

VT MOMENTUM INVESTMENT FUNDS II

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

**Annual Report and Financial Statements
For the year ended 31 March 2024**

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COMPANY OVERVIEW

Type of Company:

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

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

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

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

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

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

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

DIRECTOR'S STATEMENT

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

Jonathan M. Child CA

David E. Smith CA

Valu-Trac Investment Management Limited
Authorised Fund Manager

Date:

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

For the year ended 31 March 2024

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

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

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

The Depositary must ensure that:

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

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

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

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

NatWest Trustee and Depositary Services Limited
01 April 2024

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

Opinion

We have audited the financial statements of VT Momentum Investment Funds II (the "Company") for the year ended 31 March 2024 which comprise the Statements of Total Return, Statements of Changes in Net Assets Attributable to Shareholders, Balance Sheets, the related Notes to the Financial Statements, including significant accounting policies and the Distribution Tables. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom 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).

In our opinion the financial statements:

- > Give a true and fair view of the financial position of the Company as at 31 March 2024 and of the net revenue and the net capital gains on the scheme property of the Company for the year then ended;
- > Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- > Have been prepared in accordance with the Investment Association Statement of Recommended Practice for Authorised Funds, the rules of the Collective Investment Schemes Sourcebook (COLL Rules) of the Financial Conduct Authority and the Instrument of Incorporation.

Basis for Opinion

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

Conclusions Relating to Going Concern

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

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

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

Other Information

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the COLL Rules

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

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

Responsibilities of the Authorised Fund Manager

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <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 assessed whether the engagement team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations by considering their experience, past performance and support available.

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

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

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

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

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

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

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

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

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

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

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

Use of Our Report

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

Johnston Carmichael LLP
Chartered Accountants
Statutory Auditor
Elgin, United Kingdom

Date

ACCOUNTING POLICIES

For the year ended 31 March 2024

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

1 Accounting policies

- (a) The financial statements have been prepared in accordance with FRS 102, the Statement of Recommended Practice for Authorised Funds (SORP) issued by the Investment Association (IA) in May 2014 and the amendments to the SORP issued by the IA in June 2017. The functional currency is Sterling.
- (b) There are no material events that have been identified that may cast significant doubt about the Company's ability to continue as a going concern for at least the next twelve months from the date these financial statements are authorised for issue. The AFM believes that the Company has adequate resources to continue in operational existence for the foreseeable future and they continue to adopt the going concern basis in preparing the financial statements.
- (c) All expenses, other than those relating to the purchase and sale of investments, are charged to revenue on an accruals basis. The annual management charge in VT Momentum Diversified Income Fund is then reallocated to capital for distribution purposes.
- (d) Distributions on equities and collectives are recognised as revenue when the security is quoted ex-dividend, for equities purchased cum-dividend the distributions from the purchase are recognised as revenue on the date of purchase. Interest on deposits is accounted for on an accruals basis. In the case of non-index linked debt securities any difference between acquisition cost and maturity value is recognised as revenue over the life of the security using the straight-line basis of calculating amortisation while index linked debt securities any difference between acquisition cost and maturity value is recognised as revenue over the life of the security using the effective yield basis of calculating amortisation. Rebates from underlying holdings are recognised on an accruals basis and are allocated to revenue or capital being decided by the allocation of the expense in the underlying funds. Excess Reportable Income is recognised once reported by the relevant funds. Equalisation on distributions from collectives is treated as capital. All equalisation on distributions from collectives is then reallocated to revenue, for distribution purposes. Returns on derivative transactions have been treated as either revenue or capital depending on the motives and circumstances on acquisition.
- (e) The ordinary element of stocks received in lieu of cash dividends is recognised as revenue of the Sub-funds, and where applicable is included in the distribution. In the case of an enhanced stock dividend the value of the enhancement is treated as capital.
- (f) Special dividends are treated as either revenue or a repayment of capital depending on the facts of each particular case. Where the receipt of a special dividend results in a significant reduction in the capital value or where the distribution arises from an underlying capital event such as a merger or disposal these would typically be deemed as capital so as to ensure that the matching principle is applied to gains and losses. Otherwise, the special dividend would typically be recognised as revenue. Where special dividends are treated as revenue, they are included in the amounts available for distribution. The tax accounting treatment follows the principal amount.
- (g) Investments are stated at their fair value at the balance sheet date. In determining fair value, the valuation point is 12 noon on 28 March 2024 with reference to quoted bid prices from reliable external sources. Unlisted collective investment schemes are valued at the closing bid price for dual priced funds and the closing single price for single priced funds. Unlisted or suspended investments are valued by the AFM taking into account where appropriate, latest dealing prices, valuations from reliable sources, financial performance and other relevant factors.
- (h) All transactions in foreign currencies are converted into Sterling at the rate of exchange ruling at the dates of such transactions. Foreign currency assets and liabilities at the end of the accounting year are translated at the exchange rates at the closing valuation point on 28 March 2024.
- (i) Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay less or receive more tax.
- Deferred tax assets are recognised only to the extent that the AFM considers that it is more likely than not there will be taxable profits from which underlying timing differences can be deducted.
- Tax is provided using tax rates and laws which have been enacted or substantively enacted at the balance sheet date.
- (j) In certain circumstances the AFM may charge a dilution levy on the sale or repurchase of shares. The levy, which is paid into the Sub-funds, is intended to cover dealing spread on assets bought and sold and certain charges such as applicable dealing taxes and brokers commission not included in the mid-market value of the Sub-funds used for Net Asset Value (NAV) calculations, which could have a diluting effect on the performance of the Sub-funds.

ACCOUNTING POLICIES (Continued)

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

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

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

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

SUB-FUND OVERVIEW

Name of Sub-fund	VT Momentum Diversified Growth Fund
Size of Sub-fund	£121,954,530
Launch date	05 October 2004
Sub-fund objective and policy	<p>The investment objective of VT Momentum Diversified Growth Fund is to achieve capital growth over the long term (5 years). The Sub-fund aims to meet its objective by investing in a balanced and well diversified portfolio of UK and international equities which the Investment Manager expects to grow in value as well as some fixed interest securities including government and corporate bonds. Investments will also be made in regulated collective investment schemes (which may include funds managed and/or operated by the AFM or Investment Manager), money markets and cash deposits to provide further diversification to the Sub-fund in accordance with applicable regulations.</p>
Benchmark:	<p>The Sub-fund is not managed to a benchmark, and nor does the AFM use a benchmark in order to assess performance.</p> <p>However, many funds sold in the UK are grouped into sectors by the Investment Association (the "IA") (the trade body that represents UK investment managers), to help investors to compare funds with broadly similar characteristics.</p> <p>In order to assess the Sub-fund's performance, investors may find it useful to compare the Sub-fund against the performance of the IA Mixed Investments 40-85% Shares, which serves as a method of comparing the Sub-fund's performance with another fund which has broadly similar characteristics.</p>
Authorised Fund Manager (AFM)	Valu-Trac Investment Management Limited
Ex-distribution dates	31 March, 30 September
Distribution dates	31 May, 30 November
Individual Savings Account (ISA)	The Sub-Fund is a qualifying investment for inclusion in an ISA.
Minimum investment*	
Lump sum subscription:	A Share Class (Accumulation) = £3,000 N Share Class (Accumulation) = £1,000 B Share Class (Accumulation) = £100,000 I Share Class (Accumulation) = £50,000,000
Top-up:	A Share Class (Accumulation) = £2,500 N Share Class (Accumulation) = £1,000 B Share Class (Accumulation) = £10,000 I Share Class (Accumulation) = £100,000
Regular Savings Plan	A Share Class (Accumulation) = £50 N Share Class (Accumulation) = £50 B Share Class (Accumulation) = N/A I Share Class (Accumulation) = N/A
Holding:	A Share Class (Accumulation) = £3,000 N Share Class (Accumulation) = £1,000 B Share Class (Accumulation) = £100,000 I Share Class (Accumulation) = £50,000,000
Redemption:	All share classes = Nil (provided minimum holding is maintained)

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

SUB-FUND OVERVIEW (Continued)

Redemption and switching charges Nil

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

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

Annual management charges

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

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

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

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

INVESTMENT MANAGER'S REVIEW

Asset Allocation

Fund asset structure as at 31 March 2024

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

Asset Class	Fund %	Strategic Asset Allocation %
Equities	58.0	60.0
UK	25.4	20.0
North America	0.0	1.0
Europe ex UK	4.4	5.0
Japan	7.1	7.5
Asia & Emerging Markets	12.4	10.5
Global	8.7	16.0
Credit	8.0	15.0
Specialist Assets	23.4	20.0
Cash/Managed Liquidity/Defensive Assets	10.7	5.0
Total	100.0%	100.0%

Source: Momentum Global Investment Management
Figures may not sum due to rounding

Performance

The VT Momentum Diversified Growth Fund Class B Accumulation Shares returned 8.6% over the twelve-month period. This compares to a peer group return, as measured by the IA Mixed Investment 40-85% Shares sector, of 10.1% over the same period. The Fund's objective is to achieve capital growth over the long term, defined in the prospectus as five years. For the five period to 31st March 2024, the Fund returned 23.8%.

Throughout the year, most asset classes contributed positively to the Funds' overall returns. However, a lack of enthusiasm for the investment trust sector, and UK equities in general, has led to substantial discounts to underlying value, therefore impacting overall performance. We hold the belief that many of the Funds' Specialist Assets holdings are significantly undervalued, with many of the holdings initiating share buyback programs. In addition, there has been a notable increase in insider purchases, historically signalling significant undervaluation. The largest contributor to performance over the period was overseas equities with Japanese equities particularly rebounding strongly in the latter half of the period. The main detractor from performance over the period was the Funds' underweight exposure to US equities, which performed strongly, albeit with returns highly concentrated within a small cohort of stocks.

Portfolio Activity

UK Equities

Three new holdings were introduced within UK equities over the period. Firstly in April, we added Kin & Carta, a pure-play digital transformation business that provides consultancy services across technology, data, and experience to help businesses improve efficiency and effectiveness through digital solutions. The company received a takeover bid from Apax Partners, followed by a higher bid from Valtech at 130p per share.

The second holding added to the portfolio was XPS Pensions Group, a pension consulting and administration business that is well positioned to benefit from the changing landscape across the UK pension industry. At the time of initial purchase, the shares traded on a forward P/E of 14x and a dividend yield of 4.9%.

The third addition was Spirent Communications. Spirent specialises in the provision of automated test and assurance solutions for networks, cybersecurity, and satellite positioning, playing a crucial role in developing networks at some of the world's largest telecommunications businesses, including playing a vital role in the rollout of 5G technology. Spirent received a recommended cash acquisition offer from Viavi, followed by a higher offer from Keysight Technologies, causing its shares to surge by 91% in March and 70% over 12 months. While Spirent's rapid success is not the norm, ongoing corporate activity in the UK market suggests significant value opportunities remain, with companies initiating share buyback programs and attracting interest from industry and private equity acquirers. We anticipate continued momentum in such activity over the next year.

INVESTMENT MANAGER'S REVIEW (Continued)

Portfolio Activity

UK Equities

Top performers included Kin & Carta (+71%) driven by Valtech's bid at 130p per share, representing an 8.3% premium to Apax Partners' offer and a substantial 67% premium to the company's pre-offer closing price. Kier Group (+93%) also reported strong FY23 results, showing an increase in pre-tax profit. They plan to resume dividend payments, expected to begin alongside FY24 interim results in March, given its strong performance over the last year. The company anticipates continued benefits from UK Government infrastructure spending and expects strong cash generation. Babcock's (+75%) FY23 results were also impressive, with revenue growth, margin expansion and reduced debt. The company is also set to reinstate dividends in FY24, and we anticipate steady growth and cash generation in the coming years.

Overseas Equities

We broadened our overseas equity exposure by introducing the Momentum Sustainable Equity fund, a well-diversified, quantitative global equity strategy implemented by Robeco, a world class quantitative investment specialist. The fund prioritises companies with better than average ESG credentials, employing a multi-style approach (growth, quality, value, size). Additionally, this fund offers an attractive cost advantage, with the total expense to the portfolio at around 0.21% per annum. With a heightened focus on North America, the Lyrical US Value Equity Strategy was exited in order to keep the US weight in line with regional views.

Exposure to Japanese equities via the Morant Wright Fuji Yield Fund was a key contributor to returns, returning over 30%. While it remains attractively valued, its price-to-book ratio has aligned with long-term averages, suggesting diminished undervaluation in Japanese equities. Valuation remains our guiding principle and so with the Japanese market at its highest price-to-book ratio since 2008, our enthusiasm has tempered as investor sentiment grows.

Fixed Income

There were no notable changes over the period.

Defensive Assets

Within Defensive Assets, we introduced the Assenagon Alpha Volatility Fund. The Fund seeks to benefit from equity market volatility, particularly during turbulent market phases. The Fund has an excellent track record, outperforming its peer group and delivering positive returns during market dislocations, and we believe the Fund offers a truly uncorrelated return profile to the portfolio. Over the year we were able to build a c.2.5% position in UK government bonds ('gilts'). As a consequence of the Bank of England's efforts to dampen inflation through interest rate increases, the gilt market has witnessed a significant repricing. With yields ranging between 4% and 5% across the curve, gilts finally offer a reasonably attractive investment for portfolios. A number of direct positions were built, with maturities ranging from 2037 to 2050, and in addition we also added a long-dated index linked gilt. We also believe that the normalisation of valuations to UK government bonds allows multi-asset portfolios a greater degree of diversification, with gilts potentially offering some protection to investors during periods of equity market weakness.

Specialist Assets

New additions within Specialist Assets over the period included leading healthcare REIT Assura. The Trust invests in and develops purpose-built GP surgeries which are in high demand at present as the government seeks to expand primary care services and reduce the burden on hospitals. The revenue stream from the properties is government backed with some inflation linkage, but the REIT yields significantly more than government bonds, with the prospect of mid-single digit growth in the dividend over time. Secondly, 3i Infrastructure, a mid-market private equity investor in infrastructure companies spanning various sectors. The company has delivered annualised returns of 11.5% since 2007 and price weakness since the first quarter of 2022 presented an attractive investment opportunity. Finally, Molten Ventures, a venture capital firm focusing on private high-growth technology companies, was introduced. As Molten Ventures is a company and not a fund, they are not restricted to a defined 5-year investment period, allowing the Company to retain further upside in its portfolio of companies, seeking exits via a strategic trade buyer or IPO. The shares have been particularly hard hit in the wider private equity sell off, trading at a deep discount to net asset value, which we view as unjustified given the portfolio's diversification and the management team's track record.

Notably, the Round Hill Music Royalty Fund significantly contributed to returns over the 12 month period. The fund received a cash bid for its portfolio assets from music publishing company Alchemy Copyrights (also known as "Concord"), representing a 67% premium over the prior day's closing price. Shares returned 80% during the period. We believe that many of the Specialist Assets holdings within the Fund are significantly undervalued. Round Hill provides evidence that there are multiple avenues that investment companies can take to see their underlying assets achieve fair value. Besides private industry interest, the investment managers of our Specialist Assets holdings are also becoming more active. Around one fifth of the holdings have launched share buyback programmes, which could rise further over the coming months. In addition, we are also seeing an increase in insider purchases, which has historically been an indication of significant undervaluation.

Momentum Global Investment Management Limited
Investment Manager to the Fund
29 April 2024

PERFORMANCE RECORD

Financial Highlights

A Share Class (Accumulation)	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2022
Changes in net assets per share	GBP	GBP	GBP
Opening net asset value per share	319.3570	348.5582	333.0243
Return before operating charges	31.1014	(21.5870)	23.4062
Operating charges (note 1)	(5.8100)	(7.6142)	(7.8723)
Return after operating charges *	25.2914	(29.2012)	15.5339
Closing net asset value per share	344.6484	319.3570	348.5582
Retained distribution on accumulated shares	9.2012	8.1389	7.1013
*after direct transactions costs of:	0.1660	0.2338	0.1704
Performance			
Return after charges	7.92%	(8.38%)	4.67%
Other information			
Closing net asset value	£34,685,556	£37,385,460	£44,821,741
Closing number of shares	10,064,041	11,706,479	12,859,185
Operating charges (note 2)	1.75%	2.28%	2.31%
Direct transaction costs	0.05%	0.07%	0.05%
Prices			
Highest share price	344.7278	350.9381	358.1876
Lowest share price	309.5462	300.4449	329.0625

B Share Class (Accumulation)	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2022
Changes in net assets per share	GBP	GBP	GBP
Opening net asset value per share	198.1491	214.8658	203.9592
Return before operating charges	19.3513	(13.3506)	14.3828
Operating charges (note 1)	(2.2736)	(3.3661)	(3.4762)
Return after operating charges *	17.0777	(16.7167)	10.9066
Closing net asset value per share	215.2268	198.1491	214.8658
Retained distribution on accumulated shares	7.0341	6.3485	5.7295
*after direct transactions costs of:	0.1033	0.1446	0.1047
Performance			
Return after charges	8.62%	(7.78%)	5.35%
Other information			
Closing net asset value	£82,001,090	£89,052,757	£119,499,259
Closing number of shares	38,099,853	44,942,286	55,615,770
Operating charges (note 2)	1.10%	1.63%	1.66%
Direct transaction costs	0.05%	0.07%	0.05%
Prices			
Highest share price	215.2534	216.3521	220.4674
Lowest share price	192.7815	185.8550	202.7615

PERFORMANCE RECORD (Continued)

N Share Class (Accumulation)	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2022
Changes in net assets per share	GBP	GBP	GBP
Opening net asset value per share	192.6114	209.3917	199.2572
Return before operating charges	18.7902	(13.0015)	14.0371
Operating charges (note 1)	(2.7088)	(3.7788)	(3.9026)
Return after operating charges *	16.0814	(16.7803)	10.1345
Closing net asset value per share	208.6928	192.6114	209.3917
Retained distribution on accumulated shares	6.3411	5.6869	5.0806
*after direct transactions costs of:	0.1003	0.1407	0.1022
Performance			
Return after charges	8.35%	(8.01%)	5.08%
Other information			
Closing net asset value	£517,959	£713,456	£426,912
Closing number of shares	248,192	370,412	203,882
Operating charges (note 2)	1.35%	1.88%	1.91%
Direct transaction costs	0.05%	0.07%	0.05%
Prices			
Highest share price	208.7271	210.8329	214.9736
Lowest share price	187.1244	180.8699	197.6281

I Share Class (Accumulation)	Year ended 31 March 2024	For the period 29 April 2022 to 31 March 2023[^]
Changes in net assets per share	GBP	GBP
Opening net asset value per share	92.8596	100.0000
Return before operating charges	9.0784	(5.9154)
Operating charges (note 1)	(0.8244)	(1.2250)
Return after operating charges *	8.2540	(7.1404)
Closing net asset value per share	101.1136	92.8596
Retained distribution on accumulated shares	3.5364	2.7170
*after direct transactions costs of:	0.0485	0.0675
Performance		
Return after charges	8.89%	(7.14%)
Other information		
Closing net asset value	£5,181,271	£7,956,751
Closing number of shares	5,124,210	8,568,581
Operating charges (note 2)	0.85%	1.38%
Direct transaction costs	0.05%	0.07%
Prices		
Highest share price	101.1219	100.0667
Lowest share price	90.4742	86.9974

[^] Share class opened on 29 April 2022.

PERFORMANCE RECORD (Continued)

1. The operating charges per share figure is calculated by applying the operating charges percentage to the average net asset valuation per share throughout the period.

2. The operating charges percentage is based on the expenses incurred during the period annualised, as a proportion of the average net asset value of the Sub-fund plus the costs of the open-ended funds the Sub-fund holds. Note, the 2023 and 2022 operating charges percentage also includes the underlying costs of investment trusts as per regulatory and Industry guidance issued in 2020, this was later changed to exclude underlying costs of investment trusts in December 2023.

Risk profile

Based on past data, the Sub-fund is ranked a 5 on the synthetic risk and reward indicator scale (of 1 to 7) as described fully in the Key Investor Information Document. The Sub-fund is ranked 5 (31 March 2023: ranked 5) because weekly historical performance data indicates that relatively high rises and falls in market prices would have occurred historically.

PORTFOLIO STATEMENT

As at 31 March 2024

Holding	Security	Value £	% of Total Net Assets %
Collective Investment Schemes (31.03.2023: 41.25%)			
413	Absalon Emerging Market Corporate Debt	4,063,123	3.33%
179,104	Aikya Global Emerging Markets	1,944,718	1.59%
568	Assenagon Alpha Volatility	561,039	0.46%
163,631	CIM Dividend Income	2,632,610	2.16%
955,000	Goodhart Partners Horizon Fund-HMG Global Emerging Markets Equity**	-	-
6,558	Samarang Asian Prosperity	2,645,450	2.17%
230,654	Invesco European Equity Income (UK)	1,327,346	1.09%
1,062,608	Ninety One Global Gold	1,999,723	1.64%
109,732	Momentum GF Global Sustainable Equity	10,628,675	8.72%
375,465	Morant Wright Fuji Yield	5,396,142	4.42%
75,171	Neuberger Berman Uncorrelated Strategies	778,018	0.64%
18,435	Prusik Asian Equity Income	2,472,317	2.03%
2,541,311	Royal London Enhanced Cash Plus	2,878,357	2.36%
1,366,357	Royal London Short Duration Global High Yield Bond	1,610,388	1.32%
2,931,331	Royal London Sterling Extra Yield Bond	2,829,028	2.32%
1,290,487	Royal London Short Term Money Market Fund	1,417,653	1.16%
2,536,398	VT Downing European Unconstrained Income***	2,690,451	2.21%
		45,875,038	37.62%
Corporate Bonds (31.03.2023: 0.00%)			
4,864,287	Lehman Brothers 0% 29/12/2067**	-	-
		-	-
Exchange Traded Commodities (31.03.2023: 0.81%)			
5,850	Invesco Physical Markets PLC	988,826	0.81%
		988,826	0.81%
Exchange Traded Funds (31.03.2023: 4.05%)			
236,500	Amundi MSCI Japan UCITS ETF	3,408,911	2.80%
112,000	Amundi MSCI Emerging Markets II UCITS ETF	4,065,600	3.33%
120,000	iShares Emerging Markets Dividend UCITS ETF	1,374,600	1.13%
22,000	Xtrackers S&P Europe ex UK UCITS ETF	1,355,640	1.11%
		10,204,751	8.37%
Government Bonds (31.03.2023: 1.12%)			
4,075,000	UK GILT 0.625% 22-10-2050	1,680,530	1.38%
605,000	UK 0.125% Index-linked Gilt 22-03-2073	520,477	0.43%
1,175,000	UK GILT 1.25% 22-10-2041	732,495	0.60%
345,000	UK GILT 1.75% 07-09-2037	259,647	0.21%
		3,193,149	2.62%
Investment Trusts (31.03.2023: 20.73%)			
217,500	3i Infrastructure PLC	710,138	0.58%
1,120,000	Cordiant Digital Infrastructure Ltd	716,800	0.59%
3,900,000	Chrysalis Investments Ltd	3,233,100	2.65%
1,780,000	Digital 9 Infrastructure	378,250	0.31%
3,425,000	Doric Nimrod Air Three Ltd	1,746,750	1.43%
1,721,429	Doric Nimrod Air Two Ltd	2,014,072	1.65%
7,558,759	DP Aircraft I Ltd	329,634	0.27%
5,675,000	Fair Oaks Income Ltd	2,429,842	1.99%
1,638,994	Gore Street Energy Storage Fund PLC	1,035,844	0.85%
720,000	Greencoat UK Wind PLC	997,200	0.82%
2,345,000	Hipgnosis Songs Fund Ltd	1,608,670	1.32%
370,000	International Public Partnerships Ltd	458,060	0.38%
1,010,000	JLEN Environmental Assets Group Limited	929,200	0.76%
140,489	Oakley Capital Investments Ltd	639,225	0.52%
1,375,000	RM Infrastructure Income PLC	1,024,375	0.84%
975,000	Sequoia Economic Infrastructure Income Fund Ltd	789,750	0.65%
1,780,894	Syncona Limited Ord Npv	2,183,376	1.79%
1,548,926	TwentyFour Select Monthly Income Fund Ltd	1,267,021	1.04%
14,100,000	Schroders Capital Global Innovation Trust PLC	1,797,750	1.47%
		24,289,057	19.91%

VT MOMENTUM INVESTMENT FUNDS II - VT MOMENTUM DIVERSIFIED GROWTH FUND

For the year ended 31 March 2024

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PORTFOLIO STATEMENT (Continued)

Holding Security	Value £	% of Total Net Assets %
Real Estate Investment Trusts (31.03.2023: 5.03%)		
1,200,000 AEW UK REIT PLC	1,024,800	0.84%
1,925,000 Assura PLC	812,350	0.67%
597,500 Londonmetric Property PLC	1,209,340	0.99%
2,538,765 Life Science REIT plc	1,005,351	0.82%
895,000 PRS Reit PLC	707,050	0.58%
	4,758,891	3.90%
Equities (31.03.2023: 25.40%)		
3,340,333 Accrol Group Holdings PLC	1,289,369	1.06%
205,000 Babcock International Group PLC	1,084,450	0.89%
540,000 Barclays PLC	989,604	0.81%
69,500 Vistry Group PLC	857,630	0.70%
655,000 BT Group PLC	719,190	0.59%
7,465,000 Capita PLC	995,085	0.82%
177,500 Conduit Holdings Ltd	908,800	0.75%
12,900 Cranswick PLC	527,610	0.43%
88,250 Diversified Energy Company PLC	793,368	0.65%
555,000 Essentra PLC	954,600	0.78%
4,800 Games Workshop Group PLC	476,400	0.39%
277,500 Halfords Group PLC	446,498	0.37%
870,000 Jupiter Fund Management PLC	762,990	0.63%
1,955,000 Kier Group PLC	2,584,510	2.12%
985,000 Kin and Carta PLC	1,264,740	1.04%
710,000 LBG Media PLC	529,660	0.43%
545,000 Legal & General Group PLC	1,381,575	1.13%
575,000 M&G PLC	1,265,575	1.04%
187,500 Marks and Spencer Group PLC	495,750	0.41%
3,825,000 Marstons PLC	1,097,775	0.90%
195,000 Molten Ventures PLC	461,370	0.38%
260,000 Moonpig Group PLC	437,320	0.36%
305,000 Morgan Advanced Materials PLC	881,450	0.72%
1,625,000 Mobico Group PLC	1,105,000	0.91%
140,000 Next 15 Group PLC	1,282,400	1.05%
362,500 OSB Group PLC	1,364,450	1.12%
187,500 Phoenix Group Holdings	1,024,500	0.84%
307,500 Origin Enterprises PLC	837,474	0.69%
432,500 Senior PLC	759,470	0.62%
18,750,000 Speymill Deutsche Immobilien Company PLC*	-	-
265,000 Spirent Communications plc	533,180	0.44%
1,625,000 Strix Group PLC	1,079,000	0.88%
539,822 Synthomer PLC	1,385,181	1.14%
335,000 XPS Pensions Group PLC	773,850	0.62%
	31,349,824	25.71%
Currency Hedges (31.03.2023: 0.00%)		
Fwd.: GBP/USD - 31 May 2024	(72,194)	(0.06%)
	(72,194)	(0.06%)
Investment assets (31.03.2023: 98.39%)		
	120,587,342	98.88%
Net other assets (31.03.2023: 1.61%)		
	1,367,188	1.12%
Net assets		
	121,954,530	100.00%

*Delisted security

** Illiquid security

*** Related security due to the AFM of the Sub-fund also being the AFM of this holding

SUMMARY OF MATERIAL PORTFOLIO CHANGES

	£
Total purchases for the year (note 14)	36,365,162
Momentum GF Global Sustainable Equity	9,427,203
Amundi MSCI Emerging Markets II UCITS ETF	4,005,330
Amundi MSCI Japan UCITS ETF	3,087,720
Royal London Short Term Money Market Fund	2,000,000
UK GILT 0.625% 22-10-2050	1,587,071
Synthomer PLC	1,367,630
Xtrackers S&P Europe ex UK UCITS ETF	1,202,725
Assura PLC	890,272
Kin and Carta PLC	858,600
UK GILT 1.25% 22-10-2041	697,311
Other various purchases	11,241,300

	£
Total sales for the year (note 14)	55,173,133
Morant Wright Fuji Yield	6,700,000
Lyrical Value Fund (LUX) – U.S. Value Equity Strategy	5,779,932
Samarang Asian Prosperity	3,950,002
iShares Emerging Markets Dividend UCITS ETF	3,544,860
CIM Dividend Income	2,400,009
Aikya Global Emerging Markets	2,100,000
Round Hill Music Royalty Fund Limited	2,042,873
Ediston Property Investment Company PLC	1,852,704
Babcock International Group PLC	1,445,175
Marks and Spencer Group PLC	1,368,227
Other various sales	23,989,351

The analysis is of the all purchases and sales during the year.

STATEMENT OF TOTAL RETURN

For the year ended 31 March

	Notes	2024		2023	
		£	£	£	£
Income					
Net capital gains/(losses)	2		5,526,560		(17,711,567)
Revenue	3	5,752,298		6,175,245	
Expenses	4	(1,246,746)		(1,468,112)	
Interest payable and similar charges	6	<u>(5,239)</u>		<u>(2,116)</u>	
Net revenue before taxation		4,500,313		4,705,017	
Taxation	5	<u>(23,352)</u>		<u>(28,522)</u>	
Net revenue after taxation			<u>4,476,961</u>		<u>4,676,495</u>
Total return before distributions			10,003,521		(13,035,072)
Finance costs: distributions	6		<u>(4,206,672)</u>		<u>(4,480,563)</u>
Changes in net assets attributable to shareholders from investment activities			<u>5,796,849</u>		<u>(17,515,635)</u>

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the year ended 31 March

	2024	2023
	£	£
Opening net assets attributable to shareholders	134,623,454	164,290,712
Amounts receivable on creation of shares	7,631,888	28,384,577
Amounts payable on cancellation of shares	(30,108,234)	(44,809,332)
Retained distributions on accumulated shares	4,010,573	4,273,132
Changes in net assets attributable to shareholders from investment activities (see above)	<u>5,796,849</u>	<u>(17,515,635)</u>
Closing net assets attributable to shareholders	<u>121,954,530</u>	<u>134,623,454</u>

BALANCE SHEET

As at	Notes	31.03.2024		31.03.2023	
		£	£	£	£
ASSETS					
Investment assets			120,659,536		132,450,779
Current assets					
Debtors	7	1,210,756		2,370,164	
Cash and bank balances	8	<u>1,307,051</u>		<u>1,542,760</u>	
Total current assets			<u>2,517,807</u>		<u>3,912,924</u>
Total assets			123,177,343		136,363,703
LIABILITIES					
Investment Liabilities			(72,194)		-
Current liabilities					
Bank overdraft	8	(645,203)		-	
Creditors	9	<u>(505,416)</u>		<u>(1,740,249)</u>	
Total current liabilities			<u>(1,150,619)</u>		<u>(1,740,249)</u>
Net assets attributable to shareholders			<u>121,954,530</u>		<u>134,623,454</u>

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting policies

The principal accounting policies, which have been applied in both the current and prior year, are set on pages 7-8.

2 Net capital gains/(losses)

	2024	2023
	£	£
The net capital gains/(losses) comprise:		
Non-derivative securities gains/(losses)	6,025,931	(17,473,753)
Derivative securities (losses)	(384,808)	-
Currency hedge (losses)	(177,643)	-
Transaction charges	(4,702)	(2,577)
Currency gains/(losses)	49,881	(254,830)
Rebates from underlying holdings	17,901	19,593
Total net capital gains/(losses)	<u>5,526,560</u>	<u>(17,711,567)</u>

3 Revenue

	2024	2023
	£	£
Non-taxable dividends	4,440,065	5,087,549
Property income distributions (PIDs)	259,915	349,033
Interest on non-derivatives securities	951,752	714,904
Bank interest	100,566	23,759
Total revenue	<u>5,752,298</u>	<u>6,175,245</u>

4 Expenses

	2024	2023
	£	£
Payable to the Authorised Fund Manager, associates of the Authorised Fund Manager, and agents of either of them:		
Annual management charge	1,150,994	1,368,661
Payable to the depositary, associates of the depositary, and agents of either of them:		
Depositary fee	43,909	51,325
Safe custody fee	10,029	9,411
	<u>53,938</u>	<u>60,736</u>
Other expenses:		
Audit fee	10,443	8,609
Other expenses	31,371	30,106
	<u>41,814</u>	<u>38,715</u>
Total expenses	<u>1,246,746</u>	<u>1,468,112</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5 Taxation

	2024	2023
	£	£
(a) Analysis of charge in the year		
Overseas withholding tax non recoverable	23,352	28,522
Total tax charge for the year (note 5b)	<u>23,352</u>	<u>28,522</u>

(b) Factors affecting current tax charge for the year

The tax assessed for the year is lower than the standard rate of corporation tax in the UK for an open-ended investment company 20.00% (2023: 20.00%) The differences are explained below:

Net revenue before UK corporation tax	4,500,313	4,705,017
Corporation tax at 20.00% (2023: 20.00%)	900,063	941,003
Effects of:		
Revenue not subject to UK corporation tax	(888,013)	(1,017,510)
Excess management expenses (utilised)/not utilised	(15,630)	72,588
Tax effect of rebates in capital	3,580	3,919
Overseas withholding tax non recoverable	23,352	28,522
Total tax charge for the year (note 5a)	<u>23,352</u>	<u>28,522</u>

(c) Provision for deferred taxation

At 31 March 2024 there is a potential deferred tax asset of £2,477,204 (31 March 2023: £2,492,834) in relation to surplus management expenses.

6 Finance costs

	2024	2023
	£	£
Interim dividend distribution	2,551,865	2,527,493
Final dividend distribution	1,458,708	1,745,639
	<u>4,010,573</u>	<u>4,273,132</u>
Add: Revenue deducted on cancellation of shares	258,014	372,245
Deduct: Revenue received on issue of shares	(61,915)	(164,814)
	<u>4,206,672</u>	<u>4,480,563</u>
Net distribution for the year	4,206,672	4,480,563
Interest payable and similar charges	5,239	2,116
Total finance costs	<u>4,211,911</u>	<u>4,482,679</u>
Reconciliation of distributions		
Net revenue after taxation	4,476,961	4,676,495
Equalisation from collectives allocated to revenue	30,500	-
Balance brought forward	322,380	126,448
Balance carried forward	(623,169)	(322,380)
Net distribution for the year	<u>4,206,672</u>	<u>4,480,563</u>

NOTES TO THE FINANCIAL STATEMENTS (Continued)

	31.03.2024	31.03.2023
	£	£
7 Debtors		
Amounts receivable on creation of shares	167,800	174,463
Amounts receivable for unsettled trades	606,179	1,460,123
Accrued revenue:		
Non-taxable dividends receivable	293,016	478,706
Interest on non-derivatives securities receivable	78,513	38,876
Property income distributions receivable (PIDs)	30,125	23,875
Recoverable withholding tax	-	6,484
Return of capital receivable	-	150,490
Rebates from underlying holdings	4,638	4,526
Prepaid expenses	30,485	32,621
Total debtors	1,210,756	2,370,164
8 Cash and bank balances		
	31.03.2024	31.03.2023
	£	£
Cash and bank balances	1,307,051	1,542,760
Bank overdraft balances	(645,203)	-
9 Creditors		
	31.03.2024	31.03.2023
	£	£
Amounts payable on cancellation of shares	309,960	1,380,828
Amounts payable for unsettled trades	-	226,417
Payable to the Authorised Fund Manager, associates of the Authorised Fund Manager, and agents of either of them:		
Annual management charge	169,250	108,299
Amounts payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary fee	3,246	4,185
Safe custody and other custodian charges	3,102	7,829
	6,348	12,014
Other expenses	19,858	12,691
Total creditors	505,416	1,740,249

NOTES TO THE FINANCIAL STATEMENTS (Continued)

10 Risk management

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

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

Market price risk

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

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

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

If market prices at the balance sheet had been 10% higher or lower while all other variables remained constant, the return attributable to ordinary shareholders and equity for the year ended 31 March 2024 would have increased/decreased by £12,065,954 (31 March 2023: £13,245,078).

Foreign currency risk

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

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

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

Net currency assets and liabilities consist of:

	Net monetary assets and liabilities		Non-monetary assets and liabilities		Total net assets	
	£		£		£	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023
Sterling	1,204,404	1,087,306	103,961,595	117,201,136	105,165,999	118,288,442
US Dollars	151,444	701,916	15,788,273	14,219,888	15,939,717	14,921,804
Euro	11,340	383,453	837,474	1,029,755	848,814	1,413,208
Total	1,367,188	2,172,675	120,587,342	132,450,779	121,954,530	134,623,454

If foreign exchange rates at the balance sheet date had been 10% higher or lower while all other variables remained constant, the return attributable to ordinary shareholders and equity for the year ended 31 March 2024 would have increased/decreased by £1,678,853 (31 March 2023: £1,633,501).

10 Risk management (Continued)

Interest rate risk

Interest rate risk is the risk to portfolio value due to changes in interest rates. The magnitude of the exposure from an adverse change in interest rates depends on the sensitivity of the instrument to changes in interest rates as well as the absolute change in interest rates. In general, values of long-term instruments are more sensitive to interest rate changes than the values of short-term instruments.

The Sub-fund takes on interest rate risk when the investment manager believes the expected returns compensate for the risk, limited by the investment objective, policy and any prospectus rules. The investment manager monitors the level of interest rate risk in the Sub-fund on a regular basis. In addition any cash deposits in the Sub-fund are linked to SONIA, ensuring interest income increases as interest rates increase.

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

	31.03.2024	31.03.2023
	£	£
Financial assets floating rate	1,307,051	1,542,760
Financial assets interest bearing instruments	18,283,094	15,036,820
Financial assets non-interest bearing instruments	103,587,198	119,784,123
Financial liabilities non-interest bearing instruments	(577,610)	(1,740,249)
Financial liabilities floating rate	(645,203)	-
	121,954,530	134,623,454

At 31 March 2024, if interest rates increased or decreased by 0.25%, with all other variables remaining constant, then the net assets attributable to shareholders of the Sub-fund would increase or decrease by approximately £9,637 (31 March 2023: £3,857).

Maturity of financial liabilities

The financial liabilities of the Sub-fund as at 31 March 2024 are payable either within one year or on demand.

Liquidity risk

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

Credit risk

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

10 Risk management (Continued)

Fair value disclosure

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

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

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

Level 3: Valuation techniques using unobservable inputs.

Valuation Technique	31.03.2024		31.03.2023	
	Assets (£000's)	Liabilities (£000's)	Assets (£000's)	Liabilities (£000's)
Level 1: Unadjusted quoted price in an active market for an identical instrument	74,784	-	76,905	-
Level 2: Valuation techniques using observable inputs other than quoted prices within level 1	45,875	(72)	55,517	-
Level 3: Valuation techniques using unobservable inputs	-	-	29	-
Total	120,659	(72)	132,451	-

11 Shares held

Shares Held	A Share Class (Accumulation)	B Share Class (Accumulation)	N Share Class (Accumulation)	I Share Class (Accumulation)
Opening shares at 01.04.2023	11,706,479	44,942,286	370,412	8,568,581
Shares issued during the year	383,815	2,748,728	32,155	838,337
Shares cancelled during the year	(1,583,802)	(10,302,845)	(154,375)	(4,282,708)
Shares converted during the year	(442,451)	711,684	-	-
Closing shares as at 31.03.2024	10,064,041	38,099,853	248,192	5,124,210

12 Contingent assets and liabilities

At 31 March 2024, the Sub-fund had no contingent liabilities or commitments (31 March 2023: £nil)

13 Post balance sheet events

As indicated in the accounting policies in Note 1, the investments have been valued at the closing valuation point on 28 March 2024. Since that date, the Sub-fund's quoted price has moved as follows for the following share class:

Share Class	Price at 28 March 2024	Price at 05 July 2024
A Share Class (Accumulation)	344.6484p	357.9933p
B Share Class (Accumulation)	215.2268p	223.9485p
N Share Class (Accumulation)	208.6928p	217.0049p
I Share Class (Accumulation)	101.1136p	105.2813p

NOTES TO THE FINANCIAL STATEMENTS (Continued)

14 Direct transaction costs

	2024		2023	
	£	% of total purchases	£	% of total purchases
Analysis of total purchase costs				
Purchases in the year before transaction costs	36,316,536		28,951,722	
Commissions	10,017	0.03%	16,666	0.06%
Taxes & levies	38,609	0.11%	62,001	0.21%
Total purchase costs	<u>48,626</u>	<u>0.14%</u>	<u>78,667</u>	<u>0.27%</u>
Total purchases including transaction costs	<u>36,365,162</u>		<u>29,030,389</u>	

	2024		2023	
	£	% of total sales	£	% of total sales
Analysis of total sale costs				
Sales in the year before transaction costs	55,187,769		42,590,094	
Commissions	(14,480)	(0.03%)	(20,937)	(0.05%)
Taxes & levies	(156)	(0.00%)	(267)	(0.00%)
Total sale costs	<u>(14,636)</u>	<u>(0.03%)</u>	<u>(21,204)</u>	<u>(0.05%)</u>
Total sales net of transaction costs	<u>55,173,133</u>		<u>42,568,890</u>	

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

	2024	% of average net asset value	2023	% of average net asset value
	£		£	
Commissions	24,497	0.02%	37,603	0.03%
Taxes & levies	38,765	0.03%	62,268	0.04%
	<u>63,262</u>	<u>0.05%</u>	<u>99,871</u>	<u>0.07%</u>

15 Portfolio dealing spread

The average portfolio dealing spread at 31 March 2024 is 0.71% (31 March 2023: 0.73%).

16 Related party transactions

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

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

As noted in the portfolio summary, the Sub-fund held shares in related holdings. The income received from related holdings during the year was £82,027 (31 March 2023: £80,869).

DISTRIBUTION TABLES

Interim distribution in pence per share

Group 1: Shares purchased prior to 01 April 2023

Group 2: Shares purchased on or after 01 April 2023 and on or before 30 September 2023

A Share Class (Accumulation)	Net revenue 30.11.2023	Equalisation	Distribution 30.11.2023	Distribution 30.11.2022
Group 1	5.8638p	-	5.8638p	4.7805p
Group 2	4.1588p	1.7050p	5.8638p	4.7805p

B Share Class (Accumulation)	Net revenue 30.11.2023	Equalisation	Distribution 30.11.2023	Distribution 30.11.2022
Group 1	4.2920p	-	4.2920p	3.6243p
Group 2	2.6130p	1.6790p	4.2920p	3.6243p

N Share Class (Accumulation)	Net revenue 30.11.2023	Equalisation	Distribution 30.11.2023	Distribution 30.11.2022
Group 1	3.9274p	-	3.9274p	3.2780p
Group 2	1.6962p	2.2312p	3.9274p	3.2780p

I Share Class (Accumulation)	Net revenue 30.11.2023	Equalisation	Distribution 30.11.2023	Distribution 30.11.2022 [^]
Group 1	2.1295p	-	2.1295p	1.3252p
Group 2	1.0302p	1.0993p	2.1295p	1.3252p

[^]Distribution for the period 29 April 2022 to 30 September 2022

Final distribution in pence per share

Group 1: Shares purchased prior to 01 October 2023

Group 2: Shares purchased on or after 01 October 2023 and on or before 31 March 2024

A Share Class (Accumulation)	Net revenue 31.05.2024	Equalisation	Distribution 31.05.2024	Distribution 31.05.2023
Group 1	3.3374p	-	3.3374p	3.3584p
Group 2	1.3994p	1.9380p	3.3374p	3.3584p

B Share Class (Accumulation)	Net revenue 31.05.2024	Equalisation	Distribution 31.05.2024	Distribution 31.05.2023
Group 1	2.7421p	-	2.7421p	2.7242p
Group 2	1.2274p	1.5147p	2.7421p	2.7242p

N Share Class (Accumulation)	Net revenue 31.05.2024	Equalisation	Distribution 31.05.2024	Distribution 31.05.2023
Group 1	2.4137p	-	2.4137p	2.4089p
Group 2	0.7858p	1.6279p	2.4137p	2.4089p

I Share Class (Accumulation)	Net revenue 31.05.2024	Equalisation	Distribution 31.05.2024	Distribution 31.05.2023
Group 1	1.4069p	-	1.4069p	1.3918p
Group 2	0.9206p	0.4863p	1.4069p	1.3918p

Information for corporate shareholders

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

- i) 77.19% of the total dividend allocation together with the tax credit is received as franked investment income.
- ii) 22.81% of the dividend allocation is received as an annual payment received after deduction of income tax at the lower rate and is liable to corporation tax. It is not franked investment income.

SUB-FUND OVERVIEW

Name of Sub-fund	VT Momentum Diversified Income Fund
Size of Sub-fund	£143,030,637
Launch date	05 October 2004
Sub-fund objective and policy	<p>The investment objective of VT Momentum Diversified Income Fund is to provide income over the medium to long term (3-5 years). The Sub-fund aims to meet its objective by investing in a balanced and well diversified portfolio of UK and international equities which the Investment Manager expects to be able to generate income (i.e. dividends) as well as some fixed interest securities including government and corporate bonds. Investments will also be made in regulated collective investment schemes (which may include funds managed and/or operated by the AFM or Investment Manager), money markets and cash deposits to provide further diversification to the Sub-fund in accordance with applicable regulations.</p>
Benchmark:	<p>The Sub-fund is not managed to a benchmark, and nor does the AFM use a benchmark in order to assess performance.</p> <p>However, many funds sold in the UK are grouped into sectors by the Investment Association (the "IA") (the trade body that represents UK investment managers), to help investors to compare funds with broadly similar characteristics.</p> <p>In order to assess the Sub-fund's performance, investors may find it useful to compare the Sub-fund against the performance of the IA Mixed Investments 20-60% Shares, which serves as a method of comparing the Sub-fund's performance with another fund which has broadly similar characteristics.</p>
Authorised Fund Manager (AFM)	Valu-Trac Investment Management Limited
Ex-distribution dates	Last business day of each month
Distribution dates	Business day prior to the last business day of each month, 1 month after the ex-distribution date
Individual Savings Account (ISA)	The Sub-fund is a qualifying investment for inclusion in an ISA.
Minimum investment* Lump sum subscription:	A Share Class (Income) = £3,000 N Share Class (Income) = £1,000 B Share Class (Income and Accumulation) = £100,000 I Share Class (Income) = £50,000,000
Top-up:	A Share Class (Income) = £2,500 N Share Class (Income) = £1,000 B Share Class (Income and Accumulation) = £10,000 I Share Class (Income) = £100,000
Regular Savings Plan	A Share Class (Accumulation) = £50 N Share Class (Accumulation) = £50 B Share Class (Accumulation) = N/A I Share Class (Accumulation) = N/A
Holding:	A Share Class (Income) = £3,000 N Share Class (Income) = £1,000 B Share Class (Income and Accumulation) = £100,000 I Share Class (Income) = £50,000,000
Redemption:	All share classes = Nil (provided minimum holding is maintained)

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

SUB-FUND OVERVIEW (Continued)

Redemption and switching charges

Nil

Initial charge**

A Share Class (Income) = 5.0%

N Share Class (Income) = 5.0%

B Share Class (Income and Accumulation) = 0.0%

I Share Class (Income) = 0.0%

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

Annual management charges

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

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

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

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

INVESTMENT MANAGER'S REVIEW

Fund structure as at 31 March 2024

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

Asset Class	Fund %	Strategic Asset Allocation %
Equities	33.0	34.5
UK	20.2	20.5
North America	0.5	2.1
Europe ex UK	2.7	3.0
Japan	3.0	2.1
Asia & Emerging Markets	6.6	6.8
Credit	24.4	25.0
Specialist Assets	34.0	23.0
Cash/Managed Liquidity/Defensive Assets	8.7	17.5
Total	100.0%	100.0%

Source: Momentum Global Investment Management
Figures may not sum due to rounding

Performance

The VT Momentum Diversified Income Fund Class B Income Shares returned 7.4% over the twelve-month period. This compares to a peer group return, as measured by the IA Mixed Investment 20-60% Shares sector, of 7.8% over the same period. The Fund's objective is to provide income over the medium to long term, defined in the prospectus as three to five years. For the three- and five-year periods to 31st March 2024, distributions were paid to unitholders in each month.

Throughout the year, most asset classes contributed positively to the Funds' overall returns. However, a lack of enthusiasm for the investment trust sector, and UK equities in general, has led to substantial discounts to underlying value, therefore impacting overall performance. We hold the belief that many of the Funds' Specialist Assets holdings are significantly undervalued, with many of the holdings initiating share buyback programs. In addition, there has been a notable increase in insider purchases, historically signalling significant undervaluation. The largest contributor to performance over the period was overseas equities with Japanese equities particularly rebounding strongly in the latter half of the period. The main detractor from performance over the period was the Funds' underweight exposure to US equities, which performed strongly, albeit with returns highly concentrated within a small cohort of stocks.

Portfolio Activity

UK Equities

Within UK equities, we introduced luxury goods manufacturer, Burberry, to the income constrained models over the month of March. Despite setbacks in luxury spending during economic downturns, there has been a notable rebound post-Covid, though still lagging behind the pre-Covid level. The business trades on its lowest price-to-sales ratio since the global financial crisis and offers a prospective dividend yield of 4.3%.

Top performers included Kier Group (+93%) who reported strong FY23 results, showing an increase in pre-tax profit. They plan to resume dividend payments, expected to begin alongside FY24 interim results in March, given its strong performance over the last year. The company anticipates continued benefits from UK Government infrastructure spending and expects strong cash generation. Babcock's (+75%) FY23 results were also impressive, with revenue growth, margin expansion and reduced debt. The company is also set to reinstate dividends in FY24, and we anticipate steady growth and cash generation in the coming years. Additionally, Marks and Spencer (+59%) showed resilient growth in 2023, accompanied by significant profit upgrades amidst the 'Cost of Living Crisis' and UK recession concerns.

Overseas Equities

We introduced the Robeco QI Emerging Markets Conservative Equity strategy in place of the iShares Emerging Markets Dividend ETF. The Robeco strategy provides multi-factor exposure, whilst delivering a more defensive, stable income with an impressive 5% dividend yield.

Exposure to Japanese equities via the Morant Wright Fuji Yield Fund was a key contributor to returns, returning over 30%. While it remains attractively valued, its price-to-book ratio has aligned with long-term averages, suggesting diminished undervaluation in Japanese equities. Valuation remains our guiding principle and so with the Japanese market at its highest price-to-book ratio since 2008, our enthusiasm has tempered as investor sentiment grows.

INVESTMENT MANAGER'S REVIEW (Continued)

Fixed Income

There were no notable changes over the period.

Defensive Assets

Over the year we were able to build a c.5% position in UK government bonds ('gilts'). As a consequence of the Bank of England's efforts to dampen inflation through interest rate increases, the gilt market has witnessed a significant repricing. With yields ranging between 4% and 5% across the curve, gilts finally offer a reasonably attractive investment for portfolios. A number of direct positions were built, with maturities ranging from 2028 to 2063. We also believe that the normalisation of valuations to UK government bonds allows multi-asset portfolios a greater degree of diversification, with gilts potentially offering some protection to investors during periods of equity market weakness.

Specialist Assets

New additions within Specialist Assets over the period included leading healthcare REIT Assura. The Trust invests in and develops purpose-built GP surgeries which are in high demand at present as the government seeks to expand primary care services and reduce the burden on hospitals. The revenue stream from the properties is government backed with some inflation linkage, but the REIT yields significantly more than government bonds, with the prospect of mid-single digit growth in the dividend over time. Secondly, 3i Infrastructure, a mid-market private equity investor in infrastructure companies spanning various sectors. The company has delivered annualised returns of 11.5% since 2007 and price weakness since the first quarter of 2022 presented an attractive investment opportunity. Additionally, Molten Ventures, a venture capital firm focusing on private high-growth technology companies, was introduced. As Molten Ventures is a company and not a fund, they are not restricted to a defined 5-year investment period, allowing the Company to retain further upside in its portfolio of companies, seeking exits via a strategic trade buyer or IPO. The shares have been particularly hard hit in the wider private equity sell off, trading at a deep discount to net asset value, which we view as unjustified given the portfolio's diversification and the management team's track record. Lastly, we introduced Bluefield Solar Income Fund (BSIF), which focuses on UK solar energy assets with fixed, inflation-linked revenues.

Despite a recent share price decline due to rising interest rates, BSIF maintains a robust financial position supported by strong dividend cover.

Notably, the Round Hill Music Royalty Fund significantly contributed to returns over the 12 month period. The fund received a cash bid for its portfolio assets from music publishing company Alchemy Copyrights (also known as "Concord"), representing a 67% premium over the prior day's closing price. Shares returned 80% during the period. We believe that many of the Specialist Assets holdings within the Fund are significantly undervalued. Round Hill provides evidence that there are multiple avenues that investment companies can take to see their underlying assets achieve fair value. Besides private industry interest, the investment managers of our Specialist Assets holdings are also becoming more active. Around one fifth of the holdings have launched share buyback programmes, which could rise further over the coming months. In addition, we are also seeing an increase in insider purchases, which has historically been an indication of significant undervaluation.

Momentum Global Investment Management Limited
Investment Manager to the Fund
29 April 2024

PERFORMANCE RECORD

Financial Highlights

A Share Class (Income)

	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2022
Changes in net assets per share	GBP	GBP	GBP
Opening net asset value per share	80.4667	93.6828	94.5439
Return before operating charges	6.6022	(6.8705)	5.8265
Operating charges (note 1)	(1.4087)	(2.0027)	(2.1364)
Return after operating charges *	5.1935	(8.8732)	3.6901
Distributions on income shares	(4.2039)	(4.3429)	(4.5512)
Closing net asset value per share	81.4563	80.4667	93.6828
*after direct transactions costs of:	0.0567	0.0522	0.0471
Performance			
Return after charges	6.45%	(9.47%)	3.91%
Other information			
Closing net asset value	£22,596,483	£27,573,596	£35,823,227
Closing number of shares	27,740,606	34,267,105	38,238,865
Operating charges (note 2)	1.74%	2.30%	2.27%
Direct transaction costs	0.07%	0.06%	0.05%
Prices			
Highest share price	83.4862	94.2840	99.4554
Lowest share price	76.9369	77.3845	89.7337

B Share Class (Income)

	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2022
Changes in net assets per share	GBP	GBP	GBP
Opening net asset value per share	99.7043	115.3194	115.6210
Return before operating charges	8.2042	(8.4837)	7.1517
Operating charges (note 1)	(1.0970)	(1.7739)	(1.8706)
Return after operating charges *	7.1072	(10.2576)	5.2811
Distributions on income shares	(5.2240)	(5.3575)	(5.5827)
Closing net asset value per share	101.5875	99.7043	115.3194
*after direct transactions costs of:	0.0705	0.0645	0.0577
Performance			
Return after charges	7.13%	(8.90%)	4.57%
Other information			
Closing net asset value	£110,456,065	£104,116,616	£129,425,229
Closing number of shares	108,729,983	104,425,425	112,231,920
Operating charges (note 2)	1.09%	1.65%	1.62%
Direct transaction costs	0.07%	0.06%	0.05%
Prices			
Highest share price	103.9595	116.1029	121.9759
Lowest share price	95.6875	95.5960	110.4107

PERFORMANCE RECORD (Continued)

B Share Class (Accumulation)		Year ended 31	Year to 31	Year ended 31
		March 2024	March 2023	March 2022
		GBP	GBP	GBP
	Opening net asset value per share	106.0560	116.5338	111.4463
	Return before operating charges	9.0063	(8.6414)	6.9341
	Operating charges (note 1)	(1.1986)	(1.8364)	(1.8466)
	Return after operating charges *	7.8077	(10.4778)	5.0875
	Closing net asset value per share	113.8637	106.0560	116.5338
	Distributions on accumulation shares	5.6808	5.5467	5.4876
	*after direct transactions costs of:	0.0770	0.0668	0.0570
Performance	Return after charges	7.36%	(8.99%)	4.56%
Other information	Closing net asset value	£7,700,976	£8,853,330	£8,459,570
	Closing number of shares	6,763,327	8,347,787	7,259,328
	Operating charges (note 2)	1.09%	1.65%	1.62%
	Direct transaction costs	0.07%	0.06%	0.05%
Prices	Highest share price	115.1002	117.3255	120.6688
	Lowest share price	103.4125	99.0165	110.7333

N Share Class (Income)

		Year ended 31	Year ended 31	Year ended 31
		March 2024	March 2023	March 2022
	Changes in net assets per share	GBP	GBP	GBP
	Opening net asset value per share	97.1083	112.5993	113.1793
	Return before operating charges	7.9839	(8.2739)	6.9896
	Operating charges (note 1)	(1.3119)	(1.9922)	(2.1110)
	Return after operating charges *	6.6720	(10.2661)	4.8786
	Distributions on income shares	(5.0842)	(5.2249)	(5.4586)
	Closing net asset value per share	98.6961	97.1083	112.5993
	*after direct transactions costs of:	0.0685	0.0629	0.0564
Performance	Return after charges	6.87%	(9.12%)	4.31%
Other information	Closing net asset value	£316,108	£714,366	£601,110
	Closing number of shares	320,284	735,638	533,849
	Operating charges (note 2)	1.34%	1.90%	1.87%
	Direct transaction costs	0.07%	0.06%	0.05%
Prices	Highest share price	101.0602	113.3479	119.2682
	Lowest share price	93.0626	93.2153	107.8248

PERFORMANCE RECORD (Continued)

I Share Class (Income)

	For the period	
	Year ended 31 March 2024	23 May 2022 to 31 March 2023 [^]
Changes in net assets per share	GBP	GBP
Opening net asset value per share	89.0933	100.0000
Return before operating charges	7.3394	(5.7155)
Operating charges (note 1)	(0.7564)	(1.1315)
Return after operating charges *	6.5830	(6.8470)
Distributions on income shares	(4.6734)	(4.0597)
Closing net asset value per share	91.0029	89.0933
*after direct transactions costs of:	0.0630	0.0567
Performance		
Return after charges	7.39%	(6.84%)
Other information		
Closing net asset value	£2,479,047	£1,348,014
Closing number of shares	2,724,140	1,513,036
Operating charges (note 2)	0.84%	1.40%
Direct transaction costs	0.07%	0.06%
Prices		
Highest share price	93.0729	101.2139
Lowest share price	85.6270	85.3232

[^]Share class opened on 23 May 2022.

1. The operating charges per share figure is calculated by applying the operating charges percentage to the average net asset valuation per share throughout the period.

2. The operating charges percentage is based on the expenses incurred during the period annualised, as a proportion of the average net asset value of the Sub-fund plus the costs of the open-ended funds the Sub-fund holds. Note, the 2023 and 2022 operating charges percentage also includes the underlying costs of investment trusts as per regulatory and Industry guidance issued in 2020, this was later changed to exclude underlying costs of investment trusts in December 2023.

Risk profile

Based on past data, the Sub-fund is ranked a 5 on the synthetic risk and reward indicator scale (of 1 to 7) as described fully in the Key Investor Information Document. The Sub-fund is ranked 5 (31 March 2023: ranked 5) because weekly historical performance data indicates that relatively high rises and falls in market prices would have occurred historically.

PORTFOLIO STATEMENT

As at 31 March 2024

Holding	Security	Value £	% of Total Net Assets %
Collective Investment Schemes (31.03.2023: 37.97%)			
498	Absalon Emerging Market Corporate Debt	3,815,299	2.68%
122,247	CIM Dividend Income	1,337,329	0.94%
629,600	Goodhart Partners Horizon Fund-HMG Global Emerging Markets Equity**	-	-
6,682	Samarang Asian Prosperity	1,694,208	1.18%
500,494	Invesco Perpetual European Equity Income	1,957,732	1.37%
34,835	Jupiter Global Emerging Markets Short Duration Bond	3,592,868	2.51%
38,710	MI TwentyFour Dynamic Bond	3,757,843	2.63%
199,737	Morant Wright Fuji Yield	2,870,603	2.01%
11,406	Prusik Asian Equity Income	1,529,667	1.07%
22,762	Robeco QI Emerging Conservative Equities	3,144,622	2.20%
14,865,341	Royal London Short Duration Global High Yield Bond	11,377,932	7.95%
13,097,482	Royal London Sterling Extra Yield Bond	12,640,380	8.84%
970,913	VT Downing European Unconstrained Income***	1,029,884	0.72%
2,096,082	Ninety One Global Gold Fund	2,017,898	1.41%
		50,766,265	35.51%
Exchange Traded Commodities (31.03.2023: 1.36%)			
11,520	Invesco Physical Markets PLC	1,947,226	1.36%
		1,947,226	1.36%
Exchange Traded Funds (31.03.2023: 2.01%)			
59,500	Amundi Prime Japan UCITS ETF	1,451,503	1.01%
57,500	Invesco EURO STOXX High Dividend Low Volatility UCITS ETF	1,231,938	0.86%
102,000	iShares Asia Pacific Dividend UCITS ETF	1,828,350	1.28%
13,300	SPDR S&P US Dividend Aristocrats ETF	762,090	0.53%
		5,273,881	3.68%
Government Bonds (31.03.2023: 0.23%)			
875,000	UK GILT 4.25% 07-12-2049	849,013	0.59%
2,010,000	UK GILT 4.25% 07-06-2032	2,068,089	1.45%
1,600,000	UK GILT 4.75% 07-12-2038	1,690,080	1.18%
915,000	UK GILT 6.00% 07-12-2028	999,400	0.70%
790,000	UK GILT 3.75% 22-10-2053	701,386	0.49%
340,000	UK GILT 4.75% 07-12-2030	359,077	0.25%
720,000	UK GILT 4.00% 22-10-2063	667,958	0.47%
		7,335,003	5.13%
Investment Trusts (31.03.2023: 28.16%)			
750,000	Bluefield Solar Income Fund Ltd	759,000	0.53%
1,666,823	Cordiant Digital Infrastructure Ltd	1,066,767	0.75%
4,280,000	Chrysalis Investments Ltd	3,548,120	2.48%
1,064,893	Digital 9 Infrastructure	226,290	0.16%
6,171,000	Doric Nimrod Air Three Ltd	3,147,210	2.20%
2,532,143	Doric Nimrod Air Two Ltd	2,962,607	2.07%
9,312,689	DP Aircraft I Ltd	406,122	0.28%
9,427,118	Fair Oaks Income Ltd	4,036,371	2.82%
2,965,000	Gore Street Energy Storage Fund PLC	1,873,880	1.31%
1,920,000	Greencoat UK Wind PLC	2,659,200	1.86%
3,045,000	Hipgnosis Songs Fund Ltd	2,088,870	1.46%
1,760,000	International Public Partnerships Ltd	2,178,880	1.52%
1,940,000	JLEN Environmental Assets Group Limited	1,784,800	1.25%
395,000	Oakley Capital Investments Ltd	1,797,250	1.26%
2,501,996	RM Infrastructure Income PLC	1,863,987	1.30%
2,840,000	Sequoia Economic Infrastructure Income Fund Ltd	2,300,400	1.61%
2,100,000	Syncona Limited Ord Npv	2,574,600	1.80%
17,389,743	Schroders Capital Global Innovation Trust PLC	2,217,192	1.55%
350,000	3i Infrastructure PLC	1,142,750	0.80%
		38,634,296	27.01%

VT MOMENTUM INVESTMENT FUNDS II - VT MOMENTUM DIVERSIFIED INCOME FUND

For the year ended 31 March 2024

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PORTFOLIO STATEMENT (Continued)

Holding	Security	Value £	% of Total Net Assets %
Real Estate Investment Trusts (31.03.2023: 7.31%)			
2,400,000	AEW UK REIT PLC	2,049,600	1.43%
3,820,000	Assura PLC	1,612,040	1.13%
1,060,000	Londonmetric Property PLC	2,145,440	1.50%
4,179,380	Life Science REIT plc	1,655,034	1.16%
2,525,000	PRS Reit PLC	1,994,750	1.39%
		9,456,864	6.61%
Equities (31.03.2023: 20.95%)			
87,171	Aberdeen Private Equity Fund Ltd	-	-
237,500	Babcock International Group PLC*	1,256,375	0.88%
465,000	Barclays PLC	852,159	0.60%
182,500	BP PLC	905,109	0.63%
70,000	Burberry Group PLC	856,100	0.60%
1,273,300	BT Group PLC	1,398,083	0.98%
227,460	Conduit Holdings Ltd	1,164,595	0.81%
13,000	Cranswick PLC	531,700	0.37%
372,100	Essentra PLC	640,012	0.45%
5,007	Games Workshop Group PLC	496,945	0.35%
56,500	GSK plc	965,020	0.67%
475,000	Halfords Group PLC	764,275	0.53%
226,700	J Sainsbury PLC	612,317	0.43%
1,123,600	Jupiter Fund Management PLC	985,397	0.69%
1,160,000	Kier Group PLC	1,533,520	1.07%
1,000,000	Legal & General Group PLC	2,535,000	1.77%
620,000	M&G PLC	1,364,620	0.95%
440,000	Marks and Spencer Group PLC	1,163,360	0.81%
2,490,100	Marstons PLC	714,659	0.50%
218,250	Molten Ventures PLC	516,380	0.36%
342,500	Morgan Advanced Materials PLC	989,825	0.69%
826,000	Mobico Group PLC	561,680	0.39%
7,810	Next PLC	721,644	0.50%
408,750	OSB Group PLC	1,538,535	1.08%
440,000	Origin Enterprises PLC	1,198,337	0.84%
290,000	Phoenix Group Holdings	1,584,560	1.12%
16,000	Rio Tinto PLC	801,120	0.56%
425,000	Senior PLC	746,300	0.52%
14,000,000	Speymill Deutsche Immobilien Company PLC*	-	-
22,200	Unilever PLC	879,452	0.61%
190,000	Tesco PLC	567,720	0.40%
115,000	WPP PLC	861,120	0.60%
		29,705,919	20.76%
Structured Notes (31.03.2023: 0.00%)			
4,350,000	Barclays Bank PLC WTS 23/02/2018**	-	-
		-	-
Portfolio of investments (31.03.2023: 97.99%)		143,119,454	100.06%
Net other assets (31.03.2023: 2.01%)		(88,817)	(0.06%)
Net assets		143,030,637	100.00%

*Delisted security

** Illiquid security

*** Related security due to the AFM of the Sub-fund also being the AFM of this holding

SUMMARY OF MATERIAL PORTFOLIO CHANGES

	£
Total purchases for the year (note 14)	44,986,332
Jupiter Global Emerging Markets Short Duration Bond	3,500,000
Robeco QI Emerging Conservative Equities	2,800,000
UK GILT 4.25% 07-06-2032	2,155,911
Assura PLC	1,773,945
UK GILT 4.75% 07-12-2038	1,740,354
iShares Asia Pacific Dividend UCITS ETF	1,630,680
Royal London Sterling Extra Yield Bond	1,400,000
UK GILT 5.00% 07-03-2025	1,394,818
UK GILT 6.00% 07-12-2028	1,352,972
Amundi MSCI Japan UCITS ETF	1,347,940
Other various purchases	25,889,712

	£
Total sales for the year (note 14)	66,286,937
TwentyFour Select Monthly Income Fund Ltd	5,121,464
Muzinich Short Duration High Yield	4,693,863
Morant Wright Fuji Yield	3,885,000
Absalon Emerging Market Corporate Debt	3,850,000
Round Hill Music Royalty Fund Limited	3,097,120
Ediston Property Investment Company PLC	3,054,961
iShares Emerging Markets Dividend UCITS ETF	2,773,160
JPMorgan European Growth & Income PLC	2,398,554
Vistry Group PLC	1,786,404
Royal London Short Duration Global High Yield Bond	1,775,000
Other various sales	33,851,411

The analysis is of the all purchases and sales during the year.

Scheme of Arrangement

On 23 August 2023, Momentum Multi-Asset Value Trust plc merged into the VT Momentum Diversified Income Fund through a scheme of arrangement. The subscriptions into the fund from Momentum Multi-Asset Value Trust plc shareholders were financed by way of an in specie transfer of holdings amounting to £23,165,381.

STATEMENT OF TOTAL RETURN

For the year ended 31 March

	Notes	2024		2023	
		£	£	£	£
Income					
Net capital gains/(losses)	2		4,184,452		(22,464,908)
Revenue	3	8,643,436		8,923,151	
Expenses	4	(1,349,680)		(1,486,220)	
Interest payable and similar charges	6	<u>(3,060)</u>		<u>(716)</u>	
Net revenue before taxation		7,290,696		7,436,215	
Taxation	5	<u>(486,492)</u>		<u>(468,978)</u>	
Net revenue after taxation			<u>6,804,204</u>		<u>6,967,237</u>
Total return before distributions			10,988,656		(15,497,671)
Finance costs: distributions	6		<u>(7,612,046)</u>		<u>(7,947,365)</u>
Changes in net assets attributable to shareholders from investment activities			<u>3,376,610</u>		<u>(23,445,036)</u>

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the year ended 31 March

	2024	2023
	£	£
Opening net assets attributable to shareholders	141,990,739	173,552,994
Amounts receivable on creation of shares	16,351,363	23,947,966
Amounts payable on cancellation of shares	(42,133,258)	(32,500,739)
Distribution accumulated	425,318	435,554
Scheme of arrangement	23,019,865	-
Changes in net assets attributable to shareholders from investment activities (see above)	<u>3,376,610</u>	<u>(23,445,036)</u>
Closing net assets attributable to shareholders	<u>143,030,637</u>	<u>141,990,739</u>

BALANCE SHEET

As at	Notes	31.03.2024		31.03.2023	
		£	£	£	£
FIXED ASSETS					
Investment assets			143,119,454		139,124,711
Current assets					
Debtors	7	1,401,266		1,257,726	
Cash and bank balances	8	313,894		3,549,688	
Total current assets			<u>1,715,160</u>	<u>3,549,688</u>	<u>4,807,414</u>
Total assets			144,834,614		143,932,125
LIABILITIES					
Current liabilities					
Bank overdraft	8	(198,245)		(27,502)	
Creditors	9	(1,138,996)		(1,277,526)	
Distribution payable on income shares		(466,736)		(636,358)	
Total current liabilities			<u>(1,803,977)</u>	<u>(636,358)</u>	<u>(1,941,386)</u>
Net assets attributable to shareholders			<u>143,030,637</u>		<u>141,990,739</u>

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting policies

The principal accounting policies, which have been applied in both the current and prior year, are set on pages 7-8.

2 Net capital gains/(losses)	2024	2023
The net capital gains/(losses) comprise:	£	£
Non-derivative securities gains/(losses)	4,148,068	(22,489,027)
Transaction charges	(4,812)	(1,841)
Currency gains/(losses)	18,815	(2,559)
Rebates from underlying holdings	22,381	28,519
Total net capital gains/(losses)	4,184,452	(22,464,908)

3 Revenue	2024	2023
	£	£
Non-taxable dividends	4,945,634	5,119,841
Property income distributions (PIDs)	481,390	543,795
Interest on non-derivatives securities	3,141,196	3,250,824
Bank interest	75,216	8,691
Total revenue	8,643,436	8,923,151

4 Expenses	2024	2023
	£	£
Payable to the Authorised Fund Manager, associates of the Authorised Fund Manager, and agents of either of them:		
Annual management charge	1,243,591	1,376,562
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary fee	49,437	53,247
Safe custody fee	10,653	8,379
	<u>60,090</u>	<u>61,626</u>
Other expenses:		
Audit fee	10,443	8,609
Other expenses	35,556	39,423
	<u>45,999</u>	<u>48,032</u>
Total expenses	1,349,680	1,486,220

NOTES TO THE FINANCIAL STATEMENTS (Continued)

5 Taxation	2024 £	2023 £
(a) Analysis of charge in the year		
UK corporation tax	473,489	468,978
Overseas withholding tax non recoverable	13,003	-
Total tax charge for the year (note 5b)	486,492	468,978

(b) Factors affecting current tax charge for the year

The tax assessed for the year is lower than the standard rate of corporation tax in the UK for an open-ended investment company 20.00% (2023: 20.00%). The differences are explained below:

Net revenue before UK corporation tax	7,290,696	7,436,215
Corporation tax at 20.00% (2023: 20.00%)	1,458,139	1,487,243
<u>Effects of:</u>		
Revenue not subject to UK corporation tax	(989,126)	(1,023,969)
Tax effect of rebates in capital	4,476	5,704
Overseas withholding tax non recoverable	13,003	-
Total tax charge for the year (note 5a)	486,492	468,978

(c) Provision for deferred taxation

At 31 March 2024 there is no potential deferred tax asset or liability (31 March 2023: £nil).

6 Finance costs	2024 £	2023 £
Interim dividend distributions	7,144,790	7,246,720
Final dividend distribution	493,079	678,337
	7,637,869	7,925,057
Add: Revenue deducted on cancellation of shares	190,094	108,532
Deduct: Revenue received on issue of shares	(70,401)	(86,224)
Deduct: Revenue received on scheme of arrangement	(145,516)	-
Net distribution for the year	7,612,046	7,947,365
Interest payable and similar charges	3,060	716
Total finance costs	7,615,106	7,948,081
Reconciliation of distributions		
Net revenue after taxation	6,804,204	6,967,237
Equalisation from collectives allocated to revenue	61,611	-
Allocations of expenses charged to capital	1,243,591	1,376,562
Relief on expenses allocated to capital	(248,718)	(275,312)
Balance brought forward	(342,858)	(463,980)
Balance carried forward	94,216	342,858
Net distribution for the year	7,612,046	7,947,365

NOTES TO THE FINANCIAL STATEMENTS (Continued)

7 Debtors	31.03.2024	31.03.2023
	£	£
Amounts receivable on creation of shares	254,457	340,888
Amounts receivable for unsettled trades	350,729	-
Accrued revenue:		
Non-taxable dividends receivable	515,011	644,390
Interest on non-derivatives securities receivable	205,065	71,567
Property income distributions receivable (PIDs)	58,444	35,030
Recoverable withholding tax	4,598	4,892
Return of capital receivable	-	146,020
Rebates from underlying holdings	8,794	9,365
Prepaid expenses	4,168	5,574
Total debtors	1,401,266	1,257,726
	£	£
8 Cash and bank balances		
Cash and bank balances	313,894	3,549,688
Bank overdraft	(198,245)	(27,502)
	£	£
9 Creditors		
Amounts payable on cancellation of shares	691,992	449,315
Amounts payable for unsettled trades	-	421,262
Payable to the Authorised Fund Manager, associates of the Authorised Fund Manager, and agents of either of them:		
Annual management charge	185,352	108,442
Amounts payable to the Depositary, associates of the Depositary and agents of either of them:		
Depositary fee	3,762	4,318
Safe custody and other custodian charges	3,424	7,395
	7,186	11,713
Other expenses	15,467	12,677
Corporation tax payable	238,999	274,117
	254,466	286,794
Total creditors	1,138,996	1,277,526

10 Risk management

In pursuing its investment objective as stated on page 29, the Sub-fund holds a number of financial instruments. The Sub-fund's financial instruments, comprise securities and other investments, cash balances, debtors and creditors that arise directly from its operations, for example, in respect of sales and purchases awaiting settlement, amounts receivable for issues and payable for redemptions and debtors for accrued revenue.

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

Market price risk

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

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

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

If market prices at the balance sheet date had been 10% higher or lower while all other variables remained constant, the return attributable to ordinary shareholders and equity for the year ended 31 March 2024 would have increased/decreased by £14,311,945 (31 March 2023: £13,912,471).

Foreign currency risk

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

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

Net currency assets and liabilities consist of:

	Net monetary assets and liabilities		Non-monetary assets		Total net assets	
	£		£		£	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023	31.03.2024	31.03.2023
Sterling	(261,110)	2,699,355	135,948,957	131,763,029	135,687,847	134,462,384
Euro	5,846	-	1,198,337	1,099,713	1,204,183	1,099,713
US Dollar	166,447	166,673	5,972,160	6,261,969	6,138,607	6,428,641
Total	(88,817)	2,866,028	143,119,454	139,124,711	143,030,637	141,990,739

If foreign exchange rates at the balance sheet date had been 10% higher or lower while all other variables remained constant, the return attributable to ordinary shareholders and equity for the year ended 31 March 2024 would have increased/decreased by £734,279 (31 March 2023: £752,835).

10 Risk management (Continued)

Interest rate risk

Interest rate risk is the risk to portfolio value due to changes in interest rates. The magnitude of the exposure from an adverse change in interest rates depends on the sensitivity of the instrument to changes in interest rates as well as the absolute change in interest rates. In general, values of long-term instruments are more sensitive to interest rate changes than the values of short-term instruments.

The Sub-fund takes on interest rate risk when the investment manager believes the expected returns compensate for the risk, limited by the investment objective, policy and any prospectus rules. The investment manager monitors the level of interest rate risk in the Sub-fund on a regular basis. In addition any cash deposits in the Sub-fund are linked to SONIA, ensuring interest income increases as interest rates increase.

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

	31.03.2024	31.03.2023
	£	£
Financial assets floating rate	313,894	3,549,688
Financial assets interest bearing instruments	44,383,312	45,520,485
Financial assets non-interest bearing instruments	100,137,408	94,861,952
Financial liabilities non-interest bearing instruments	(1,605,732)	(1,913,884)
Financial liabilities floating rate	(198,245)	(27,502)
	143,030,637	141,990,739

At 31 March 2024, if interest rates increased or decreased by 0.25%, with all other variables remaining constant, then the net assets attributable to shareholders of the Sub-fund would increase or decrease by approximately £18,626 (31 March 2023: £9,624).

Maturity of financial liabilities

The financial liabilities of the Sub-fund as at 31 March 2024 are payable either within one year or on demand.

Liquidity risk

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

Credit risk

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

10 Risk management (Continued)

Fair value disclosure

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

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

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

Level 3: Valuation techniques using unobservable inputs.

Valuation Technique	31.03.2024		31.03.2023	
	Assets (£000's)	Liabilities (£000's)	Assets (£000's)	Liabilities (£000's)
Level 1: Unadjusted quoted price in an active market for an identical instrument	92,353	-	85,206	-
Level 2: Valuation techniques using observable inputs other than quoted prices within level 1	50,766	-	53,907	-
Level 3: Valuation techniques using unobservable inputs	-	-	12	-
Total	143,119	-	139,125	-

11 Shares held

Shares Held	A Share Class (Income)	B Share Class (Income)	B Share Class (Accumulation)	N Share Class (Income)
Opening shares at 01.04.2023	34,267,105	104,425,425	8,347,787	735,638
Shares issued during the year	2,036,675	35,922,822	1,411,556	7,600
Shares cancelled during the year	(6,638,799)	(33,215,158)	(2,991,864)	(379,287)
Shares converted during the year	(1,924,375)	1,596,894	(4,152)	(43,667)
Closing shares as at 31.03.2024	27,740,606	108,729,983	6,763,327	320,284

Shares Held	I Share Class (Income)
Opening shares at 01.04.2023	1,513,036
Shares issued during the year	1,481,152
Shares cancelled during the year	(270,048)
Shares converted during the year	-
Closing shares as at 31.03.2024	2,724,140

12 Contingent assets and liabilities

At 31 March 2024, the Sub-fund had no contingent liabilities or commitments (31 March 2023: £nil).

13 Post balance sheet events

As indicated in the accounting policies in Note 1, the investments have been valued at the closing valuation point on 28 March 2024. Since that date, the Sub-fund's quoted price has moved as follows for each share class:

Share Class	Price at 28 March 2024	Price at 05 July 2024
A Share Class (Income)	81.4563p	82.6639p
B Share Class (Income)	101.5875p	103.2761p
B Share Class (Accumulation)	113.8637p	117.4019p
N Share Class (Income)	98.6961p	100.2683p
I Share Class (Income)	91.0029p	92.5786p

NOTES TO THE FINANCIAL STATEMENTS (Continued)

14 Direct transaction costs

Analysis of total purchase costs	2024	% of total purchases	2023	% of total purchases
	£		£	
Purchases in the year before transaction costs	44,904,905		42,772,762	
Commissions	15,580	0.03%	15,614	0.04%
Taxes & levies	65,847	0.15%	55,283	0.13%
Total purchase costs	<u>81,427</u>	<u>0.18%</u>	<u>70,897</u>	<u>0.17%</u>
Total purchases including transaction costs	<u>44,986,332</u>		<u>42,843,659</u>	

Analysis of total sale costs	2024		2023	
	£	% of total sales	£	% of total sales
Sales in the year before transaction costs	66,317,977		54,470,250	
Commissions	(30,807)	(0.05%)	(17,347)	(0.03%)
Taxes & levies	(233)	(0.00%)	(192)	(0.00%)
Total sale costs	<u>(31,040)</u>	<u>(0.05%)</u>	<u>(17,539)</u>	<u>(0.03%)</u>
Total sales net of transaction costs	<u>66,286,937</u>		<u>54,452,711</u>	

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

	2024	% of average net asset value	2023	% of average net asset value
	£		£	
Commissions	46,387	0.03%	32,961	0.02%
Taxes & levies	66,080	0.04%	55,475	0.04%
	<u>112,467</u>	<u>0.07%</u>	<u>88,436</u>	<u>0.06%</u>

15 Portfolio dealing spread

The average portfolio dealing spread at 31 March 2024 is 0.71% (31 March 2023: 0.77%).

16 Related party transactions

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

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

As noted in the portfolio summary, the Sub-fund held shares in related holdings. The income received from related holdings during the year was £26,475 (31 March 2023: £nil).

DISTRIBUTION TABLES

First Interim distribution in pence per share

Group 1: Shares purchased prior to 01 April 2023

Group 2: Shares purchased on or after 01 April 2023 and on or before 30 April 2023

A Share Class (Income)	Net revenue 30.05.2023	Equalisation	Distribution 30.05.2023	Distribution 30.05.2022
Group 1	0.3600p	-	0.3600p	0.3600p
Group 2	0.1439p	0.2161p	0.3600p	0.3600p

B Share Class (Income)	Net revenue 30.05.2023	Equalisation	Distribution 30.05.2023	Distribution 30.05.2022
Group 1	0.4462p	-	0.4462p	0.4432p
Group 2	0.1280p	0.3182p	0.4462p	0.4432p

B Share Class (Accumulation)	Net revenue 30.05.2023	Equalisation	Distribution 30.05.2023	Distribution 30.05.2022
Group 1	0.4746p	-	0.4746p	0.4479p
Group 2	0.1259p	0.3487p	0.4746p	0.4479p

N Share Class (Income)	Net revenue 30.05.2023	Equalisation	Distribution 30.05.2023	Distribution 30.05.2022
Group 1	0.4345p	-	0.4345p	0.4327p
Group 2	0.2336p	0.2009p	0.4345p	0.4327p

I Share Class (Income)	Net revenue 30.05.2023	Equalisation	Distribution 30.05.2023
Group 1	0.3987p	-	0.3987p
Group 2	0.3987p	-	0.3987p

Second Interim distribution in pence per share

Group 1: Shares purchased prior to 01 May 2023

Group 2: Shares purchased on or after 01 May 2023 and on or before 31 May 2023

A Share Class (Income)	Net revenue 29.06.2023	Equalisation	Distribution 29.06.2023	Distribution 29.06.2022
Group 1	0.3002p	-	0.3002p	0.3600p
Group 2	0.0777p	0.2225p	0.3002p	0.3600p

B Share Class (Income)	Net revenue 29.06.2023	Equalisation	Distribution 29.06.2023	Distribution 29.06.2022
Group 1	0.3721p	-	0.3721p	0.4378p
Group 2	0.0393p	0.3328p	0.3721p	0.4378p

B Share Class (Accumulation)	Net revenue 29.06.2023	Equalisation	Distribution 29.06.2023	Distribution 29.06.2022
Group 1	0.3964p	-	0.3964p	0.4558p
Group 2	0.0339p	0.3625p	0.3964p	0.4558p

N Share Class (Income)	Net revenue 29.06.2023	Equalisation	Distribution 29.06.2023	Distribution 29.06.2022
Group 1	0.3624p	-	0.3624p	0.4275p
Group 2	0.0170p	0.3454p	0.3624p	0.4275p

I Share Class (Income)	Net revenue 29.06.2023	Equalisation	Distribution 29.06.2023	Distribution 29.06.2022[^]
Group 1	0.3326p	-	0.3326p	0.0322p
Group 2	0.3326p	-	0.3326p	0.0322p

[^]Distribution for the period 23 May 2022 to 31 May 2022

DISTRIBUTION TABLES (Continued)

Third Interim distribution in pence per share

Group 1: Shares purchased prior to 01 June 2023

Group 2: Shares purchased on or after 01 June 2023 and on or before 30 June 2023

A Share Class (Income)	Net revenue 28.07.2023	Equalisation	Distribution 28.07.2023	Distribution 28.07.2022
Group 1	0.4198p	-	0.4198p	0.3600p
Group 2	0.0091p	0.4107p	0.4198p	0.3600p

B Share Class (Income)	Net revenue 28.07.2023	Equalisation	Distribution 28.07.2023	Distribution 28.07.2022
Group 1	0.5208p	-	0.5208p	0.4441p
Group 2	0.0771p	0.4437p	0.5208p	0.4441p

B Share Class (Accumulation)	Net revenue 28.07.2023	Equalisation	Distribution 28.07.2023	Distribution 28.07.2022
Group 1	0.5584p	-	0.5584p	0.4516p
Group 2	0.0533p	0.5051p	0.5584p	0.4516p

N Share Class (Income)	Net revenue 28.07.2023	Equalisation	Distribution 28.07.2023	Distribution 28.07.2022
Group 1	0.5081p	-	0.5081p	0.4334p
Group 2	0.0004p	0.5077p	0.5081p	0.4334p

I Share Class (Income)	Net revenue 28.07.2023	Equalisation	Distribution 28.07.2023	Distribution 28.07.2022
Group 1	0.4656p	-	0.4656p	0.4187p
Group 2	0.2281p	0.2375p	0.4656p	0.4187p

Fourth Interim distribution in pence per share

Group 1: Shares purchased prior to 01 July 2023

Group 2: Shares purchased on or after 01 July 2023 and on or before 31 July 2023

A Share Class (Income)	Net revenue 30.08.2023	Equalisation	Distribution 30.08.2023	Distribution 30.08.2022
Group 1	0.3600p	-	0.3600p	0.3600p
Group 2	-	0.3600p	0.3600p	0.3600p

B Share Class (Income)	Net revenue 30.08.2023	Equalisation	Distribution 30.08.2023	Distribution 30.08.2022
Group 1	0.4467p	-	0.4467p	0.4439p
Group 2	0.0005p	0.4462p	0.4467p	0.4439p

B Share Class (Accumulation)	Net revenue 30.08.2023	Equalisation	Distribution 30.08.2023	Distribution 30.08.2022
Group 1	0.4805p	-	0.4805p	0.4532p
Group 2	0.0098p	0.4707p	0.4805p	0.4532p

N Share Class (Income)	Net revenue 30.08.2023	Equalisation	Distribution 30.08.2023	Distribution 30.08.2022
Group 1	0.4353p	-	0.4353p	0.4332p
Group 2	0.0200p	0.4153p	0.4353p	0.4332p

I Share Class (Income)	Net revenue 30.08.2023	Equalisation	Distribution 30.08.2023	Distribution 30.08.2022
Group 1	0.3994p	-	0.3994p	0.4034p
Group 2	0.3994p	-	0.3994p	0.4034p

DISTRIBUTION TABLES (Continued)

Fifth Interim distribution in pence per share

Group 1: Shares purchased prior to 01 August 2023

Group 2: Shares purchased on or after 01 August 2023 and on or before 31 August 2023

A Share Class (Income)	Net revenue 28.09.2023	Equalisation	Distribution 28.09.2023	Distribution 29.09.2022
Group 1	0.3600p	-	0.3600p	0.3600p
Group 2	0.0076p	0.3524p	0.3600p	0.3600p

B Share Class (Income)	Net revenue 28.09.2023	Equalisation	Distribution 28.09.2023	Distribution 29.09.2022
Group 1	0.4469p	-	0.4469p	0.4442p
Group 2	0.0003p	0.4466p	0.4469p	0.4442p

B Share Class (Accumulation)	Net revenue 28.09.2023	Equalisation	Distribution 28.09.2023	Distribution 29.09.2022
Group 1	0.4825p	-	0.4825p	0.4556p
Group 2	-	0.4825p	0.4825p	0.4556p

N Share Class (Income)	Net revenue 28.09.2023	Equalisation	Distribution 28.09.2023	Distribution 29.09.2022
Group 1	0.4352p	-	0.4352p	0.4333p
Group 2	0.0162p	0.4190p	0.4352p	0.4333p

I Share Class (Income)	Net revenue 28.09.2023	Equalisation	Distribution 28.09.2023	Distribution 29.09.2022
Group 1	0.3997p	-	0.3997p	0.3976p
Group 2	0.0012p	0.3985p	0.3997p	0.3976p

Sixth Interim distribution in pence per share

Group 1: Shares purchased prior to 01 September 2023

Group 2: Shares purchased on or after 01 September 2023 and on or before 30 September 2023

A Share Class (Income)	Net revenue 30.10.2023	Equalisation	Distribution 30.10.2023	Distribution 28.10.2022
Group 1	0.3600p	-	0.3600p	0.3600p
Group 2	0.0033p	0.3567p	0.3600p	0.3600p

B Share Class (Income)	Net revenue 30.10.2023	Equalisation	Distribution 30.10.2023	Distribution 28.10.2022
Group 1	0.4473p	-	0.4473p	0.4444p
Group 2	0.0163p	0.4310p	0.4473p	0.4444p

B Share Class (Accumulation)	Net revenue 30.10.2023	Equalisation	Distribution 30.10.2023	Distribution 28.10.2022
Group 1	0.4853p	-	0.4853p	0.4575p
Group 2	0.0159p	0.4694p	0.4853p	0.4575p

N Share Class (Income)	Net revenue 30.10.2023	Equalisation	Distribution 30.10.2023	Distribution 28.10.2022
Group 1	0.4352p	-	0.4352p	0.4335p
Group 2	0.0010p	0.4342p	0.4352p	0.4335p

I Share Class (Income)	Net revenue 30.10.2023	Equalisation	Distribution 30.10.2023	Distribution 28.10.2022
Group 1	0.4001p	-	0.4001p	0.3969p
Group 2	-	0.4001p	0.4001p	0.3969p

DISTRIBUTION TABLES (Continued)

Seventh Interim distribution in pence per share

Group 1: Shares purchased prior to 01 October 2023

Group 2: Shares purchased on or after 01 October 2023 and on or before 31 October 2023

A Share Class (Income)	Net revenue 29.11.2023	Equalisation	Distribution 29.11.2023	Distribution 29.11.2022
Group 1	0.3600p	-	0.3600p	0.3600p
Group 2	0.0011p	0.3589p	0.3600p	0.3600p

B Share Class (Income)	Net revenue 29.11.2023	Equalisation	Distribution 29.11.2023	Distribution 29.11.2022
Group 1	0.4475p	-	0.4475p	0.4446p
Group 2	0.0009p	0.4466p	0.4475p	0.4446p

B Share Class (Accumulation)	Net revenue 29.11.2023	Equalisation	Distribution 29.11.2023	Distribution 29.11.2022
Group 1	0.4873p	-	0.4873p	0.4600p
Group 2	-	0.4873p	0.4873p	0.4600p

N Share Class (Income)	Net revenue 29.11.2023	Equalisation	Distribution 29.11.2023	Distribution 29.11.2022
Group 1	0.4353p	-	0.4353p	0.4336p
Group 2	0.0015p	0.4338p	0.4353p	0.4336p

I Share Class (Income)	Net revenue 29.11.2023	Equalisation	Distribution 29.11.2023	Distribution 29.11.2022
Group 1	0.4003p	-	0.4003p	0.3969p
Group 2	-	0.4003p	0.4003p	0.3969p

Eighth Interim distribution in pence per share

Group 1: Shares purchased prior to 01 November 2023

Group 2: Shares purchased on or after 01 November 2023 and on or before 30 November 2023

A Share Class (Income)	Net revenue 28.12.2023	Equalisation	Distribution 28.12.2023	Distribution 29.12.2022
Group 1	0.3600p	-	0.3600p	0.3600p
Group 2	0.0102p	0.3498p	0.3600p	0.3600p

B Share Class (Income)	Net revenue 28.12.2023	Equalisation	Distribution 28.12.2023	Distribution 29.12.2022
Group 1	0.4476p	-	0.4476p	0.4448p
Group 2	0.0138p	0.4338p	0.4476p	0.4448p

B Share Class (Accumulation)	Net revenue 28.12.2023	Equalisation	Distribution 28.12.2023	Distribution 29.12.2022
Group 1	0.4892p	-	0.4892p	0.4614p
Group 2	0.0054p	0.4838p	0.4892p	0.4614p

N Share Class (Income)	Net revenue 28.12.2023	Equalisation	Distribution 28.12.2023	Distribution 29.12.2022
Group 1	0.4354p	-	0.4354p	0.4337p
Group 2	0.0087p	0.4267p	0.4354p	0.4337p

I Share Class (Income)	Net revenue 28.12.2023	Equalisation	Distribution 28.12.2023	Distribution 29.12.2022
Group 1	0.4006p	-	0.4006p	0.3971p
Group 2	0.0191p	0.3815p	0.4006p	0.3971p

DISTRIBUTION TABLES (Continued)

Ninth Interim distribution in pence per share

Group 1: Shares purchased prior to 01 December 2023

Group 2: Shares purchased on or after 01 December 2023 and on or before 31 December 2023

A Share Class (Income)	Net Revenue 30.01.2024	Equalisation	Distribution 30.01.2024	Distribution 30.01.2023
Group 1	0.3240p	-	0.3240p	0.3600p
Group 2	0.0324p	0.2916p	0.3240p	0.3600p

B Share Class (Income)	Net Revenue 30.01.2024	Equalisation	Distribution 30.01.2024	Distribution 30.01.2023
Group 1	0.4031p	-	0.4031p	0.4452p
Group 2	0.1277p	0.2754p	0.4031p	0.4452p

B Share Class (Accumulation)	Net Revenue 30.01.2024	Equalisation	Distribution 30.01.2024	Distribution 30.01.2023
Group 1	0.4429p	-	0.4429p	0.4655p
Group 2	0.1789p	0.2640p	0.4429p	0.4655p

N Share Class (Income)	Net Revenue 30.01.2024	Equalisation	Distribution 30.01.2024	Distribution 30.01.2023
Group 1	0.3920p	-	0.3920p	0.4339p
Group 2	0.0826p	0.3094p	0.3920p	0.4339p

I Share Class (Income)	Net Revenue 30.01.2024	Equalisation	Distribution 30.01.2024	Distribution 30.01.2023
Group 1	0.3608p	-	0.3608p	0.3975p
Group 2	0.1685p	0.1923p	0.3608p	0.3975p

Tenth Interim distribution in pence per share

Group 1: Shares purchased prior to 01 January 2024

Group 2: Shares purchased on or after 01 January 2024 and on or before 31 January 2024

A Share Class (Income)	Net Revenue 28.02.2024	Equalisation	Distribution 28.02.2024	Distribution 27.02.2023
Group 1	0.3600p	-	0.3600p	0.3600p
Group 2	0.0209p	0.3391p	0.3600p	0.3600p

B Share Class (Income)	Net Revenue 28.02.2024	Equalisation	Distribution 28.02.2024	Distribution 27.02.2023
Group 1	0.4483p	-	0.4483p	0.4454p
Group 2	0.0330p	0.4153p	0.4483p	0.4454p

B Share Class (Accumulation)	Net Revenue 28.02.2024	Equalisation	Distribution 28.02.2024	Distribution 27.02.2023
Group 1	0.4963p	-	0.4963p	0.4674p
Group 2	-	0.4963p	0.4963p	0.4674p

N Share Class (Income)	Net Revenue 28.02.2024	Equalisation	Distribution 28.02.2024	Distribution 27.02.2023
Group 1	0.4358p	-	0.4358p	0.4340p
Group 2	0.0578p	0.3780p	0.4358p	0.4340p

I Share Class (Income)	Net Revenue 28.02.2024	Equalisation	Distribution 28.02.2024	Distribution 27.02.2023
Group 1	0.4014p	-	0.4014p	0.3978p
Group 2	0.0069p	0.3945p	0.4014p	0.3978p

DISTRIBUTION TABLES (Continued)

Eleventh Interim distribution in pence per share

Group 1: Shares purchased prior to 01 February 2024

Group 2: Shares purchased on or after 01 February 2024 and on or before 28 February 2024

A Share Class (Income)	Net Revenue 27.03.2024	Equalisation	Distribution 27.03.2024	Distribution 30.03.2023
Group 1	0.3600p	-	0.3600p	0.3600p
Group 2	0.1291p	0.2309p	0.3600p	0.3600p

B Share Class (Income)	Net Revenue 27.03.2024	Equalisation	Distribution 27.03.2024	Distribution 30.03.2023
Group 1	0.4485p	-	0.4485p	0.4455p
Group 2	0.1566p	0.2919p	0.4485p	0.4455p

B Share Class (Accumulation)	Net Revenue 27.03.2024	Equalisation	Distribution 27.03.2024	Distribution 30.03.2023
Group 1	0.4979p	-	0.4979p	0.4679p
Group 2	0.1593p	0.3386p	0.4979p	0.4679p

N Share Class (Income)	Net Revenue 27.03.2024	Equalisation	Distribution 27.03.2024	Distribution 30.03.2023
Group 1	0.4359p	-	0.4359p	0.4341p
Group 2	0.1313p	0.3046p	0.4359p	0.4341p

I Share Class (Income)	Net Revenue 27.03.2024	Equalisation	Distribution 27.03.2024	Distribution 30.03.2023
Group 1	0.4016p	-	0.4016p	0.3978p
Group 2	0.1161p	0.2855p	0.4016p	0.3978p

Final distribution in pence per share

Group 1: Shares purchased prior to 01 March 2024

Group 2: Shares purchased on or after 01 March 2024 and on or before 31 March 2024

A Share Class (Income)	Net revenue 29.04.2024	Equalisation	Distribution 29.04.2024	Distribution 27.04.2023
Group 1	0.2799p	-	0.2799p	0.3829p
Group 2	0.0820p	0.1979p	0.2799p	0.3829p

B Share Class (Income)	Net revenue 29.04.2024	Equalisation	Distribution 29.04.2024	Distribution 27.04.2023
Group 1	0.3490p	-	0.3490p	0.4744p
Group 2	0.1946p	0.1544p	0.3490p	0.4744p

B Share Class (Accumulation)	Net revenue 29.04.2024	Equalisation	Distribution 29.04.2024	Distribution 27.04.2023
Group 1	0.3895p	-	0.3895p	0.5029p
Group 2	0.2304p	0.1591p	0.3895p	0.5029p

N Share Class (Income)	Net revenue 29.04.2024	Equalisation	Distribution 29.04.2024	Distribution 27.04.2023
Group 1	0.3391p	-	0.3391p	0.4620p
Group 2	0.2436p	0.0955p	0.3391p	0.4620p

I Share Class (Income)	Net revenue 29.04.2024	Equalisation	Distribution 29.04.2024	Distribution 27.04.2023
Group 1	0.3126p	-	0.3126p	0.4238p
Group 2	0.1817p	0.1309p	0.3126p	0.4238p

DISTRIBUTION TABLES (Continued)

Information for corporate shareholders

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

- i) 57.22% of the total dividend allocation together with the tax credit is received as franked investment income.
- ii) 42.78% of the dividend allocation is received as an annual payment received after deduction of income tax at the lower rate and is liable to corporation tax. It is not franked investment income.

INFORMATION FOR INVESTORS

Individual shareholders

Income tax: Tax-free annual dividend allowance currently standing at £1,000 (2023/24). UK resident shareholders are now subject to new higher rates of tax on dividend income in excess of the annual allowance. The actual rate depends on the individual's tax rate band.

Capital gains tax: Individual shareholders resident in the UK for tax purposes may be liable to capital gains tax on realisation of their shares as with other chargeable assets. However, the first £6,000 (2023/24) of gains each year are presently tax free for individuals. Gains in excess of that amount are charged at the rate of tax applicable to the individual tax payer.

Taxation

VT Momentum Diversified Income Fund has corporation tax to pay on its profits for the year ended 31 March 2024 while VT Momentum Diversified Growth Fund has no corporation tax to pay on its profits for the year ended 31 March 2024. Capital gains within the Company will not be taxed.

Corporate shareholders

Companies resident for tax purposes in the UK which hold shares should note that OEIC distributions are streamed into both franked and unfranked income. The unfranked income element will be treated as an annual payment which has been subject to income tax at prevailing rates and will be liable to tax accordingly. On realisation of their shares, UK resident companies may be liable to pay corporation tax on any capital gains.

The above information on taxation is only a general summary, and shareholders should consult their own tax advisors in relation to their own circumstances. Shareholders should also note that the position as outlined may change to reflect future changes in tax legislation.

Issue and redemption of shares

Valu-Trac Investment Management Limited is the AFM and Registrar. Valu-Trac Investment Management Limited will receive requests for the purchase or sale of shares at any time during normal business hours between 8.30am and 5.30pm. Instructions may be given by email Momentum@valu-trac.com or by sending an application form to the Registrar. Application forms are available from the Registrar.

The price of shares will be determined by reference to a valuation of the Company's net assets at 12 noon on each dealing day.

The AFM has the right to reject, on reasonable grounds relating to the circumstances of the applicant, any application for shares in whole or part, and in this event the AFM will return any money sent, or the balance of such monies, at the risk of the applicant.

Any subscription monies remaining after a whole number of shares has been issued will not be returned to the applicant. Instead, smaller denomination shares will be issued in such circumstances.

A contract note giving details of the shares purchased and the price used will be issued by the Registrar by the end of the business day following the valuation point by reference to which the purchase price is determined. A contract note will be issued by close of business on the next business day after the dealing date to confirm the transaction.

Ownership of shares will be evidenced by an entry on the Company's Register of Shareholders. Certificates will not be issued. Statements in respect of periodic distributions of revenue will show the number of shares held by the recipient in respect of which the distribution is made. Individual statements of a shareholder's shares will also be issued at any time on request by the registered holder.

Where shares are redeemed, payment will be made not later than the close of business on the fourth business day following the next valuation point after receipt by the AFM of a request for redemption.

The most recent issue and redemption prices are available from the AFM.

Value assessment

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

Task Force on Climate-related Financial Disclosures ("TCFD") reports

The AFM is required to prepare and publish a product TCFD report for each Sub-fund along with an entity level TCFD report. The latest reports can be obtained from https://www.valu-trac.com/administration-services/tcf_d_reports.

INFORMATION FOR INVESTORS (Continued)

Remuneration

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

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

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

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

28.05.2023	Number of Beneficiaries	Fixed Remuneration	Variable Remuneration Paid	Total Remuneration Paid
Total remuneration paid by the AFM during the year	86	£3,462,948	£ nil	£3,462,948
Remuneration paid to employees of the AFM who have a material impact on the risk profile of the UK UCITS	18	£1,043,732	£ nil	£1,043,732
Senior Management	14	£779,584	£ nil	£779,584
Control Functions	4	£264,148	£ nil	£264,148
Employees receiving total remuneration that takes them into the same remuneration brackets as senior management and risk takers	0	£ -	£ nil	£ -

Further information is available in the AFM's Remuneration Policy document which can be obtained from www.valu-trac.com. A paper copy of the remuneration policy is available on request from the registered office of the Authorised Fund Manager free of charge.

CORPORATE DIRECTORY

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