxation	6	-		-	
Net revenue/(expense) after taxation			911,936		(835,686)
Total return before distributions			(46,866,936)		(25,111,261)
Distributions	7		(911,876)		75
<b>Change in net assets attributable to Shareholders from investment activities</b>			<b>(47,778,812)</b>		<b>(25,111,186)</b>

### Statement of Change in Net Assets Attributable to Shareholders For the year ended 28 February 2023

		01/03/22 to 28/02/23		01/03/21 to 28/02/22	
		£	£	£	£
<b>Opening net assets attributable to Shareholders</b>			265,873,921		176,224,615
Amounts received on issue of Shares		13,713,870		167,129,994	
Less: Amounts paid on cancellation of Shares		(76,196,735)		(52,369,502)	
			(62,482,865)		114,760,492
Change in net assets attributable to Shareholders from investment activities (see above)			(47,778,812)		(25,111,186)
Retained distribution on accumulation Shares			854,074		-
<b>Closing net assets attributable to Shareholders</b>			<b>156,466,318</b>		<b>265,873,921</b>

## FP Octopus UK Micro Cap Growth Fund

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### Balance Sheet

As at 28 February 2023

		28/02/23		28/02/22	
	Note	£	£	£	£
<b>Assets</b>					
Fixed assets:					
Investments		149,605,220		250,588,374	
Current assets:					
Debtors	8	282,552		508,154	
Cash and bank balances	9	7,564,676		17,894,525	
Total current assets		7,847,228		18,402,679	
Total assets		157,452,448		268,991,053	
<b>Liabilities</b>					
Creditors:					
Distribution payable on income Shares		(8)		-	
Other creditors	10	(986,122)		(3,117,132)	
Total creditors		(986,130)		(3,117,132)	
Total liabilities		(986,130)		(3,117,132)	
<b>Net assets attributable to Shareholders</b>					
		<b>156,466,318</b>		<b>265,873,921</b>	

## FP Octopus UK Micro Cap Growth Fund

### Notes to the Financial Statements For the year ended 28 February 2023

#### 1 Accounting Basis And Policies

The Funds' Financial Statements have been prepared on the basis detailed on pages 12 to 15.

2 Net capital losses	01/03/22 to 28/02/23	01/03/21 to 28/02/22
Net capital losses during the year comprise	£	£
Compensation	26,666	-
Non-derivative securities	(47,797,184)	(24,275,080)
Transaction charges	(8,354)	(495)
<b>Total net capital losses</b>	<b>(47,778,872)</b>	<b>(24,275,575)</b>
3 Revenue	01/03/22 to 28/02/23	01/03/21 to 28/02/22
Net capital losses during the year comprise	£	£
Bank interest	106,251	-
Overseas dividends	347,149	215,731
Real Estate Investment Trust revenue	-	10,493
UK dividends	2,716,171	2,516,431
<b>Total revenue</b>	<b>3,169,571</b>	<b>2,742,655</b>
4 Expenses	01/03/22 to 28/02/23	01/03/21 to 28/02/22
Payable to the ACD, associates of the ACD, and agents of either of them	£	£
AMC fees*	1,722,931	1,713,860
Fund accounting fees	40,030	53,105
Investment manager fees*	367,431	2,151,488
Investment manager subsidy**	(184,770)	(677,998)
Printing, postage, stationery and typesetting costs	2,453	2,720
Registration fees	168,283	180,327
	2,116,358	3,423,502
Payable to the Depository, associates of the Depository, and agents of either of them		
Depository's fees	54,505	94,528
Safe custody fees	1,503	19,130
	56,008	113,658
Other expenses		
Audit fees***	10,110	9,480
Brokerage fee	27,727	2,707
EMX/Calastone fees	40,505	22,248
FCA fees	115	48
KIID fees	789	-
Legal fees	1,860	3,736
LEI licence fee	36	78
	81,142	38,297
<b>Total expenses</b>	<b>2,253,508</b>	<b>3,575,457</b>

\*With effect from 9 May 2022, the AMC fees of FP Octopus UK Micro Cap Growth Fund share class P was increased to 0.95% and to 0.85% for share class S. The Investment Management fees were removed.

\*\* The Investment Manager has made a contribution to limit the Fund's share classes P and S's OCF to 1.10 and 1.00 respectively.

\*\*\* Audit fees of £7,850 + VAT have been charged in the current year (2022: £8,475 + VAT).

Notes to the Financial Statements (continued)  
For the year ended 28 February 2023

5 Interest paid and similar charges	01/03/22 to 28/02/23	01/03/21 to 28/02/22
	£	£
Bank Interest	4,127	2,884
<b>Total Interest paid and similar charges</b>	<b>4,127</b>	<b>2,884</b>

6 Taxation	01/03/22 to 28/02/23	01/03/21 to 28/02/22
	£	£
<b>(a) Analysis of the tax charge in the year</b>		
Corporation tax	-	-
<b>Total current tax charge (Note 6 (b))</b>	<b>-</b>	<b>-</b>
Deferred tax (Note 6 (c))	-	-
<b>Total taxation for the year</b>	<b>-</b>	<b>-</b>

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

The tax assessed for the year is different from that calculated when the standard rate of corporation tax for an open ended investment company of 20% (2022: 20%) is applied to the net revenue/(expense) before taxation

The differences are explained below:

	01/03/22 to 28/02/23	01/03/21 to 28/02/22
	£	£
Net revenue/(expense) before taxation	911,936	(835,686)
Net revenue/(expense) for the year multiplied by the standard rate of corporation tax	182,387	(167,137)
<b>Effects of:</b>		
Movement in excess management expenses	430,277	713,569
Revenue not subject to corporation tax	(612,664)	(546,432)
<b>Total tax charge for the year</b>	<b>-</b>	<b>-</b>

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

**(c) Provision for deferred tax**

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

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

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £1,540,436 (2022: £1,110,159) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise this amount and therefore no deferred tax asset has been recognised in the year.

## FP Octopus UK Micro Cap Growth Fund

### Notes to the Financial Statements (continued) For the year ended 28 February 2023

#### 7 Finance costs

##### Distributions

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

	01/03/22 to 28/02/23	01/03/21 to 28/02/22
	£	£
Interim	274,683	-
Final	579,402	-
Add: Revenue paid on cancellation of Shares	68,035	-
Deduct: Revenue received on issue of Shares	(10,244)	(75)
<b>Net distribution for the year</b>	<b>911,876</b>	<b>(75)</b>

##### Reconciliation of net revenue/(expense) after taxation to distributions

Net revenue/(expense) after taxation	911,936	(835,686)
Expenses charged to capital	-	(1,428)
Net movement in revenue account	(60)	-
Revenue deficit	-	837,039
<b>Net distribution for the year</b>	<b>911,876</b>	<b>(75)</b>

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

#### 8 Debtors

	28/02/23	28/02/22
	£	£
Accrued bank interest	17,497	-
Accrued revenue	111,375	159,712
Amounts receivable for creation of Shares	111,254	-
Investment manager subsidy*	42,426	348,442
<b>Total debtors</b>	<b>282,552</b>	<b>508,154</b>

\* The Investment Manager has made a contribution to limit the Fund's share classes P and S's OCF to 1.10 and 1.05 respectively.

#### 9 Cash and bank balances

	28/02/23	28/02/22
	£	£
Cash and bank balances	7,564,676	17,894,525
<b>Total cash and bank balances</b>	<b>7,564,676</b>	<b>17,894,525</b>

## FP Octopus UK Micro Cap Growth Fund

### Notes to the Financial Statements (continued) For the year ended 28 February 2023

10 Creditors	28/02/23	28/02/22
	£	£
Amounts payable for cancellation of Shares	803,157	1,556,567
Purchases awaiting settlement	-	991,641
	<b>803,157</b>	<b>2,548,208</b>
<i>Accrued expenses</i>		
<i>Manager and Agents</i>		
AMC fees	114,459	127,493
Fund accounting fees	2,582	8,688
Investment manager fees	-	353,558
Registration fees	42,422	46,359
	<b>159,463</b>	<b>536,098</b>
<i>Depositary and Agents</i>		
Depositary fees	10,850	17,118
Safe custody fees	1,032	5,625
Transaction charges	2,209	616
	<b>14,091</b>	<b>23,359</b>
<i>Other accrued expenses</i>		
Audit fees	9,420	9,480
FCA fees	(9)	(13)
	<b>9,411</b>	<b>9,467</b>
<b>Total creditors</b>	<b>986,122</b>	<b>3,117,132</b>

### 11 Related party transactions

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

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

### 12 Share Classes

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

Share Class	%
P Accumulation	0.95
P Income	0.95
S Accumulation	0.85
S Income	0.85

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

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

	28/02/22	Issued	Cancelled	Converted	28/02/23
P Accumulation	70,625,263	4,331,015	(24,076,982)	-	50,879,296
P Income	-	1,000	-	-	1,000
S Accumulation	2,936,997	6,974	(712,127)	-	2,231,844
S Income	-	1,000	-	-	1,000

Notes to the Financial Statements (continued)  
For the year ended 28 February 2023

**13 Capital commitments and contingent liabilities**

There were no contingent liabilities or outstanding commitments at the balance sheet date (2022: Nil).

**14 Derivatives and other financial instruments**

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

**(a) Foreign currency risk**

The functional currency of the Fund is Pound Sterling. All assets and liabilities of the Fund are denominated in Pound Sterling. There was no direct foreign currency exposure within the Fund at the balance sheet date:

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

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

Currency Assets	Floating rate financial assets £	Financial assets not carrying interest £	Total £
<b>28/02/23</b>			
Pound Sterling	7,564,676	149,887,772	157,452,448
<b>Total</b>	<b>7,564,676</b>	<b>149,887,772</b>	<b>157,452,448</b>
<b>28/02/22</b>			
Pound Sterling	17,894,525	251,096,528	268,991,053
<b>Total</b>	<b>17,894,525</b>	<b>251,096,528</b>	<b>268,991,053</b>

Currency Liabilities	Floating rate financial liabilities £	Financial liabilities not carrying interest £	Total £
<b>28/02/23</b>			
Pound Sterling	-	986,130	986,130
<b>Total</b>	<b>-</b>	<b>986,130</b>	<b>986,130</b>
<b>28/02/22</b>			
Pound Sterling	-	3,117,132	3,117,132
<b>Total</b>	<b>-</b>	<b>3,117,132</b>	<b>3,117,132</b>

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

**(c) Market Risk**

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

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

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

Notes to the Financial Statements (continued)  
For the year ended 28 February 2023

14 Derivatives and other financial instruments (continued)

(c) Market Risk (continued)

	Increase £	Decrease £
2023	14,960,522	14,960,522
2022	25,058,837	25,058,837

(d) Leverage

The Fund did not employ any significant leverage as at 28 February 2023 (2022: no significant leverage), other than that available to the Fund as a result of its ability to borrow up to 10% of its value on a permanent basis.

15 Portfolio transaction costs

	01/03/22 to 28/02/23 £	01/03/21 to 28/02/22 £	£
<b>Analysis of total purchase costs</b>			
Purchases in year before transaction costs:			
Equities	11,937,919	185,296,474	185,296,474
	11,937,919	185,296,474	
Commissions - Equities	12,285	245,732	
Fees - Equities	6,686	92,815	
Total purchase costs	18,971	338,547	
<b>Gross purchase total</b>	<b>11,956,890</b>	<b>185,635,021</b>	
<b>Analysis of total sale costs</b>			
Gross sales in year before transaction costs:			
Equities	65,253,334	65,366,186	65,366,186
	65,253,334	65,366,186	
Commissions - Equities	(110,214)	(97,575)	
Fees - Equities	(260)	(152)	
Total sale costs	(110,474)	(97,727)	
<b>Total sales net of transaction costs</b>	<b>65,142,860</b>	<b>65,268,459</b>	

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

Separately identifiable direct transaction costs (commissions and taxes etc.) are attributable to the Fund's purchase and sale of equity shares. Additionally for equity shares there is a dealing spread cost (the difference between the buying and selling prices) which will be suffered on purchase and sale transactions.

Notes to the Financial Statements (continued)  
For the year ended 28 February 2023

15 Portfolio transaction costs (continued)

	01/03/22 to 28/02/23	01/03/21 to 28/02/22
<b>Transaction costs as percentage of principal amounts</b>	<b>%</b>	<b>%</b>
Purchases - Commissions		
Equities	0.1029%	0.1326%
Purchases - Fees		
Equities	0.0560%	0.0501%
Sales - Commissions		
Equities	0.1689%	0.1493%
Sales - Fees		
Equities	0.0004%	0.0002%
	<b>01/03/22 to 28/02/23</b>	<b>01/03/21 to 28/02/22</b>
	<b>%</b>	<b>%</b>
<b>Transaction costs as percentage of average net asset value</b>		
Commissions	0.0612%	0.1196%
Fees	0.0035%	0.0324%

16 Post balance sheet events

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

17 Fair value disclosure

	28/02/23		28/02/22	
<b>Valuation technique</b>	<b>Assets £</b>	<b>Liabilities £</b>	<b>Assets £</b>	<b>Liabilities £</b>
Level 1: The unadjusted quoted price in an active market for identical assets or liabilities	146,528,238	-	245,816,796	-
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly	-	-	-	-
Level 3: Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability*	3,076,982	-	4,771,578	-
	<b>149,605,220</b>	<b>-</b>	<b>250,588,374</b>	<b>-</b>

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

## FP Octopus UK Micro Cap Growth Fund

### Distribution Table As at 28 February 2023

#### Interim Distribution in pence per Share

Group 1 Shares purchased prior to 1 March 2022

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

	Net revenue (p)	Equalisation (p)	Distribution paid 31/10/22 (p)	Distribution paid 31/10/21 (p)
<b>Share Class P Accumulation</b>				
Group 1	0.4259	-	0.4259	0.0000
Group 2	0.3540	0.0719	0.4259	0.0000
<b>Share Class P Income*</b>				
Group 1	0.1672	-	0.1672	n/a
Group 2	0.1672	0.0000	0.1672	n/a
<b>Share Class S Accumulation</b>				
Group 1	0.6189	-	0.6189	0.0000
Group 2	0.6189	0.0000	0.6189	0.0000
<b>Share Class S Income*</b>				
Group 1	0.1890	-	0.1890	n/a
Group 2	0.1890	0.0000	0.1890	n/a

#### Final Distribution in pence per Share

Group 1 Shares purchased prior to 1 September 2022

Group 2 Shares purchased on or after 1 September 2022 to 28 February 2023

	Net revenue (p)	Equalisation (p)	Distribution payable 30/04/23 (p)	Distribution paid 30/04/22 (p)
<b>Share Class P Accumulation</b>				
Group 1	1.0813	-	1.0813	0.0000
Group 2	0.4500	0.6313	1.0813	0.0000
<b>Share Class P Income*</b>				
Group 1	0.3629	-	0.3629	n/a
Group 2	0.3629	0.0000	0.3629	n/a
<b>Share Class S Accumulation</b>				
Group 1	1.3100	-	1.3100	0.0000
Group 2	0.4714	0.8386	1.3100	0.0000
<b>Share Class S Income*</b>				
Group 1	0.3950	-	0.3950	n/a
Group 2	0.3950	0.0000	0.3950	n/a

\* Share Class P Income and Share Class S Income launched on 9 May 2022.

As at 31 August 2021 and 28 February 2022, there was no income available for distribution.

## FP Octopus UK Multi Cap Income Fund

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### Investment Manager's Report For the year ended 28 February 2023

#### Investment Objective

The investment objective of FP Octopus UK Multi Cap Income Fund ("the Fund") is to achieve (on a net of fees basis), over a 5 year rolling period, income generation (money paid out by an investment, such as interest from a bond or dividend from a share) which is on average in line with the FTSE All Share Index (the "Target") and capital growth (the increase in the value of investments) above the Target.

#### Investment Policy

The Fund will invest at least 80% (including, to a limited extent, through real estate investment trusts (REITs) and investment companies) in companies that are listed and domiciled in the UK, or incorporated in the UK, or have a significant exposure to the UK.

The Fund may invest in companies of any size including constituents of the FTSE 100 index, but there will typically be a bias (when compared against the FTSE All Share Index) towards constituents of the FTSE 250 Index, FTSE Small Cap Index, and companies listed on the Alternative Investment Market ("AIM").

There is no particular emphasis on any industrial or economic sector.

The Fund may also invest in collective investment schemes, money market instruments and other transferable securities (such as shares, debentures, government and public securities). Money market instruments are investments that take the form of short term loans made by the Fund to banks or governments (the issuer).

Use may also be made of derivatives (investments whose value is linked to another investment, or the performance of a stock exchange or to some other variable factor, such as interest rates) and forward transactions for efficient portfolio management. Efficient portfolio management is where the Fund is managed in a way to reduce risk or cost and/or generate extra income or growth.

Under extraordinary market conditions or following significant inflows into the Fund, the Fund may hold less than 80% of its scheme property in companies that are listed and domiciled in the UK, or incorporated in the UK, or have a significant exposure to the UK. The Fund may hold a larger amount of cash where, in such circumstances, the investment manager considers this to be in the best interests of the Fund.

Extraordinary market conditions could be due to political, economic unrest or instability, world events leading to market instability, closure of any UK stock exchange, or any event which could cause the risk profile of the Fund to be increased.

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

#### Investment Review

For the year ended 28 February 2023 global markets largely favoured value, at the expense of growth and small cap equities, as fiscal tightening, uncertainty around prospects for economic growth and interest rate rises concerned investors, exacerbated by heightened levels of uncertainty caused by the fallout from the war in Ukraine.

During the full year, the Fund delivered -8.72% return. This compared to the Fund's benchmark, the FTSE All Share Index, which was up +7.3%, the IA UK Equity Income sector which was up +6.8%, the FTSE 250 (ex IT) which fell -0.8% over the same period whilst the FTSE AIM Index retreated -16.1% all on a total return basis.

### Investment Manager's Report (continued) For the year ended 28 February 2023

#### Investment Review (continued)

Since launch in December 2018, the Fund has continued to invest in line with the strategy of focussing the portfolio on progressive, growing companies from across the UK equity market, albeit with a bias toward small and mid-cap equities. These holdings are largely companies which the managers believe have scope to be significantly larger over the medium term. Despite significant share price decoupling against underlying business performance during the period, we remain committed to maintaining this stance and fully expect this strategy to regain outperformance against benchmark once normality returns.

From launch to the end of February 2023, the Fund has delivered investors a total return of +45.4%. This compared to the FTSE All Share which is up +35.6%, and the IA UK Equity Income sector which has returned +30.7%.

Over the course of the last financial year the Fund once again benefitted from strong performances from several key holdings. The largest contributor to performance, was Kitwave Group plc, the leading UK wholesale distribution business which saw its shares progress by over +60.3% in the year as the stock benefitted from strong underlying trading momentum and several consensus earnings upgrades. Despite this strong performance we suggest the shares continue to offer attractive value.

Another strong performer was H&T Group plc, the UK's leading pawnbroking business which saw its shares progress by almost +67% as it again benefitted from strong underlying trading. Again, we continue to suggest that the shares remain attractively valued.

Elsewhere, Ricardo plc, the global environment and engineering consultancy also delivered another fantastic share price performance, up +34.7% in the year as the shares also benefitted from strong trading, and a re-rating as the market started to value the strategic evolution of the business under the new management team.

During the year, the Fund was impacted by negative newsflow from a small number of positions. Watkin Jones, the leading construction and development company focussed on the student and build-to-rent sectors suffered following the fall-out from the ill-fated mini-budget in October 2022. Its shares retreated 52.3% in the year. Other stocks held within the portfolio were also impacted by the uncertainty around interest rates following the budget. These included Springfield Properties, the Scottish based quality housebuilder where the shares fell -35.7%, and MJ Gleeson plc, the leading low-cost housebuilder which saw its stock price retreat -26.4%. Elsewhere the Fund was impacted by a disappointing trading update early in the period for Knights Group Holdings plc, the legal and professional services business. Despite the business since reporting much more resilient trading, the shares have yet to recover with the stock price down -78% over the year.

#### Market Overview

A notable feature of the year was the market rotation toward large cap value stocks focussed on a relatively narrow number of sectors, whilst at the same time quality growth stocks remained under significant share price pressure. Key to this market stance were concerns regarding inflation, and how monetary policy, fiscal tightening, and ultimately growth would play out. These uncertainties were further exacerbated by events in Ukraine.

Whilst volatility is likely to remain a feature in the near term given some well documented macro-economic concerns, we remain of the view however that Gross Domestic Product ("GDP") prospects for both the UK, and on a more global basis, remain better than many commentators would suggest.

We maintain the view that UK equity markets, particularly within growth, and small cap companies are at extremely attractive levels, both from a relative and absolute basis and suggest the decoupling between underlying business performance, and recent share price performance, leaves many of the Fund's positions looking extremely attractively valued. We have been adding to some of the most oversold positions as we look toward market recovery.

### Investment Manager's Report (continued)

For the year ended 28 February 2023

#### Outlook

Despite some of the macro factors discussed above, we remain excited by the mid to long term potential of our portfolio. We note that a majority of Fund holdings have updated the market recently and continue to deliver either in line, or ahead of market expectations. We suggest these businesses remain well set to continue to deliver, even if share price performances over the year would suggest otherwise.

The Fund's mandate is to operate with a multi cap approach, however with a bias toward small and mid-cap equities. We remain of the view that many of these quoted small and mid-cap companies will be more nimble than many large cap peers in their ability to navigate any challenges ahead. In line with the Fund's strategy, we continue to focus on companies which are expected to experience solid growth over the mid to long term. The portfolio therefore remains positioned to continue to benefit from companies capable of delivering earnings growth, and dividend growth in excess of the FTSE All Share index.

As we noted above, whilst equity markets may face some challenges ahead, we remain excited by the opportunity, and suggest our portfolio remains well positioned to continue to outperform over the medium term. We thank you for your ongoing support.

#### Source:

All data and factual information within this document is sourced to Octopus Investments, Lipper, Factset and Apex Fund Services and is correct as at 28 February 2023 unless otherwise stated.

#### Investment Manager

Octopus Investments Limited  
28 February 2023

## FP Octopus UK Multi Cap Income Fund

### Comparative Tables As at 28 February 2023

	I Accumulation			I Income		
	28/02/23 (p)	28/02/22 (p)	28/02/21 (p)	28/02/23 (p)	28/02/22 (p)	28/02/21 (p)
Change in net assets per Share						
Opening net asset value per Share	139.05	128.38	112.05	123.98	119.24	107.92
Return before operating charges*	(10.82)	12.17	17.37	(9.77)	11.71	16.39
Operating charges	(1.29)	(1.50)	(1.04)	(1.13)	(1.37)	(0.97)
Return after operating charges*	(12.11)	10.67	16.33	(10.90)	10.34	15.42
Distributions	(5.49)	(6.12)	(4.30)	(4.82)	(5.60)	(4.10)
Retained distributions on accumulation	5.49	6.12	4.30	-	-	-
Closing net asset value per Share	126.94	139.05	128.38	108.26	123.98	119.24
* after direct transaction costs of:	0.47	1.14	0.97	0.42	1.04	0.89
Performance						
Return after operating charges	(8.71%)	8.31%	14.57%	(8.79%)	8.67%	14.29%
Other information						
Closing net asset value	£18,251,704	£29,748,984	£8,402,400	£16,847,493	£10,609,422	£1,192
Closing number of Shares	14,377,836	21,394,086	6,545,154	15,562,450	8,557,446	1,000
Operating charges	1.01%	1.01%	0.90%	1.01%	1.01%	0.90%
Direct transaction costs	0.37%	0.76%	0.97%	0.37%	0.76%	0.89%
Prices						
Highest Share price	140.91	158.57	133.05	125.62	144.73	125.28
Lowest Share price	113.82	130.51	86.14	99.11	121.22	82.94

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

	R Accumulation			R Income		
	28/02/23 (p)	28/02/22 (p)	28/02/21 (p)	28/02/23 (p)	28/02/22 (p)	28/02/21 (p)
Change in net assets per Share						
Opening net asset value per Share	137.77	127.63	111.72	122.74	118.47	107.57
Return before operating charges*	(10.89)	12.15	17.30	(9.72)	11.63	16.30
Operating charges	(1.27)	(2.01)	(1.39)	(1.11)	(1.84)	(1.32)
Return after operating charges*	(12.16)	10.14	15.91	(10.83)	9.79	14.98
Distributions	(5.43)	(6.09)	(4.28)	(4.76)	(5.52)	(4.08)
Retained distributions on accumulation	5.43	6.09	4.28	-	-	-
Closing net asset value per Share	125.61	137.77	127.63	107.15	122.74	118.47
* after direct transaction costs of:	0.47	1.13	0.93	0.41	1.03	0.89
Performance						
Return after operating charges	(8.83%)	7.94%	14.24%	(8.82%)	8.26%	13.93%
Other information						
Closing net asset value	£1,351,792	£72,506	£1,276	£50,819	£1,227	£1,185
Closing number of Shares	1,076,150	52,629	1,000	47,430	1,000	1,000
Operating charges	1.00%	1.36%	1.25%	1.00%	1.36%	1.25%
Direct transaction costs	0.37%	0.76%	0.93%	0.37%	0.76%	0.89%
Prices						
Highest Share price	139.57	157.39	132.30	124.25	143.49	124.49
Lowest Share price	112.73	129.76	85.92	98.07	120.44	82.72

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

## FP Octopus UK Multi Cap Income Fund

### Comparative Tables (continued) As at 28 February 2023

	S Accumulation			S Income		
	28/02/23 (p)	28/02/22 (p)	28/02/21 (p)	28/02/23 (p)	28/02/22 (p)	28/02/21 (p)
Change in net assets per Share						
Opening net asset value per Share	158.28	145.49	126.40	139.22	133.35	120.17
Return before operating charges*	(12.47)	13.74	19.67	(10.95)	13.00	18.29
Operating charges	(0.82)	(0.95)	(0.58)	(0.71)	(0.85)	(0.54)
Return after operating charges*	(13.29)	12.79	19.09	(11.66)	12.15	17.75
Distributions	(6.26)	0.00	0.00	(5.42)	(6.28)	(4.57)
Retained distributions on accumulation	6.26	0.00	0.00	-	-	-
Closing net asset value per Share	144.99	158.28	145.49	122.14	139.22	133.35
* after direct transaction costs of:	0.54	1.29	1.10	0.47	1.17	1.03
Performance						
Return after operating charges	(8.40%)	8.79%	15.10%	(8.38%)	9.11%	14.77%
Other information						
Closing net asset value	£19,208,169	£24,555,596	£18,749,759	£8,904,071	£13,875,135	£9,198,796
Closing number of Shares	13,247,944	15,513,931	12,887,596	7,289,793	9,966,448	6,898,038
Operating charges	0.56%	0.56%	0.45%	0.56%	0.56%	0.45%
Direct transaction costs	0.37%	0.76%	1.10%	0.37%	0.76%	1.03%
Prices						
Highest Share price	160.49	180.12	150.77	141.16	162.17	140.11
Lowest Share price	129.92	147.91	97.20	111.63	135.57	92.41

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



## FP Octopus UK Multi Cap Income Fund

### Portfolio Statement As at 28 February 2023

Holdings or Nominal Value	Investments	Market value £	% of Total Net Assets
	<b>Equities 92.32% [90.96%]</b>		
360,000	Alumasc Group PLC	648,000	1.00
62,500	Ashtead Technology	186,250	0.29
12,500	AstraZeneca PLC	1,360,000	2.10
129,200	Aviva	576,620	0.89
185,000	B&M European Value Retail SA	909,645	1.41
350,000	Barclays PLC	611,240	0.95
25,000	Begbies Traynor Group	34,150	0.05
155,000	Bloomsbury Publishing PLC	649,450	1.01
1,100,000	Breedon Group PLC	779,900	1.21
1,800,000	Brickability Group PLC	1,249,200	1.93
48,676	Brooks Macdonald Group PLC	997,858	1.54
840,000	Capital Ltd	890,400	1.38
270,000	Chemring	789,750	1.22
25,000	Clarkson	825,000	1.28
200,000	Conduit Holdings	988,000	1.53
50,000	Craneware	760,000	1.18
35,000	CVS Group	656,600	1.02
1,100,000	DWF Group PLC	807,400	1.25
700,000	Foxtons Group	273,000	0.42
714,500	Frenkel Topping Group PLC	493,005	0.76
645,000	FRP Advisory Group PLC	812,700	1.26
53,000	Future PLC	742,530	1.15
920,000	Galliford Try Holdings PLC	1,610,000	2.49
115,000	Gamma Communications PLC	1,340,900	2.08
850,000	Gateley (Holdings) PLC	1,547,000	2.39
100,000	GB Group PLC	334,000	0.52
360,000	Gulf Keystone Petroleum Ltd	747,000	1.16
410,000	H&T Group PLC	1,861,400	2.88
130,000	IG Group Holdings PLC	1,043,900	1.62
120,000	Impax Asset Management Group	958,800	1.48
46,000	Intermediate Capital Group PLC	644,690	1.00
115,000	JTC PLC	886,650	1.37
700,000	Kitwave Group PLC	1,617,000	2.50
300,000	Knights Group Holdings PLC	223,800	0.35
300,000	LSL Property Services PLC	765,000	1.18
350,000	M&C Saatchi PLC	640,500	0.99
190,000	Marlowe PLC	883,500	1.37
540,000	Marwyn Value Investors LTD	507,600	0.79
144,695	Mattioli Woods PLC	824,761	1.28
555,000	Mears	1,171,050	1.81
650,000	Medica Group PLC	1,040,000	1.61
750,000	Michelmersh Brick Holdings PLC	727,500	1.13

## FP Octopus UK Multi Cap Income Fund

### Portfolio Statement (continued)

As at 28 February 2023

Holdings or Nominal Value	Investments	Market value £	% of Total Net Assets
185,000	Midwich Group PLC	915,750	1.42
1,000,000	Mission Group PLC	520,000	0.80
290,000	MJ Gleeson PLC	1,363,000	2.11
550,000	NCC	936,100	1.45
170,000	Next Fifteen Communications Group PLC	1,761,200	2.73
300,000	Oakley Capital Investments Limited	1,389,000	2.15
60,000	PageGroup	268,080	0.41
250,000	Pets at Home Group PLC	967,500	1.50
835,000	Premier Miton Group PLC	968,600	1.50
350,000	Record	328,300	0.51
150,000	Redde Northgate PLC	605,250	0.94
130,000	Redrow	661,700	1.02
27,250	RELX PLC	681,795	1.06
250,000	Renew Holdings PLC	1,770,000	2.74
38,400	Restore	120,960	0.19
330,000	Ricardo PLC	1,877,700	2.91
280,000	RWS Holdings PLC	996,800	1.54
160,000	Serica Energy PLC	413,600	0.64
275,000	Spirent Communications PLC	585,200	0.90
500,000	STV Group PLC	1,535,000	2.38
1,030,000	Supermarket Income REIT PLC	935,240	1.45
145,000	Tate & Lyle PLC	1,162,900	1.80
3,100,000	Totally PLC	883,500	1.37
800,000	Trifast	528,000	0.82
320,000	Volex PLC	720,000	1.11
820,000	XPS Pensions Group PLC	1,320,200	2.04
		<b>59,631,124</b>	<b>92.32</b>
	<b>Portfolio of investments</b>	<b>59,631,124</b>	<b>92.32</b>
	Net other assets	4,982,924	7.71
	<b>Net assets</b>	<b>64,614,048</b>	<b>100.03</b>

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

The Fund will invest predominantly in small cap equities.

All investments are ordinary shares and admitted to an official stock exchange listing.

Comparative figures shown above in square brackets relate to 28 February 2022.

Gross purchases for the year: £42,290,585 [2022: £89,896,161] (See Note 15).

Total sales net of transaction costs for the year: £44,860,074 [2022: £50,638,827] (See Note 15).

## FP Octopus UK Multi Cap Income Fund

### Statement of Total Return For the year ended 28 February 2023

		01/03/22 to 28/02/23		01/03/21 to 28/02/22	
	Note	£	£	£	£
Income					
Net capital losses	2		(9,387,212)		(1,485,617)
Revenue	3	3,037,852		2,828,432	
Expenses	4	(468,784)		(422,689)	
Interest paid and similar charges	5	-		(36)	
Net revenue before taxation		2,569,068		2,405,707	
Taxation	6	(8,409)		(25,367)	
Net revenue after taxation			2,560,659		2,380,340
Total return before distributions			(6,826,553)		894,723
Finance costs: Distributions	7		(2,998,624)		(2,782,829)
<b>Change in net assets attributable to Shareholders from investment activities</b>			<b>(9,825,177)</b>		<b>(1,888,106)</b>

### Statement of Change in Net Assets Attributable to Shareholders For the year ended 28 February 2023

		01/03/22 to 28/02/23		01/03/21 to 28/02/22	
		£	£	£	£
<b>Opening net assets attributable to Shareholders</b>			78,862,870		36,354,608
Amounts received on issue of Shares		16,699,434		54,853,922	
Less: Amounts paid on cancellation of Shares		(22,964,684)		(12,618,676)	
			(6,265,250)		42,235,246
Change in net assets attributable to Shareholders from investment activities (see above)			(9,825,177)		(1,888,106)
Retained distribution on accumulation Shares			1,841,605		2,161,122
<b>Closing net assets attributable to Shareholders</b>			<b>64,614,048</b>		<b>78,862,870</b>

## FP Octopus UK Multi Cap Income Fund

### Balance Sheet

As at 28 February 2023

		28/02/23		28/02/22	
	Note	£	£	£	£
<b>Assets</b>					
Fixed assets:					
Investments		59,631,124		71,736,882	
Current assets:					
Debtors	8	368,876		506,327	
Cash and bank balances	9	4,982,581		7,688,514	
Total current assets		5,351,457		8,194,841	
Total assets		64,982,581		79,931,723	
<b>Liabilities</b>					
Creditors:					
Distribution payable on income Shares		(252,217)		(232,167)	
Other creditors	10	(116,316)		(836,686)	
Total creditors		(368,533)		(1,068,853)	
Total liabilities		(368,533)		(1,068,853)	
<b>Net assets attributable to Shareholders</b>		<b>64,614,048</b>		<b>78,862,870</b>	

## FP Octopus UK Multi Cap Income Fund

### Notes to the Financial Statements For the year ended 28 February 2023

#### 1 Accounting Basis And Policies

The Funds' Financial Statements have been prepared on the basis detailed on pages 12 to 15.

2 Net capital losses	01/03/22 to 28/02/23	01/03/21 to 28/02/22
Net capital losses during the year comprise	£	£
Currency gains/(losses)	1,258	(2,035)
Non-derivative securities	(9,371,670)	(1,479,665)
Transaction charges	(16,800)	(3,917)
<b>Total net capital losses</b>	<b>(9,387,212)</b>	<b>(1,485,617)</b>
3 Revenue	01/03/22 to 28/02/23	01/03/21 to 28/02/22
Net capital losses during the year comprise	£	£
Bank interest	72,905	-
Overseas dividends	467,784	298,970
Real Estate Investment Trust revenue	81,184	100,863
UK dividends	2,415,979	2,428,599
<b>Total revenue</b>	<b>3,037,852</b>	<b>2,828,432</b>
4 Expenses	01/03/22 to 28/02/23	01/03/21 to 28/02/22
Payable to the ACD, associates of the ACD, and agents of either of them	£	£
AMC fees	381,435	319,564
Fund accounting fees	18,469	21,575
Investment subsidy**	(97,684)	(78,370)
Printing, postage, stationery and typesetting costs	6,780	6,880
Registration fees	102,185	88,885
	411,185	358,534
Payable to the Depositary, associates of the Depositary, and agents of either of them	£	£
Depositary's fees	21,257	27,838
Safe custody fees	(1,233)	9,870
	20,024	37,708
Other expenses	£	£
Audit fees*	10,110	9,480
EMX/Calastone fees	24,554	9,954
FCA fees	115	48
Investment Management fees	-	156
KIID fees	900	900
Legal fees	1,860	3,736
LEI licence fee	36	-
Sundry charges	-	2,173
	37,575	26,447
<b>Total expenses</b>	<b>468,784</b>	<b>422,689</b>

\* Audit fees of £7,850 + VAT have been charged in the current year (2022: £8,475 + VAT).

\*\* The Investment Manager has made a contribution to limit the Fund's share classes I,R and S's OCF to 0.90, 1.25 and 0.45 respectively.

## FP Octopus UK Multi Cap Income Fund

### Notes to the Financial Statements (continued) For the year ended 28 February 2023

5 Interest paid and similar charges	01/03/22 to 28/02/23	01/03/21 to 28/02/22
	£	£
Bank Interest	-	36
<b>Total Interest paid and similar charges</b>	<b>-</b>	<b>36</b>

6 Taxation	01/03/22 to 28/02/23	01/03/21 to 28/02/22
	£	£
<b>(a) Analysis of the tax charge in the year</b>		
Overseas tax	8,409	25,367
<b>Total current tax charge (Note 6 (b))</b>	<b>8,409</b>	<b>25,367</b>
Deferred tax (Note 6 (c))	-	-
<b>Total taxation for the year</b>	<b>8,409</b>	<b>25,367</b>

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

The tax assessed for the year is different from that calculated when the standard rate of corporation tax for an open ended investment company of 20% (2022: 20%) is applied to the net revenue before taxation

The differences are explained below:

	01/03/22 to 28/02/23	01/03/21 to 28/02/22
	£	£
Net revenue before taxation	2,569,068	2,405,707
Net revenue for the year multiplied by the standard rate of corporation tax	513,814	481,141
<b>Effects of:</b>		
Movement in excess management expenses	62,939	64,373
Overseas tax	8,409	25,367
Revenue not subject to corporation tax	(576,753)	(545,514)
<b>Total tax charge for the year</b>	<b>8,409</b>	<b>25,367</b>

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

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

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

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

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £138,908 (2022: £75,969) in relation to surplus management expenses. It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise this amount and therefore no deferred tax asset has been recognised in the year.

Notes to the Financial Statements (continued)  
For the year ended 28 February 2023

7 Finance costs

**Distributions**

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

	01/03/22 to 28/02/23	01/03/21 to 28/02/22
	£	£
Interim	2,344,440	2,249,242
Final	626,396	742,940
Add: Revenue paid on cancellation of Shares	123,011	80,919
Deduct: Revenue received on issue of Shares	(95,223)	(290,272)
<b>Net distribution for the year</b>	<b>2,998,624</b>	<b>2,782,829</b>

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

Net revenue after taxation	2,560,659	2,380,340
Expenses charged to capital	468,783	422,689
Net movement in revenue account	-	(35)
Tax relief from capital*	(30,818)	(20,165)
<b>Net distribution for the year</b>	<b>2,998,624</b>	<b>2,782,829</b>

\* Included in the tax relief amounts is relief to income from capital expenses.

Details of the distributions per Share are set out in the distribution table on pages 69 and 70.

8 Debtors

	28/02/23	28/02/22
	£	£
Accrued bank interest	10,399	-
Accrued revenue	247,493	277,765
Amounts receivable for creation of Shares	30,009	193,736
Income tax recoverable	1,546	1,545
Investment manager subsidy*	48,327	30,851
Overseas withholding tax recoverable	11,867	2,430
Sales awaiting settlement	19,235	-
<b>Total debtors</b>	<b>368,876</b>	<b>506,327</b>

\* The Investment Manager has made a contribution to limit the Fund's share classes I, R and S's OCF to 0.90, 0.80 and 0.45 respectively.

9 Cash and bank balances

	28/02/23	28/02/22
	£	£
Cash and bank balances	4,982,581	7,688,514
<b>Total cash and bank balances</b>	<b>4,982,581</b>	<b>7,688,514</b>

## FP Octopus UK Multi Cap Income Fund

### Notes to the Financial Statements (continued) For the year ended 28 February 2023

<b>10 Creditors</b>	<b>28/02/23</b>	<b>28/02/22</b>
	<b>£</b>	<b>£</b>
Amounts payable for cancellation of Shares	43,449	123,395
Purchases awaiting settlement	-	635,678
	<b>43,449</b>	<b>759,073</b>
<i>Accrued expenses</i>		
<i>Manager and Agents</i>		
Administration charge	1,545	3,311
AMC fees	27,472	33,074
Registration fees	23,890	21,984
	<b>52,907</b>	<b>58,369</b>
<i>Depositary and Agents</i>		
Depositary fees	4,843	5,683
Safe custody fees	377	3,477
Transaction charges	5,329	616
	<b>10,549</b>	<b>9,776</b>
<i>Other accrued expenses</i>		
Audit fees	9,420	9,480
FCA fees	(9)	(12)
	<b>9,411</b>	<b>9,468</b>
<b>Total creditors</b>	<b>116,316</b>	<b>836,686</b>

#### 11 Related party transactions

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

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

#### 12 Share Classes

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

<b>Share Class</b>	<b>%</b>
I Accumulation	0.75
I Income	0.50
R Accumulation	0.65
R Income	0.65
S Accumulation	0.30
S Income	0.30

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

Notes to the Financial Statements (continued)  
For the year ended 28 February 2023

**12 Share Classes (continued)**

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

	28/02/22	Issued	Cancelled	Converted	28/02/23
I Accumulation	21,394,086	4,063,335	(11,079,585)	-	14,377,836
I Income	8,557,446	8,968,511	(1,963,507)	-	15,562,450
R Accumulation	52,629	1,074,312	(50,791)	-	1,076,150
R Income	1,000	46,565	(136)	-	47,430
S Accumulation	15,513,931	-	(2,265,987)	-	13,247,944
S Income	9,966,448	-	(2,676,655)	-	7,289,793

**13 Capital commitments and contingent liabilities**

There were no contingent liabilities or outstanding commitments at the balance sheet date (2022: Nil).

**14 Derivatives and other financial instruments**

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

**(a) Foreign currency risk**

The functional currency of the Fund is Pound Sterling. All assets and liabilities of the Fund are denominated in Pound Sterling. There was no direct foreign currency exposure within the Fund at the balance sheet date:

Currency	Net foreign currency assets		Total
	Monetary exposures	Non-monetary exposures	
	£	£	£
<b>28/02/23</b>			
Euro	11,867	-	11,867
<b>Total foreign currency exposure</b>	<b>11,867</b>	<b>-</b>	<b>11,867</b>
Pound Sterling	4,971,057	59,631,124	64,602,181
<b>Total net assets</b>	<b>4,982,924</b>	<b>59,631,124</b>	<b>64,614,048</b>
<b>28/02/22</b>			
Euro	2,430	-	2,430
<b>Total foreign currency exposure</b>	<b>2,430</b>	<b>-</b>	<b>2,430</b>
Pound Sterling	7,123,558	71,736,882	78,860,440
<b>Total net assets</b>	<b>7,125,988</b>	<b>71,736,882</b>	<b>78,862,870</b>

If Pound Sterling to foreign currency exchange rates had strengthened/increased by 10% as at the balance sheet date, the net asset value of the Fund would have decreased by £1,079 (2022: £221). If Pound Sterling to foreign currency exchange rates had weakened/decreased by 10% as at the balance sheet date, the net asset value of the Fund would have increased by £1,319 (2022: £270). These calculations assume all other variables remain constant.

Notes to the Financial Statements (continued)  
For the year ended 28 February 2023

14 Derivatives and other financial instruments (continued)

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

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

Currency	Floating rate financial assets	Fixed rate financial assets	Financial assets not carrying interest	Total
Assets	£	£	£	£
<b>28/02/23</b>				
Euro	-	-	11,867	11,867
Pound Sterling	4,982,582	-	59,988,132	64,970,714
<b>Total</b>	<b>4,982,582</b>	<b>-</b>	<b>59,999,999</b>	<b>64,982,581</b>
<b>28/02/22</b>				
Euro	-	-	2,430	2,430
Pound Sterling	7,688,514	-	72,240,779	79,929,293
<b>Total</b>	<b>7,688,514</b>	<b>-</b>	<b>72,243,209</b>	<b>79,931,723</b>

  

Currency	Floating rate financial liabilities	Financial liabilities not carrying interest	Total
Liabilities	£	£	£
<b>28/02/23</b>			
Pound Sterling	-	368,533	368,533
<b>Total</b>	<b>-</b>	<b>368,533</b>	<b>368,533</b>
<b>28/02/22</b>			
Pound Sterling	-	1,068,853	1,068,853
<b>Total</b>	<b>-</b>	<b>1,068,853</b>	<b>1,068,853</b>

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

**(c) Market Risk**

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

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

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

	Increase	Decrease
	£	£
2023	5,963,112	5,963,112
2022	7,173,688	7,173,688

**(d) Leverage**

The Fund did not employ any significant leverage as at 28 February 2023 (2022: no significant leverage), other than that available to the Fund as a result of its ability to borrow up to 10% of its value on a permanent

## FP Octopus UK Multi Cap Income Fund

### Notes to the Financial Statements (continued) For the year ended 28 February 2023

15 Portfolio transaction costs	01/03/22 to 28/02/23		01/03/21 to 28/02/22	
	£	£	£	£
<b>Analysis of total purchase costs</b>				
Purchases in year before transaction costs:				
Equities		42,100,756		89,449,270
		42,100,756		89,449,270
Commissions - Equities	66,112		159,631	
Fees - Equities	123,717		287,260	
<b>Total purchase costs</b>		<b>189,829</b>		<b>446,891</b>
<b>Gross purchase total</b>		<b>42,290,585</b>		<b>89,896,161</b>
<b>Analysis of total sale costs</b>				
Gross sales in year before transaction costs:				
Equities		44,928,707		50,718,886
		44,928,707		50,718,886
Commissions - Equities	(68,487)		(79,936)	
Fees - Equities	(146)		(123)	
<b>Total sale costs</b>		<b>(68,633)</b>		<b>(80,059)</b>
<b>Total sales net of transaction costs</b>		<b>44,860,074</b>		<b>50,638,827</b>

Separately identifiable direct transaction costs (commissions and taxes etc.) are attributable to the Fund's purchase and sale of equity shares. Additionally for equity shares there is a dealing spread cost (the difference between the buying and selling prices) which will be suffered on purchase and sale transactions.

	01/03/22 to 28/02/23	01/03/21 to 28/02/22
<b>Transaction costs as percentage of principal amounts</b>	%	%
Purchases - Commissions		
Equities	0.1570%	0.1785%
Purchases - Fees		
Equities	0.2939%	0.3211%
Sales - Commissions		
Equities	0.1524%	0.1576%
Sales - Fees		
Equities	0.0003%	0.0002%
<b>Transaction costs as percentage of average net asset value</b>	%	%
Commissions	0.1931%	0.3475%
Fees	0.1777%	0.4169%

**Notes to the Financial Statements (continued)**  
**For the year ended 28 February 2023**

**16 Post balance sheet events**

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

**17 Fair value disclosure**

Valuation technique	28/02/23		28/02/22	
	Assets £	Liabilities £	Assets £	Liabilities £
Level 1: The unadjusted quoted price in an active market for identical assets or liabilities	59,631,124	-	71,736,882	-
Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly	-	-	-	-
Level 3: Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability*	-	-	-	-
	<b>59,631,124</b>	<b>-</b>	<b>71,736,882</b>	<b>-</b>

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

## FP Octopus UK Multi Cap Income Fund

### Distribution Table

As at 28 February 2023

#### First Distribution in pence per Share

Group 1 Shares purchased prior to 1 March 2022

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

	Net revenue (p)	Equalisation (p)	Distribution paid 31/07/22 (p)	Distribution paid 31/07/21 (p)
<b>Share Class I Accumulation</b>				
Group 1	1.7479	-	1.7479	1.6958
Group 2	0.9296	0.8183	1.7479	1.6958
<b>Share Class I Income</b>				
Group 1	1.5585	-	1.5585	1.5740
Group 2	0.5918	0.9667	1.5585	1.5740
<b>Share Class R Accumulation</b>				
Group 1	1.7317	-	1.7317	1.6894
Group 2	1.1218	0.6099	1.7317	1.6894
<b>Share Class R Income</b>				
Group 1	1.5415	-	1.5415	1.5240
Group 2	1.5415	0.0000	1.5415	1.5240
<b>Share Class S Accumulation</b>				
Group 1	1.9909	-	1.9909	1.9232
Group 2	1.9909	0.0000	1.9909	1.9232
<b>Share Class S Income</b>				
Group 1	1.7510	-	1.7510	1.7623
Group 2	1.7510	0.0000	1.7510	1.7623

#### Second Distribution in pence per Share

Group 1 Shares purchased prior to 1 June 2022

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

	Net revenue (p)	Equalisation (p)	Distribution paid 31/10/22 (p)	Distribution paid 31/10/21 (p)
<b>Share Class I Accumulation</b>				
Group 1	1.3022	-	1.3022	1.6948
Group 2	0.6989	0.6033	1.3022	1.6948
<b>Share Class I Income</b>				
Group 1	1.1454	-	1.1454	1.5512
Group 2	0.5651	0.5803	1.1454	1.5512
<b>Share Class R Accumulation</b>				
Group 1	1.2895	-	1.2895	1.6848
Group 2	0.9147	0.3748	1.2895	1.6848
<b>Share Class R Income</b>				
Group 1	1.1315	-	1.1315	1.5430
Group 2	1.1315	0.0000	1.1315	1.5430
<b>Share Class S Accumulation</b>				
Group 1	1.4847	-	1.4847	1.9241
Group 2	1.4847	0.0000	1.4847	1.9241
<b>Share Class S Income</b>				
Group 1	1.2890	-	1.2890	1.7450
Group 2	1.2890	0.0000	1.2890	1.7450

## FP Octopus UK Multi Cap Income Fund

### Distribution Table (continued) As at 28 February 2023

#### Third Distribution in pence per Share

Group 1 Shares purchased prior to 1 September 2022

Group 2 Shares purchased on or after 1 September 2022 to 30 November 2022

	Net revenue (p)	Equalisation (p)	Distribution paid 31/01/23 (p)	Distribution paid 31/01/22 (p)
<b>Share Class I Accumulation</b>				
Group 1	1.2168	-	1.2168	1.4266
Group 2	0.3544	0.8624	1.2168	1.4266
<b>Share Class I Income</b>				
Group 1	1.0550	-	1.0550	1.2940
Group 2	0.2857	0.7693	1.0550	1.2940
<b>Share Class R Accumulation</b>				
Group 1	1.2050	-	1.2050	1.4159
Group 2	0.9483	0.2567	1.2050	1.4159
<b>Share Class R Income</b>				
Group 1	1.0481	-	1.0481	1.2840
Group 2	0.3610	0.6871	1.0481	1.2840
<b>Share Class S Accumulation</b>				
Group 1	1.3896	-	1.3896	1.6203
Group 2	1.3896	0.0000	1.3896	1.6203
<b>Share Class S Income</b>				
Group 1	1.1951	-	1.1951	1.4525
Group 2	1.1951	0.0000	1.1951	1.4525

#### Final Distribution in pence per Share

Group 1 Shares purchased prior to 1 December 2022

Group 2 Shares purchased on or after 1 December 2022 to 28 February 2023

	Net revenue (p)	Equalisation (p)	Distribution payable 30/04/23 (p)	Distribution paid 30/04/22 (p)
<b>Share Class I Accumulation</b>				
Group 1	1.2250	-	1.2250	1.3064
Group 2	0.5776	0.6474	1.2250	1.3064
<b>Share Class I Income</b>				
Group 1	1.0604	-	1.0604	1.1758
Group 2	0.4988	0.5616	1.0604	1.1758
<b>Share Class R Accumulation</b>				
Group 1	1.2071	-	1.2071	1.2949
Group 2	0.8739	0.3332	1.2071	1.2949
<b>Share Class R Income</b>				
Group 1	1.0433	-	1.0433	1.1640
Group 2	0.3122	0.7311	1.0433	1.1640
<b>Share Class S Accumulation</b>				
Group 1	1.3969	-	1.3969	1.4864
Group 2	1.3969	0.0000	1.3969	1.4864
<b>Share Class S Income</b>				
Group 1	1.1893	-	1.1893	1.3198
Group 2	1.1893	0.0000	1.1893	1.3198

### General Information

#### Classes of Shares

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

#### Buying and Selling Shares

The Authorised Corporate Director ("ACD") will accept orders to deal in the Shares on normal business days between 9.00 am and 5.00 pm. Instructions to buy or sell Shares may be either in writing to: FundRock Partners Limited - Octopus, PO Box 10359, Chelmsford, CM99 2AW or by telephone on 01268 448634\* (UK only) or +44 1268 448634\* (outside the UK) or by fax on 01268 441498\* (UK only) or +44 1268 441498\* (outside the UK). A contract note will be issued by close of business on the next business day after the dealing date to confirm the

#### Valuation Point

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

#### Prices

The prices of Shares for each class in the Fund will be posted via a link on [www.trustnet.com](http://www.trustnet.com) and prices can also be obtained by telephoning the Administrator on 01268 448634\* (UK only) or +44 1268 448634\* (outside the UK) during the ACD's normal business hours.

#### Report

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

Interim Financial Statements period ended:	31 August
Annual Financial Statements year ended:	Last day of February

#### Distribution Payment Dates

Quarterly	31 January, 31 July (UK Multi Cap Income Fund)
Interim	31 October
Annual	30 April

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

### General Information (continued)

#### Remuneration Information

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

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

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

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

<b>February 23</b>	<b>Number of Beneficiaries<sup>1</sup></b>	<b>Total remuneration paid<sup>2</sup> £</b>	<b>Fixed remuneration £</b>	<b>Variable remuneration paid £</b>	<b>Carried interest paid by the UK UCITS</b>
Total remuneration paid by FP during the financial year	20	2,287,072	2,087,342	199,730	0
Remuneration paid to employees of FP who have a material impact on the risk profile of the UK UCITS	3	496,936	409,450	87,486	0
Senior Management	3	496,936	409,450	87,486	0
Control functions	3	496,936	409,450	87,486	0
Employees receiving total remuneration that takes them into the same remuneration bracket as senior management and risk takers	0	0	0	0	0

<sup>1</sup>Number of beneficiaries represents employees of the FP who are fully or partially involved in the activities of the UK UCITS as at 28 February 2023.

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

There were no material changes in FP's remuneration policy since the previous year end.

### General Information (continued)

#### Other Information

The Instrument of Incorporation, Prospectus, Key Investor Information Document ("KIID"), Supplementary Information Document ("SID") and the most recent interim and annual reports may be inspected at the office of the ACD which is also the Head Office of the Company and copies may be obtained upon request as well digital copies may be obtained on <http://www.fundrock.com/investor-information/fp-octopus-investments/>.

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

#### Data Protection

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

#### Effects of Personal Taxation

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

#### Risk Warning

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

#### Value Assessment

With effect from 30 September 2019, an authorised fund manager ("AFM") or a UCITS management company authorised by the FCA must perform a detailed assessment on whether its funds are providing value to investors and then publish an annual statement summarising the outcome. This statement can be part of a fund's annual long report or AFMs can produce a composite report covering two or more funds. In carrying out the value assessment, the AFMs must consider several criteria: quality of service, performance, AFM costs, economies of scale, comparable market rates, comparable services and classes of units. FundRock Partners Limited has chosen to use the composite report approach. The assessment will be published on the FundRock website within four months after the reference date - 28 February.

<https://www.fundrock.com/investor-information/fp-octopus-investments/>

### Contact Information

#### The Company and its Head Office

FP Octopus Investments UCITS Funds  
Hamilton Centre  
Rodney Way  
Chelmsford  
England, CM1 3BY  
Incorporated in England and Wales  
under registration number IC001071  
Website address: [www.fundrock.com](http://www.fundrock.com)  
(Authorised and regulated by the FCA)

#### Directors of the ACD

T. Gregoire (resigned 30 September 2022)  
S. Gunson  
X. Parain (resigned 10 December 2022)  
L. Poynter (appointed 19 October 2022)  
P. Spendiff (resigned 25 November 2022)

#### Non-executive Directors

S. Gordon-Hart (appointed 5 August 2022)  
E. Personne  
M. Vareika

#### Registrar

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

#### Customer Service Centre

FundRock Partners Ltd - Octopus  
PO Box 10359,  
Chelmsford CM99 2AW  
Telephone: 01268 448634\* (within UK only)  
Outside the UK: +44 1268 448634\*  
Fax: 01268 441498 (within UK only)  
Outside the UK fax: +44 1268 441498

#### Auditor

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

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

FundRock Partners Limited  
Hamilton Centre  
Rodney Way  
Chelmsford  
England, CM1 3BY  
(Authorised and regulated by the FCA and  
a member of the Investment Association)

#### Investment Manager

Octopus Investments Limited  
33 Holborn,  
London EC1N 2HT  
(Authorised and regulated by the FCA)

#### Depository

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

#### Fund Administrator

Apex Fund Services (UK) Limited  
6th Floor,  
125 London Wall,  
London, EC2Y 5AS

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

