

VT VANNECK FUNDS ICVC
**(Sub-funds VT Vanneck Defensive Fund, VT Vanneck Global Growth
Fund and VT Vanneck Investment Growth Fund)**

**Annual Report and Financial Statements
for the year ended 30 September 2023**

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COMPANY OVERVIEW

Type of Company

VT Vanneck Funds ICVC (the Company) is an investment company with variable capital incorporated in England and Wales under the OEIC Regulations with registered number IC001112 and authorised by the Financial Conduct Authority (PRN: 806954) pursuant to an authorisation order dated 8 June 2018. The Company has an 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.

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 Scheme's Sourcebook, we hereby certify the Annual report.

David Fraser FCCA

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 VANNECK FUNDS ICVC

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 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 October 2023

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF VT VANNECK FUNDS ICVC (SUB-FUNDS VT VANNECK DEFENSIVE FUND, VT VANNECK GLOBAL GROWTH FUND AND VT VANNECK INVESTMENT GROWTH FUND)

Opinion

We have audited the financial statements of VT Vanneck Funds ICVC ("the Company") for the year ended 30 September 2023 which comprise the Statements of Total Return, Statements of Changes in Net Assets Attributable to Shareholders, Balance Sheets, the related Notes to the Financial Statements, including significant accounting policies and the Distribution Tables. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Generally Accepted Accounting Practice including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

In our opinion the financial statements:

- > give a true and fair view of the financial position of the Company at 30 September 2023 and of the net revenue and the net capital gains on the scheme property of the Company for the year then ended; and
- > have been properly prepared in accordance with the IA Statement of Recommended Practice for Authorised Funds, the rules of the Collective Investment Schemes Sourcebook of the Financial Conduct Authority and the Instrument of Incorporation.

Basis for opinion

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

Conclusions Relating to Going Concern

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

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

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

Other information

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the COLL Regulations

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

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

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF VT VANNECK FUNDS ICVC (SUB-FUNDS VT VANNECK DEFENSIVE FUND, VT VANNECK GLOBAL GROWTH FUND AND VT VANNECK INVESTMENT GROWTH FUND) (Continued)

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 from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The 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, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The most relevant frameworks we identified include:

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

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

We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur, by meeting with management to understand where it was considered there was susceptibility to fraud. This evaluation also considered how the Authorised Corporate Director was remunerated and whether this provided an incentive for fraudulent activity. We considered the overall control environment and how the Authorised Corporate Director 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.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF VT VANNECK FUNDS ICVC (SUB-FUNDS VT VANNECK DEFENSIVE FUND, VT VANNECK GLOBAL GROWTH FUND AND VT VANNECK INVESTMENT GROWTH FUND) (Continued)

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

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

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

- > Performing audit work procedures over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business, review of a pre sign-off Net Asset Valuation (NAV) statement for any unexpected activity and reviewing judgements made by the Authorised Corporate Director 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 are to become aware of it.

Use of Our Report

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

Johnston Carmichael LLP
Chartered Accountants
Statutory Auditor
Elgin

Date

ACCOUNTING POLICIES

For the year ended 30 September 2023

The principal accounting policies, which have been applied in the current period, are set out below:

- (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.
- (d) Distributions on equities and collectives are recognised when the security is quoted ex-dividend. Equalisation on distributions from collectives is treated as capital. All equalisation on distributions from collectives is then reallocated to revenue, for distribution purposes. Interest on deposits and debt securities is accounted for on an accruals basis. In the case of 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 the Investment Manager are recognised on an accruals basis and recognised as income. Excess Reportable Income is recognised once reported by the relevant funds. Gains and losses, including differences in valuation of investments held at the balance sheet date, including unrealised exchange differences, are treated as capital.
- (e) The ordinary element of stocks received in lieu of cash dividends is recognised as revenue of the Sub-funds, and where applicable is included in the distribution. In the case of an enhanced stock dividend the value of the enhancement is treated as capital.
- (f) Special dividends are treated as either revenue or a repayment of capital depending on the facts of each particular case. Where the receipt of a special dividend results in a significant reduction in the capital value or where the distribution arises from an underlying capital event such as a merger or disposal these would typically be deemed as capital so as to ensure that the matching principle is applied to gains and losses. Otherwise, the special dividend would typically be recognised as revenue. Where special dividends are treated as revenue, they are included in the amount 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 29 September 2023 with reference to quoted bid prices from reliable external sources.
- (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 period are translated at the exchange rates at 12 noon on 29 September 2023.
- (i) Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay less or receive more tax.

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

ACCOUNTING POLICIES (Continued)

- (k) The Sub-funds currently issue Accumulation & Income shares. The VT Vanneck Global Growth Fund and VT Vanneck Investment Growth Fund go ex dividend semi-annually and VT Vanneck Defensive Fund goes ex-date Quarterly. All Sub-funds pay any income available to the shareholder 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-funds (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 Vanneck Defensive Fund |
| Size of Sub-fund | £36,047,089 |
| Launch date | 15 June 2018 |
| Sub-fund Investment Objective & Policy: | <p>The investment objective of the Sub-fund is to aim to preserve and grow capital over the medium to longer term (5 years). Capital is in fact at risk and there is no guarantee that a positive return will be achieved over any period.</p> <p>The Sub-fund seeks to meet its objectives through investing in a diversified portfolio of assets, mainly (at least 50%) equities (and at times, significantly so) as well as bonds and cash. The portfolio will be actively managed with asset allocations varying based on the Investment Manager's views as to whether equity markets are over or undervalued. For example, at times, where the Investment Manager considers it prudent (based on market conditions), a large proportion of the portfolio may take the form of cash (and less in equities) and vice versa.</p> <p>The Sub-fund may also invest in transferable securities, money market instruments, deposits, cash and near cash.</p> <p>The Sub-fund has no particular emphasis on any geographical area or industry or economic sector.</p> |
| Performance Comparator: | <p>The Sub-fund is not managed to or constrained by a benchmark, and nor does the AFM use a benchmark in order to assess performance.</p> <p>However, the performance of the Sub-fund can be compared to that of the IA Mixed Investments 40-85% Shares (the "Index").</p> <p>The performance of the Sub-fund can be compared against that of the Index. This benchmark has been selected as it is considered that the Index most closely reflects the risk/return objectives of the Sub-fund at the current time. For the avoidance of doubt, the Investment Manager is not bound or influenced by the Index when making its decisions and can make investments that are not included in the Index.</p> |
| Derivatives: | The Sub-fund may use derivatives only for efficient portfolio management purposes. It is not intended that the use of derivatives for efficient portfolio management purposes will increase the risk profile of the Sub-fund. |
| Authorised Fund Manager (AFM): | Valu-Trac Investment Management Limited |
| Share classes | Income, Accumulation, Income Class S and Accumulation Class S |
| Ex-distribution dates | 30 September, 31 December, 31 March and 30 June |
| Distribution dates | 30 November, last day of February, 31 May and 31 August |
| Individual Savings Account (ISA) | The Sub-fund is a qualifying investment for inclusion in an ISA |

SUB-FUND OVERVIEW (Continued)

Minimum investment*

| | |
|-----------------------------------|--|
| Lump sum subscription: | Income and Accumulation = £20,000 Income Class S and Accumulation Class S = £10,000,000 |
| Top-up: | Income and Accumulation = £100 Income Class S and Accumulation Class S = £100,000 |
| Holding: | Income and Accumulation = £20,000 Income Class S and Accumulation Class S = £10,000,000 |
| Redemption: | All share classes = N/A (provided minimum holding is maintained) |
| Switching: | All share classes = N/A (provided minimum holding is maintained) |
| Redemption and switching charges* | Nil |

*The AFM may waive the minimum levels (and initial charge and redemption charge) at its discretion.

| | |
|---|--|
| Annual Management Charges to 31 May 2023 | £25,000 [^] per annum plus: Income and Accumulation = 0.75% per annum of the net asset value of the Sub-fund (plus VAT if applicable) Income Class S and Accumulation Class S = 0.60% per annum of the net asset value of the Sub-fund (plus VAT if applicable) |
|---|--|

| | |
|---|--|
| Annual Management Charges from 31 May 2023 | Income and Accumulation = 0.85% per annum of the net asset value of the Sub-fund (plus VAT if applicable) Income Class S and Accumulation Class S = 0.70% per annum of the net asset value of the Sub-fund (plus VAT if applicable) |
|---|--|

The above percentages being percentages of the net asset value of the Sub-fund attributable to the relevant Class (plus VAT if applicable) subject to a minimum of £50,000^{^^} per annum.

[^]The fixed element of the fee shall rise annually in line with the rate of inflation (calculated in accordance with the Consumer Price Index) on 1 January each year (from 1 January 2019). In the event of negative inflation, the fixed element of the fee will remain unchanged.

^{^^}The minimum fee shall rise annually in line with the rate of inflation (calculated in accordance with the Consumer Prices Index) on 1 January each year (from 1 January 2024). In the event of negative inflation, the fixed element of the fee will remain unchanged.

Cap on Ongoing Charges

The Investment Manager with the agreement of the AFM has undertaken to restrict the ongoing charges ratio of VT Vanneck Defensive Fund.

(i) for Income and Accumulation shares if the total OCF of the Sub-fund (excluding underlying collective investment undertaking holding charges) exceeds 1%, the Investment Manager shall reimburse the Sub-fund for an amount which, when deducted from the operating costs incurred by the Sub-fund during the relevant accounting period, would result in the Sub-fund having a total OCF (excluding underlying collective investment undertaking holding charges) equal to 1% in the relevant accounting period; and

(ii) for Income Class S and Accumulation Class S shares if the total OCF (excluding underlying collective investment undertaking holding charges) of the Sub-fund exceeds 0.85%, the Investment Manager shall reimburse the Sub-fund for the amount which, when deducted from the operating costs incurred by the Sub-fund during the relevant accounting period, would result in the Sub-fund having a total OCF (excluding underlying collective investment undertaking holding charges) equal to 0.85% in the relevant accounting period.

INVESTMENT MANAGER'S REVIEW

For the 12 months period – 30/9/2022 to 29/9/2023 – the VDF returned +8.8% (acc). The VDF is not managed to or constrained by a benchmark. We are pleased with the performance of the fund, particularly given, in our view, the low risk (KIID puts risk at 5) taken to achieve the return. We – and our family – are the largest unit holders in the fund so there is excellent alignment with investors.

VDF is an asset allocation fund, so there are two key and distinct investment updates to give investors. First, any significant changes made to the fund's asset allocation. Second, any significant changes to securities within each asset allocation – i.e. did the fund move to 100% in equities, and if so, what equities did we buy.

We added AP Moller-Maersk in December and then sold the holding in March after it increased 13% in local currency and before it paid a dividend of c. 25% of its market cap which would have been tax inefficient for unit holders. We sold the fund's holding in Exxon following a stellar performance period as global oil prices rose.

We exited our positions in Aberforth Smaller Companies Investment Trust and Associated British Foods as we sought to reduce the fund's exposure to UK domestic stocks amid a general concern about the sustainability of the UK public finances. We sold the German property company Vonovia as we felt its balance sheet was getting so stretched as to make its dividend vulnerable. We also diversified our pharma weighting by selling 2 holdings – GSK and Astrazeneca – and buying 4 international pharma companies (detailed below.)

In terms of new positions, the 4 new pharma stocks added were Novartis, Roche, Sanofi and Bristol-Myers. The main aim was international diversification, but each company was bought on its own merits. For example, Bristol-Myers, the large US pharmaceutical company, was trading on a forward PE of below 10 despite, in our view, promising growth opportunities. We also re-opened a position in Coca-Cola as its share price fell to a level where we see considerable upside in the future. We anticipate and hope that all these stocks will be long-term holdings for the fund.

In terms of the c. 40% of the fund not invested in equities, we adjusted the portfolio after the "mini-budget" event in the UK caused the pound to drop to near parity versus the dollar. Accordingly, we hedged some of our US TIPs exposure to the pound early in the period and then unwound the hedge in March as sterling recovered. We did the same with our Gold holding which we unwound in June as the pound strengthened against USD.

Vanneck Limited
Investment Manager to the Fund
24 October 2023

PERFORMANCE RECORD

Financial Highlights

| Income | Year ended 30 September 2023 | Year ended 30 September 2022 | Year ended 30 September 2021 |
|-------------------------------------|---------------------------------|---------------------------------|---------------------------------|
| Changes in net assets per share | Gbp | Gbp | Gbp |
| Opening net asset value per share | 104.0590 | 108.2940 | 95.5731 |
| Return before operating charges | 10.2134 | (1.3737) | 15.5619 |
| Operating charges (note 1) | (1.0137) | (0.9662) | (0.9480) |
| Return after operating charges* | 9.1997 | (2.3399) | 14.6139 |
| Distributions on income shares | (1.6309) | (1.8951) | (1.8930) |
| Closing net asset value per share | 111.6278 | 104.0590 | 108.2940 |
| *after direct transaction costs of: | 0.0755 | 0.0956 | 0.1871 |
| Performance | | | |
| Return after charges | 8.84% | (2.16%) | 15.29% |
| Other information | | | |
| Closing net asset value | £11,980,231 | £15,541,879 | £16,048,757 |
| Closing number of shares | 10,732,296 | 14,935,645 | 14,819,615 |
| Operating charges (note 2) | 0.94% | 0.91% | 0.93% |
| Direct transaction costs | 0.07% | 0.09% | 0.18% |
| Prices | | | |
| Highest share price | 113.5218 | 115.1206 | 110.5340 |
| Lowest share price | 103.1571 | 104.0590 | 91.7605 |

| Accumulation | Year ended 30 September 2023 | Year ended 30 September 2022 | Year ended 30 September 2021 |
|--|---------------------------------|---------------------------------|---------------------------------|
| Changes in net assets per share | Gbp | Gbp | Gbp |
| Opening net asset value per share | 113.3003 | 115.8503 | 100.4300 |
| Return before operating charges | 11.1208 | (1.5074) | 16.4260 |
| Operating charges (note 1) | (1.1121) | (1.0426) | (1.0057) |
| Return after operating charges* | 10.0087 | (2.5500) | 15.4203 |
| Closing net asset value per share | 123.3090 | 113.3003 | 115.8503 |
| Retained distributions on accumulated shares | 1.7856 | 2.0394 | 2.0019 |
| *after direct transaction costs of: | 0.0828 | 0.1031 | 0.1985 |
| Performance | | | |
| Return after charges | 8.83% | (2.20%) | 15.35% |
| Other information | | | |
| Closing net asset value | £10,234,577 | £9,915,138 | £10,008,848 |
| Closing number of shares | 8,299,942 | 8,751,198 | 8,639,463 |
| Operating charges (note 2) | 0.94% | 0.91% | 0.93% |
| Direct transaction costs | 0.07% | 0.09% | 0.18% |
| Prices | | | |
| Highest share price | 124.8279 | 123.8148 | 117.4811 |
| Lowest share price | 112.2966 | 113.3003 | 96.4237 |

PERFORMANCE RECORD (Continued)

Financial Highlights (Continued)

| Income Class S | Year ended 30 | Year ended 30 | Period 11 |
|-------------------------------------|----------------|----------------|---|
| | September 2023 | September 2022 | December 2020 to 30 September 2021 [^] |
| Changes in net assets per share | GBP | GBP | GBP |
| Opening net asset value per share | 103.0035 | 107.1971 | 100.0000 |
| Return before operating charges | 10.1159 | (1.3537) | 9.7226 |
| Operating charges (note 1) | (0.8433) | (0.7988) | (0.6397) |
| Return after operating charges* | 9.2726 | (2.1525) | 9.0829 |
| Distributions on income shares | (1.7802) | (2.0411) | (1.8858) |
| Closing net asset value per share | 110.4959 | 103.0035 | 107.1971 |
| *after direct transaction costs of: | 0.0747 | 0.0946 | 0.1902 |
| Performance | | | |
| Return after charges | 9.00% | (2.01%) | 9.08% |
| Other information | | | |
| Closing net asset value | £1,719,869 | £1,603,677 | £1,668,523 |
| Closing number of shares | 1,556,500 | 1,556,500 | 1,556,500 |
| Operating charges (note 2) | 0.79% | 0.76% | 0.78% |
| Direct transaction costs | 0.07% | 0.09% | 0.18% |
| Prices | | | |
| Highest share price | 112.4095 | 113.9971 | 109.4436 |
| Lowest share price | 102.1120 | 103.0035 | 97.9592 |

[^]share class was launched 11 December 2020

| Accumulation Class S | Year ended 30 | Year ended 30 | Year ended 30 |
|--|----------------|----------------|----------------|
| | September 2023 | September 2022 | September 2021 |
| Changes in net assets per share | GBP | GBP | GBP |
| Opening net asset value per share | 108.6728 | 110.9522 | 96.0411 |
| Return before operating charges | 10.6753 | (1.4448) | 15.7184 |
| Operating charges (note 1) | (0.8971) | (0.8346) | (0.8073) |
| Return after operating charges* | 9.7782 | (2.2794) | 14.9111 |
| Closing net asset value per share | 118.4510 | 108.6728 | 110.9522 |
| Retained distributions on accumulated shares | 1.8885 | 2.1264 | 2.0721 |
| *after direct transaction costs of: | 0.0795 | 0.0988 | 0.1900 |
| Performance | | | |
| Return after charges | 9.00% | (2.05%) | 15.53% |
| Other information | | | |
| Closing net asset value | £12,121,261 | £11,120,641 | £11,353,889 |
| Closing number of shares | 10,233,140 | 10,233,140 | 10,233,140 |
| Operating charges (note 2) | 0.79% | 0.76% | 0.78% |
| Direct transaction costs | 0.07% | 0.09% | 0.18% |
| Prices | | | |
| Highest share price | 119.9059 | 118.6709 | 112.5016 |
| Lowest share price | 107.7158 | 108.6728 | 92.2208 |

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 year.
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 together with the ongoing charges included within the underlying holdings held within the Sub-fund.

Risk Profile

Based on past data, the 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 (30 September 2022: ranked 4). The Sub-fund is ranked 5 because monthly historical performance data indicates that relatively high rises and falls in market prices would have occurred historically.

PORTFOLIO STATEMENT

As at 30 September 2023

| Holding | Value £ | % of net assets |
|--|-------------------|--------------------|
| Exchange Traded Commodities (30.09.2022: 5.98%) | | |
| 60,000 iShares Physical Gold ETC | 1,782,000 | 4.94 |
| | 1,782,000 | 4.94 |
| Exchange Traded Funds (30.09.2022: 8.25%) | | |
| 41,000 iShares \$ TIPS 0-5 UCITS ETF | 3,354,949 | 9.31 |
| 28,000 iShares Core MSCI EM IMI UCITS ETF | 676,620 | 1.88 |
| 20,500 iShares EURO STOXX 50 UCITS ETF | 756,245 | 2.10 |
| | 4,787,814 | 13.29 |
| Bonds (30.09.2022: 23.47%) | | |
| 3,500,000 UK GILT 0.125% 31-01-2024 | 3,444,420 | 9.56 |
| 3,250,000 UK GILT 0.25% 31-01-2025 | 3,059,583 | 8.48 |
| | 6,504,003 | 18.04 |
| Investment Trusts (30.09.2022: 1.40%) | | |
| | - | - |
| Equities (30.09.2022: 55.28%) | | |
| 7,000 Alphabet Inc | 755,003 | 2.10 |
| 5,300 Apple Inc | 737,478 | 2.06 |
| 3,000 Automatic Data Processing Inc | 595,051 | 1.66 |
| 1,100 BlackRock Inc | 578,384 | 1.61 |
| 8,625 Blackstone Group LP | 760,882 | 2.11 |
| 130,000 BP PLC | 699,400 | 1.94 |
| 10,000 Bristol-Myers Squibb Co | 473,905 | 1.31 |
| 20,000 British American Tobacco PLC | 517,000 | 1.43 |
| 8,900 Coca-Cola Co | 404,869 | 1.12 |
| 10,000 Diageo PLC | 306,050 | 0.85 |
| 23,000 Experian PLC | 621,690 | 1.72 |
| 17,500 Greggs PLC | 428,050 | 1.19 |
| 205,500 HALEON PLC | 700,652 | 1.94 |
| 78,500 Hargreaves Lansdown PLC | 625,488 | 1.74 |
| 4,066 Johnson & Johnson | 519,894 | 1.44 |
| 4,289 Kenvue Inc | 70,317 | 0.20 |
| 3,320 Microsoft Corp | 848,772 | 2.35 |
| 32,300 Mondi PLC | 444,933 | 1.23 |
| 20,000 Mowi ASA | 292,118 | 0.81 |
| 45,000 National Grid PLC | 444,870 | 1.23 |
| 280,428 Natwest Group PLC | 659,567 | 1.83 |
| 5,800 Nestle SA | 540,735 | 1.50 |
| 11,800 Nintendo Co Ltd | 401,869 | 1.11 |
| 3,800 Novartis AG | 320,588 | 0.89 |
| 11,100 Novo Nordisk A/S | 838,520 | 2.33 |
| 4,075 PepsiCo Inc | 563,004 | 1.56 |
| 91,000 Phoenix Group Holdings | 435,617 | 1.21 |
| 10,100 Reckitt Benckiser Group PLC | 587,618 | 1.63 |
| 17,000 Relx PLC | 475,320 | 1.32 |
| 15,000 Rio Tinto PLC | 783,300 | 2.17 |
| 1,300 Roche Holding AG | 292,241 | 0.81 |
| 3,800 Sanofi SA | 333,302 | 0.92 |
| 140,400 Schroders PLC | 578,167 | 1.60 |
| 26,350 Shell plc | 698,539 | 1.94 |
| 30,350 SSE PLC | 495,616 | 1.37 |
| 247,000 Tesco PLC | 656,279 | 1.82 |
| 3,500 Texas Instruments Inc | 453,915 | 1.26 |
| 20,700 Unilever PLC | 845,490 | 2.35 |
| | 20,784,493 | 57.66 |

PORTFOLIO STATEMENT (Continued)

| | | |
|--|-------------------|---------------|
| Portfolio of investments (30.09.2022: 94.38%) | 33,858,310 | 93.93 |
| Net other assets (30.09.2022: 5.66%) | 2,188,779 | 6.07 |
| | 36,047,089 | 100.00 |

Note: The 30 September 2022 comparators percentages are based on Mid pricing and does not add up to 100%. The Mid to Bid adjustment for the year ended 30 September 2022 was (0.04%).

SUMMARY OF MATERIAL PORTFOLIO CHANGES

| | £ |
|---|-------------------|
| Total sales for the year (note 14) | 20,828,759 |
| Aberforth Smaller Companies Trust PLC | 676,919 |
| AP Moeller - Maersk A/S | 874,414 |
| Associated British Foods PLC | 797,987 |
| AstraZeneca PLC | 753,546 |
| Exxon Mobil Corp | 809,057 |
| iShares \$ TIPS 0-5 UCITS ETF | 3,476,071 |
| iShares \$ TIPS UCITS ETF | 1,862,547 |
| Ishares Physical Gold GBP Hedged ETC | 2,621,609 |
| UK GILT 2.25% 07-09-2023 | 3,746,203 |
| UK GILT 0.00% 22-07-2023 | 1,976,232 |
| Other various sales | 3,234,174 |

| | £ |
|---|-------------------|
| Total purchases for the year (note 14) | 15,897,932 |
| AP Moeller - Maersk A/S | 750,782 |
| Bristol-Myers Squibb Co | 550,551 |
| Coca-Cola Co | 418,951 |
| iShares \$ TIPS 0-5 UCITS ETF | 3,441,740 |
| iShares \$ TIPS 0-5 UCITS ETF | 3,336,355 |
| iShares Physical Gold ETC | 1,773,606 |
| Roche Holding AG | 308,478 |
| Sanofi SA | 308,838 |
| Schroders PLC | 549,402 |
| UK GILT 0.25% 31-01-2025 | 3,050,787 |
| Other various purchases | 1,408,442 |

The above transactions represent the top 10 sales and purchases during the year.

STATEMENT OF TOTAL RETURN

For the year ended 30 September

| | Notes | 2023 | 2022 |
|--|-------|------------------|--------------------|
| | | £ | £ |
| Income | | | |
| Net capital gains/(losses) | 2 | 2,486,290 | (1,561,119) |
| Revenue | 3 | 1,196,090 | 1,100,694 |
| Expenses | 4 | (328,554) | (337,419) |
| Interest payable and similar charges | 6 | - | (2,370) |
| Net revenue before taxation | | 867,536 | 760,905 |
| Taxation | 5 | (27,589) | (38,751) |
| Net revenue after taxation | | 839,947 | 722,154 |
| Total return before distributions | | 3,326,237 | (838,965) |
| Finance costs: distributions | 6 | (576,023) | (709,431) |
| Changes in net assets attributable to shareholders from investment activities | | 2,750,214 | (1,548,396) |

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the year ended 30 September

| | 2023 | 2022 |
|---|-------------------|-------------------|
| | £ | £ |
| Opening net assets attributable to shareholders | 38,168,802 | 39,062,350 |
| Amounts receivable on creation of shares | 996,520 | 572,638 |
| Amounts payable on redemption of shares | (6,213,103) | (313,102) |
| Retained distributions on accumulation shares | 344,656 | 395,312 |
| Changes in net assets attributable to shareholders from investment activities (see above) | 2,750,214 | (1,548,396) |
| Closing net assets attributable to shareholders | 36,047,089 | 38,168,802 |

BALANCE SHEET

| As at | Notes | 30.09.2023 | | 30.09.2022 | |
|--|-------|------------------|-------------------|--------------------|--------------------|
| | | £ | £ | £ | £ |
| FIXED ASSETS | | | | | |
| Investment assets | | | 33,858,310 | | 36,004,312 |
| CURRENT ASSETS | | | | | |
| Debtors | 7 | 75,628 | | 72,128 | |
| Cash and bank balances | 8 | <u>2,210,900</u> | | <u>7,502,581</u> | |
| Total current assets | | | <u>2,286,528</u> | | <u>7,574,708</u> |
| Total assets | | | 36,144,838 | | 43,579,020 |
| CURRENT LIABILITIES | | | | | |
| Distribution payable | | (63,574) | | (98,618) | |
| Creditors | 9 | <u>(34,175)</u> | | <u>(5,311,600)</u> | |
| Total current liabilities | | | <u>(97,749)</u> | | <u>(5,410,218)</u> |
| Net assets attributable to shareholders | | | <u>36,047,089</u> | | <u>38,168,802</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 out on pages 7-8.

| 2 Net capital gains/(losses) | 2023 | 2022 |
|---|------------------|--------------------|
| | £ | £ |
| The net capital gains/(losses) comprise: | | |
| Non-derivative securities gains/(losses) | 2,494,866 | (1,553,045) |
| Currency (losses) | (8,448) | (7,711) |
| Transaction charges | (128) | (363) |
| Total net capital gains/(losses) | 2,486,290 | (1,561,119) |
| | | |
| 3 Revenue | 2023 | 2022 |
| | £ | £ |
| Non-taxable dividends | 770,966 | 1,045,804 |
| Interest from non-derivative securities | 358,630 | 48,154 |
| Bank interest | 66,494 | 6,736 |
| Total revenue | 1,196,090 | 1,100,694 |
| | | |
| 4 Expenses | 2023 | 2022 |
| | £ | £ |
| Payable to the Authorised Fund Manager, associates of the Authorised Fund Manager, and agents of either of them: | | |
| Annual Management Charge | 295,715 | 309,397 |
| Payable to the depositary, associates of the depositary, and agents of either of them: | | |
| Depositary fee | 17,951 | 18,000 |
| Safe custody fee | 1,907 | 2,091 |
| | 19,858 | 20,091 |
| Other expenses: | | |
| Audit fee | 7,180 | 6,260 |
| FCA fee | 34 | 49 |
| Other fees | 5,767 | 1,622 |
| | 12,981 | 7,931 |
| Total expenses | 328,554 | 337,419 |

NOTES TO THE FINANCIAL STATEMENTS (Continued)

| 5 Taxation | 2023 | 2022 |
|---|---------------|---------------|
| | £ | £ |
| (a) Analysis of charge in the year | | |
| Irrecoverable overseas withholding tax | 27,589 | 38,751 |
| Total tax charge for the year (note 5b) | <u>27,589</u> | <u>38,751</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% (2022: 20.00%) The differences are explained below:

| | | |
|--|---------------|---------------|
| Net revenue before UK corporation tax | 867,536 | 760,905 |
| Corporation tax at 20.00% (2022: 20.00%) | 173,507 | 152,181 |
| Effects of: | | |
| Revenue not subject to UK corporation tax | (154,193) | (209,161) |
| Excess management expenses (utilised)/unutilised | (19,314) | 56,980 |
| Irrecoverable overseas withholding tax | 27,589 | 38,751 |
| Total tax charge for the year (note 5b) | <u>27,589</u> | <u>38,751</u> |

(c) Provision for deferred taxation

At 30 September 2023 there is a potential deferred tax asset of £156,823 (30 September 2022: £176,137) in relation to surplus management expenses. It is unlikely the Sub-fund will generate sufficient taxable profits in the future to utilise this amount and therefore no deferred tax asset has been recognised.

| 6 Finance costs | 2023 | 2022 |
|---|----------------|----------------|
| | £ | £ |
| Interim dividend distributions | 390,088 | 487,413 |
| Final dividend distribution | 170,358 | 222,483 |
| | <u>560,446</u> | <u>709,896</u> |
| Add: Revenue deducted on cancellation of shares | 16,087 | 285 |
| Deduct: Revenue received on issue of shares | (510) | (750) |
| Net distribution for the year | <u>576,023</u> | <u>709,431</u> |
| Interest payable and similar charges | - | 2,370 |
| Total finance costs | <u>576,023</u> | <u>711,801</u> |
| Reconciliation of distributions | | |
| Net revenue after taxation | 839,947 | 722,154 |
| Balance brought forward | 24,509 | 11,786 |
| Balance carried forward | (288,433) | (24,509) |
| Net distribution for the year | <u>576,023</u> | <u>709,431</u> |

NOTES TO THE FINANCIAL STATEMENTS (Continued)

| 7 Debtors | 30.09.2023 | 30.09.2022 |
|--|-------------------|-------------------|
| | £ | £ |
| Amounts receivable on creation of shares | - | 338 |
| Accrued revenue: | | |
| Non-taxable dividends receivable | 63,577 | 44,527 |
| Interest from non-derivative securities receivable | 2,140 | 9,797 |
| Overseas withholding tax recoverable | 9,827 | 17,373 |
| Prepayments | 84 | 93 |
| Total debtors | 75,628 | 72,128 |
| | | |
| 8 Cash and bank balances | 30.09.2023 | 30.09.2022 |
| | £ | £ |
| Bank balances | 2,210,900 | 7,502,581 |
| | | |
| 9 Creditors | 30.09.2023 | 30.09.2022 |
| | £ | £ |
| Amounts payable on unsettled trades | - | 5,275,330 |
| Amounts payable to the AFM, associates of the AFM and agents of either of them: | | |
| Annual Management Charge | 22,813 | 24,919 |
| Amounts payable to the Depositary, associates of the Depositary and agents of either of them: | | |
| Depositary's fees | 1,430 | 1,479 |
| Transaction charges | 345 | 559 |
| Safe custody fees | 1,866 | 1,906 |
| | 3,641 | 3,944 |
| Other accrued expenses | 7,721 | 7,407 |
| Total creditors | 34,175 | 5,311,600 |

10 Shares held (Continued)

Income

| | |
|-------------------------------------|-------------------|
| Opening Shares at 01.10.2022 | 14,935,645 |
| Shares issued during the year | 541,075 |
| Shares cancelled during the year | (4,744,424) |
| Shares converted during the year | - |
| Closing Shares at 30.09.2023 | 10,732,296 |

Accumulation

| | |
|-------------------------------------|------------------|
| Opening Shares at 01.10.2022 | 8,751,198 |
| Shares issued during the year | 358,005 |
| Shares cancelled during the year | (809,261) |
| Shares converted during the year | - |
| Closing Shares at 30.09.2023 | 8,299,942 |

Income Class S

| | |
|-------------------------------------|------------------|
| Opening Shares at 01.10.2022 | 1,556,500 |
| Shares issued during the year | - |
| Shares cancelled during the year | - |
| Shares converted during the year | - |
| Closing Shares at 30.09.2023 | 1,556,500 |

Accumulation Class S

| | |
|-------------------------------------|-------------------|
| Opening Shares at 01.10.2022 | 10,233,140 |
| Shares issued during the year | - |
| Shares cancelled during the year | - |
| Shares converted during the year | - |
| Closing Shares at 30.09.2023 | 10,233,140 |

11 Risk management

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

Credit risk

Credit risk is the risk that a counterparty may be unable or unwilling to make a payment or fulfil contractual obligations. This may be in terms of an actual default or by deterioration in a counterparty's credit quality.

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.

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.

All financial liabilities are payable in one year or less, or on demand.

11 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 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:

| | 30.09.2023 | 30.09.2022 |
|--|-------------------|-------------------|
| | £ | £ |
| Financial assets floating rate | 2,210,900 | 7,502,581 |
| Financial assets interest bearing instruments | 9,858,952 | 10,841,380 |
| Financial assets non-interest bearing instruments | 24,074,986 | 25,235,059 |
| Financial liabilities non-interest bearing instruments | (97,749) | (5,410,218) |
| Financial liabilities floating rate | - | - |
| | 36,047,089 | 38,168,802 |

At 30 September 2023, 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 £21,787 (30 September 2022: £41,171).

Foreign currency risk

Foreign currency risk is the risk that the sterling value of investments will fluctuate as a result of exchange rate movements. Assets denominated in currencies other than sterling will provide direct exposure to currency risk as a consequence of the movement in foreign exchange rates when calculating the sterling equivalent value.

Where the Sub-fund invests in non-sterling assets, the investment manager allows for the foreign currency risk when considering whether to invest and does not seek to hedge this risk.

This risk is not actively managed.

The table below shows the direct foreign currency risk profile:

| | 30.09.2023 | 30.09.2022 |
|------------------------|-------------------|-------------------|
| | £ | £ |
| Currency: | | |
| Danish krona | 838,520 | 662,340 |
| Euros | 339,820 | 449,510 |
| Japanese yen | 406,137 | 431,841 |
| Norwegian krone | 295,477 | 234,853 |
| Swiss francs | 1,160,032 | 582,738 |
| US Dollars | 10,122,594 | 6,414,207 |
| Total foreign currency | 13,162,580 | 8,775,489 |
| Pounds sterling | 22,884,509 | 29,393,313 |
| Net assets | 36,047,089 | 38,168,802 |

A 10% change in the Pounds sterling exchange rate against all other currencies, assuming all other factors remained the same, would have an impact of £1,316,258 (30 September 2022: £877,549) on the net assets of the Sub-fund.

11 Risk management (continued)

Market price risk

Market price risk is the risk that the value of the Sub-fund's financial instruments 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 primarily from uncertainty about the future prices of financial instruments that the Sub-fund holds.

Market price risk represents the potential loss the Sub-fund may suffer through holding market positions in the face of price movements. The Sub-fund's investment portfolio is exposed to price fluctuations, which are monitored by the AFM in pursuance of the investment objective and policy. The risk is generally regarded as consisting of two elements – stock specific risk and market risk. Adhering to investment guidelines and avoiding excessive exposure to one particular issuer can limit stock specific risk. Subject to compliance with the investment objective, spreading exposure across a broad range of global stocks can mitigate market risk.

A 10% increase in the value of the Sub-fund's portfolio would have the effect of increasing the return and net assets by £3,385,831 (30 September 2022: £3,600,431). A 10% decrease would have an equal and opposite effect.

Fair Value disclosure

The fair value hierarchy is intended to prioritise the inputs that are used to measure the fair value of assets and liabilities. The highest priority is given to quoted prices and the lowest priority to un-observable inputs. The criteria applied to the fair value 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 | 30.09.2023 | | 30.09.2022 | |
|--|--------------------|-------------------------|--------------------|-------------------------|
| | Assets (£000's) | Liabilities (£000's) | Assets (£000's) | Liabilities (£000's) |
| Level 1: Unadjusted quoted price in an active market for an identical instrument | 33,858 | - | 36,004 | - |
| Total | 33,858 | - | 36,004 | - |

12 Contingent assets and liabilities

At 30 September 2023, the Sub-fund had no contingent liabilities or commitments (30 September 2022: £nil).

13 Post balance sheet events

As indicated in the accounting policies in Note 1, the investments have been valued at the closing valuation point on 29 September 2023. Since that date, the Sub-fund's quoted price has moved as follows for each share class:

| Share Class | Price (GBP) at 29 Sept 2023 | Price (GBP) at 05 Jan 2024 |
|----------------------|-----------------------------|----------------------------|
| Income | 111.6278p | 113.6755p |
| Accumulation | 123.3090p | 125.7590p |
| Income Class S | 110.4959p | 112.5271p |
| Accumulation Class S | 118.4510p | 120.8533p |

NOTES TO THE FINANCIAL STATEMENTS (Continued)

14 Direct transaction costs

| | 2023 | | 2022 | |
|--|------------|---------|------------|----------------------|
| | £ | % | £ | % of total purchases |
| Analysis of total purchase costs | | | | |
| Purchases in the year before transaction costs | 15,880,801 | | 23,939,948 | |
| Commissions | 8,963 | 0.06% | 8,185 | 0.03% |
| Taxes & levies | 8,168 | 0.05% | 18,478 | 0.08% |
| Total purchase costs | 17,131 | 0.11% | 26,663 | 0.11% |
| Total purchases including transaction costs | 15,897,932 | | 23,966,611 | |
| | 2023 | | 2022 | |
| | £ | % | £ | % of total Sales |
| Analysis of total sale costs | | | | |
| Sales in year before transaction costs | 20,837,074 | | 22,106,018 | |
| Commissions | (8,294) | (0.04%) | (9,546) | (0.04%) |
| Taxes & levies | (21) | (0.00%) | (315) | (0.00%) |
| Total sale costs | (8,315) | (0.04%) | (9,861) | (0.04%) |
| Total sales including transaction costs | 20,828,759 | | 22,096,157 | |

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

| | 2023 £ | % of average net asset value | 2022 £ | % of average net asset value |
|----------------|-----------|------------------------------------|-----------|------------------------------------|
| Commissions | 17,257 | 0.05% | 17,731 | 0.04% |
| Taxes & levies | 8,189 | 0.02% | 18,793 | 0.05% |
| | 25,446 | 0.07% | 36,524 | 0.09% |

15 Portfolio Dealing Spread

The average portfolio dealing spread at 30 September 2023 is 0.05% (30 September 2022: 0.08%).

16 Related party transactions

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

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

DISTRIBUTION TABLES

Q1 Interim distribution in pence per share

Group 1: Shares purchased prior to 01 October 2022

Group 2 : Shares purchased on or after 01 October 2022 and on or before 31 December 2022

| Income | Net Revenue 28.02.2023 | Equalisation | Distribution 28.02.2023 | Distribution 28.02.2022 |
|---------|---------------------------|--------------|----------------------------|----------------------------|
| Group 1 | 0.2000p | - | 0.2000p | 0.1399p |
| Group 2 | 0.1815p | 0.0185p | 0.2000p | 0.1399p |

| Accumulation | Net Revenue 28.02.2023 | Equalisation | Distribution 28.02.2023 | Distribution 28.02.2022 |
|--------------|---------------------------|--------------|----------------------------|----------------------------|
| Group 1 | 0.2176p | - | 0.2176p | 0.1497p |
| Group 2 | 0.0505p | 0.1671p | 0.2176p | 0.1497p |

| Income Class S | Net Revenue 28.02.2023 | Equalisation | Distribution 28.02.2023 | Distribution 28.02.2022 |
|----------------|---------------------------|--------------|----------------------------|----------------------------|
| Group 1 | 0.2376p | - | 0.2376p | 0.1804p |
| Group 2 | 0.2376p | - | 0.2376p | 0.1804p |

| Accumulation Class S | Net Revenue 28.02.2023 | Equalisation | Distribution 28.02.2023 | Distribution 28.02.2022 |
|----------------------|---------------------------|--------------|----------------------------|----------------------------|
| Group 1 | 0.2505p | - | 0.2505p | 0.1867p |
| Group 2 | 0.2505p | - | 0.2505p | 0.1867p |

Q2 Interim distribution in pence per share

Group 1: Shares purchased prior to 01 January 2023

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

| Income | Net Revenue 31.05.2023 | Equalisation | Distribution 31.05.2023 | Distribution 31.05.2022 |
|---------|---------------------------|--------------|----------------------------|----------------------------|
| Group 1 | 0.6057p | - | 0.6057p | 0.6318p |
| Group 2 | 0.4484p | 0.1573p | 0.6057p | 0.6318p |

| Accumulation | Net Revenue 31.05.2023 | Equalisation | Distribution 31.05.2023 | Distribution 31.05.2022 |
|--------------|---------------------------|--------------|----------------------------|----------------------------|
| Group 1 | 0.6613p | - | 0.6613p | 0.6765p |
| Group 2 | 0.6043p | 0.0570p | 0.6613p | 0.6765p |

| Income Class S | Net Revenue 31.05.2023 | Equalisation | Distribution 31.05.2023 | Distribution 31.05.2022 |
|----------------|---------------------------|--------------|----------------------------|----------------------------|
| Group 1 | 0.6417p | - | 0.6417p | 0.6666p |
| Group 2 | 0.6417p | - | 0.6417p | 0.6666p |

| Accumulation Class S | Net Revenue 31.05.2023 | Equalisation | Distribution 31.05.2023 | Distribution 31.05.2022 |
|----------------------|---------------------------|--------------|----------------------------|----------------------------|
| Group 1 | 0.6783p | - | 0.6783p | 0.6910p |
| Group 2 | 0.6783p | - | 0.6783p | 0.6910p |

DISTRIBUTION TABLES (Continued)**Q3 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 June 2023

| Income | Net Revenue 31.08.2023 | Equalisation | Distribution 31.08.2023 | Distribution 31.08.2022 |
|---------------|-----------------------------------|---------------------|------------------------------------|------------------------------------|
| Group 1 | 0.3126p | - | 0.3126p | 0.5287p |
| Group 2 | 0.0848p | 0.2278p | 0.3126p | 0.5287p |

| Accumulation | Net Revenue 31.08.2023 | Equalisation | Distribution 31.08.2023 | Distribution 31.08.2022 |
|---------------------|-----------------------------------|---------------------|------------------------------------|------------------------------------|
| Group 1 | 0.3430p | - | 0.3430p | 0.5695p |
| Group 2 | 0.3123p | 0.0307p | 0.3430p | 0.5695p |

| Income Class S | Net Revenue 31.08.2023 | Equalisation | Distribution 31.08.2023 | Distribution 31.08.2022 |
|-----------------------|-----------------------------------|---------------------|------------------------------------|------------------------------------|
| Group 1 | 0.3512p | - | 0.3512p | 0.5646p |
| Group 2 | 0.3512p | - | 0.3512p | 0.5646p |

| Accumulation Class S | Net Revenue 31.08.2023 | Equalisation | Distribution 31.08.2023 | Distribution 31.08.2022 |
|-----------------------------|-----------------------------------|---------------------|------------------------------------|------------------------------------|
| Group 1 | 0.3734p | - | 0.3734p | 0.5887p |
| Group 2 | 0.3734p | - | 0.3734p | 0.5887p |

Q4 Final 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 30 September 2023

| Income | Net Revenue 30.11.2023 | Equalisation | Distribution 30.11.2023 | Distribution 30.11.2022 |
|---------------|-----------------------------------|---------------------|------------------------------------|------------------------------------|
| Group 1 | 0.5126p | - | 0.5126p | 0.5947p |
| Group 2 | 0.1819p | 0.3307p | 0.5126p | 0.5947p |

| Accumulation | Net Revenue 30.11.2023 | Equalisation | Distribution 30.11.2023 | Distribution 30.11.2022 |
|---------------------|-----------------------------------|---------------------|------------------------------------|------------------------------------|
| Group 1 | 0.5637p | - | 0.5637p | 0.6437p |
| Group 2 | 0.4605p | 0.1032p | 0.5637p | 0.6437p |

| Income Class S | Net Revenue 30.11.2023 | Equalisation | Distribution 30.11.2023 | Distribution 30.11.2022 |
|-----------------------|-----------------------------------|---------------------|------------------------------------|------------------------------------|
| Group 1 | 0.5497p | - | 0.5497p | 0.6295p |
| Group 2 | 0.5497p | - | 0.5497p | 0.6295p |

| Accumulation Class S | Net Revenue 30.11.2023 | Equalisation | Distribution 30.11.2023 | Distribution 30.11.2022 |
|-----------------------------|-----------------------------------|---------------------|------------------------------------|------------------------------------|
| Group 1 | 0.5863p | - | 0.5863p | 0.6600p |
| Group 2 | 0.5863p | - | 0.5863p | 0.6600p |

Information for corporate shareholders

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

- i) 64.46% of the total dividend allocation together with the tax credit is received as franked investment income.
- ii) 35.54% 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 Vanneck Global Growth Fund |
| Size of Sub-fund | £14,561,711 |
| Launch date | 28 January 2021 |
| Sub-fund Investment Objective & Policy: | <p>The objective of the Sub-fund is to provide capital growth and income over the long term (5-10 years).</p> <p>The Sub-fund will seek to achieve its objective by investing at least 80% in a concentrated portfolio consisting of the equity securities of approximately 20 to 35 companies based throughout the world which the Investment Manager considers to provide long term returns through capital appreciation and/or the payment of dividends.</p> <p>The Sub-fund may also invest in collective investment schemes (including those managed and/or operated by the AFM or investment manager) fixed income, money market instruments, deposits, cash and near cash. The Sub-fund is actively managed.</p> <p>The Sub-fund will not have any particular geographic, industry or economic sector focus and as such weightings in these may vary as required.</p> |
| Performance Comparator | <p>The Sub-fund is not managed to or constrained by a benchmark, and nor does the AFM use a benchmark in order to assess performance.</p> <p>However, the performance of the Sub-fund can be compared to that of the MSCI World Index (Developed Markets) (the "Index").</p> <p>The performance of the Sub-fund can be compared against that of the Index. This benchmark has been selected as it is considered that the Index most closely reflects the risk/return objectives of the Sub-fund at the current time. For the avoidance of doubt, the Investment Manager is not bound or influenced by the Index when making its decisions and can make investments that are not included in the Index.</p> |
| Derivatives | The Sub-fund may use derivatives only for efficient portfolio management purposes. It is not intended that the use of derivatives for efficient portfolio management purposes will increase the risk profile of the Sub-fund. |
| Authorised Fund Manager (AFM) | Valu-Trac Investment Management Limited |
| Share classes | Class F (Income, Accumulation) Class G (Income, Accumulation) |
| 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 |

SUB-FUND OVERVIEW (Continued)

Minimum investment*

| | |
|------------------------------------|--|
| Lump sum subscription: | Class F: £10,000,000 Class G: £1,000 |
| Top-up: | Class F: £1,000 Class G: £100 |
| Holding: | Class F: £10,000,000 Class G: £1,000 |
| Redemption & Switching: | Class F = N/A (provided minimum holding is maintained) Class G = N/A (provided minimum holding is maintained) |
| Redemption charges: | Class F: 3% Class G: Nil |
| Initial charges: | Nil |
| Switching charges*: | N/A at launch |

The Class F shares are a founder share class available only to those who invest in the early stages of the Sub-fund and at the AFM's discretion.

*The AFM may waive the minimum levels (and initial charge and redemption charge) at its discretion (and expects to waive the redemption charge in respect of any investment held for more than three years).

Annual Management charges to 31 May 2023 £25,000[^] per annum plus:

Class F: Nil% (per annum) of the Net Asset Value of the Sub-fund attributable to this class (plus VAT if applicable)
Class G: 1% (per annum) of the Net Asset Value of the Sub-fund attributable to this class (plus VAT if applicable).

Annual Management charges from 31 May 2023 Class F: 0.45% (per annum) of the Net Asset Value of the Sub-fund attributable to this class (plus VAT if applicable)
Class G: 1.45% (per annum) of the Net Asset Value of the Sub-fund attributable to this class (plus VAT if applicable).

The above percentages being percentages of the Net Asset Value of the sub-fund attributable to the relevant Class (plus VAT if applicable) subject to a minimum of £50,000^{^^} per annum.

[^]The fixed element of the fee shall rise annually in line with the rate of inflation (calculated in accordance with the Consumer Prices Index) on 1 January each year (from 1 January 2022). In the event of negative inflation, the fixed element of the fee will remain unchanged.

^{^^}The minimum fee shall rise annually in line with the rate of inflation (calculated in accordance with the Consumer Prices Index) on 1 January each year (from 1 January 2024). In the event of negative inflation, the fixed element of the fee will remain unchanged.

Ongoing Charges

The Investment Manager has, with the agreement of the AFM, undertaken that:

(i) for Class F shares if the total OCF (excluding underlying collective investment undertaking holding charges) of the Fund exceeds 1%, the Investment Manager shall reimburse the Sub-fund for an amount which, when deducted from the operating costs incurred by the Sub-fund during the relevant accounting period, would result in the Class F shares having a total OCF (excluding underlying collective investment undertaking holding charges) equal to 1% in the relevant accounting period; and

(ii) for Class G shares if the total OCF (excluding underlying collective investment undertaking holding charges) of the Fund attributable to Class G exceeds 1.05%, the Investment Manager shall reimburse the Sub-fund for the amount which, when deducted from the operating costs incurred by the Sub-fund during the relevant accounting period, would result in the Class G shares having a total OCF (excluding underlying collective investment undertaking holding charges) equal to 1.05% in the relevant accounting period.

INVESTMENT MANAGER'S REVIEW

For the 12 months period – 30/9/2022 to 29/9/2023 – the VGGF returned +15.4% (G acc). The VGGF is not managed to or constrained by a benchmark. We are pleased with the performance of the fund after a difficult prior period.

In terms of purchases and sales during the period, it is helpful and important to divide the fund into “core” and “opportunistic” positions. The preponderance of the fund is made up of “core” positions which we intend to hold for the long-term. The fund has a much smaller weighting (c. 15% at any one time) to “opportunistic” positions, but these are likely to have a larger turnover and accordingly feature more in these updates, than “core” positions, despite their much smaller weighting in the fund.

We sold five “core” positions and added six new stocks. The sales were Adobe, Adidas, Domino’s Pizza, Church & Dwight and Intuit, and the buys were ASML, Fortinet, Paychex, Auto Trader, Colgate and Brown-Forman.

These changes reflect a healthy competition for capital in the fund which ensures the portfolio doesn’t become stale. Addressing the new stocks in turn:

- Brown-Forman is a stock we know well, and this is the second time we’ve bought it after we sold it on valuation concerns in 2022. It subsequently fell and we re-bought.
- Auto Trader is a United Kingdom-based company that operates a digital automotive marketplace through its eponymous website and magazine. It has historically had a very high return on capital employed which we believe will continue in the future.
- Colgate is best known for its toothpaste, but they have a large pet nutrition business which we believe is undervalued.
- Paychex is a human capital management software and services company with excellent long-term return on capital employed which we believe is sustainable.
- Fortinet is a US cyber security company. If one believes that companies will have to spend more on IT security in the future, Fortinet should be a beneficiary.
- ASML is a Dutch semiconductor manufacturer with operating margins consistently above 20%.

Turning to “opportunistic” positions:

- We traded Luceco, Darktrace and Admiral shares in the period. We made a profit on Luceco and Darktrace and a small loss on Admiral.
- We exited BT Group, Freeport-McMoran, Scottish Mortgage Investment Trust (SMIT), and most recently Activision Blizzard after its sale to Microsoft was eventually approved.
- Our current special situation stocks are: Future Plc, Fox, Pfizer, Charles Schwab, Blackstone Secured Lending and Watches of Switzerland.

Vanneck Limited
Investment Manager to the Fund
24 October 2023

PERFORMANCE RECORD

Financial Highlights

| Class F (Income) | Year ended 30 | Year ended 30 | Period 28 January |
|-------------------------------------|----------------|----------------|---|
| | September 2023 | September 2022 | 2021 to 30 September 2021 [^] |
| Changes in net assets per share | GBP | GBP | GBP |
| Opening net asset value per share | 92.4513 | 111.0702 | 100.0000 |
| Return before operating charges | 15.2613 | (17.2593) | 12.2160 |
| Operating charges (note 1) | (0.4964) | (0.4376) | (0.4268) |
| Return after operating charges* | 14.7649 | (17.6969) | 11.7892 |
| Distributions on income shares | (1.1108) | (0.9220) | (0.7190) |
| Closing net asset value per share | 106.1054 | 92.4513 | 111.0702 |
| *after direct transaction costs of: | 0.1390 | 0.1425 | 0.1794 |
| Performance | | | |
| Return after charges | 15.97% | (15.93%) | 11.79% |
| Other information | | | |
| Closing net asset value | £5,305 | £4,623 | £5,554 |
| Closing number of shares | 5,000 | 5,000 | 5,000 |
| Operating charges (note 2) | 0.50% | 0.43% | 0.60% |
| Direct transaction costs | 0.14% | 0.14% | 0.17% |
| Prices | | | |
| Highest share price | 110.5740 | 115.7489 | 115.6854 |
| Lowest share price | 90.8174 | 91.7704 | 98.7808 |

[^] Share class launched on 28 January 2021

| Class F (Accumulation) | Year ended 30 | Year ended 30 | Period 28 January |
|--|----------------|----------------|---|
| | September 2023 | September 2022 | 2021 to 30 September 2021 [^] |
| Changes in net assets per share | GBP | GBP | GBP |
| Opening net asset value per share | 93.9616 | 111.8038 | 100.0000 |
| Return before operating charges | 15.5259 | (17.3998) | 12.2320 |
| Operating charges (note 1) | (0.5074) | (0.4424) | (0.4282) |
| Return after operating charges* | 15.0185 | (17.8422) | 11.8038 |
| Closing net asset value per share | 108.9801 | 93.9616 | 111.8038 |
| Retained distributions on accumulated shares | 1.1316 | 0.9295 | 0.7198 |
| *after direct transaction costs of: | 0.1421 | 0.1440 | 0.1800 |
| Performance | | | |
| Return after charges | 15.98% | (15.96%) | 11.80% |
| Other information | | | |
| Closing net asset value | £6,863,369 | £5,917,530 | £5,590,188 |
| Closing number of shares | 6,297,817 | 6,297,817 | 5,000,000 |
| Operating charges (note 2) | 0.50% | 0.43% | 0.60% |
| Direct transaction costs | 0.14% | 0.14% | 0.17% |
| Prices | | | |
| Highest share price | 112.7997 | 116.5134 | 115.8428 |
| Lowest share price | 92.3010 | 92.5679 | 98.7808 |

[^] Share class launched on 28 January 2021

PERFORMANCE RECORD (Continued)

Financial Highlights (Continued)

| Class G (Income) | Year ended 30 | Year ended 30 | Period 28 January |
|-------------------------------------|----------------|----------------|---|
| | September 2023 | September 2022 | 2021 to 30 September 2021 [^] |
| Changes in net assets per share | GBP | GBP | GBP |
| Opening net asset value per share | 92.4660 | 111.0612 | 100.0000 |
| Return before operating charges | 15.2347 | (17.2134) | 12.3256 |
| Operating charges (note 1) | (1.0425) | (1.0685) | (0.8015) |
| Return after operating charges* | 14.1922 | (18.2820) | 11.5241 |
| Distributions on income shares | (0.5553) | (0.3132) | (0.4629) |
| Closing net asset value per share | 106.1029 | 92.4660 | 111.0612 |
| *after direct transaction costs of: | 0.1390 | 0.1425 | 0.1794 |
| Performance | | | |
| Return after charges | 15.35% | (16.46%) | 11.52% |
| Other information | | | |
| Closing net asset value | £4,791,398 | £4,021,380 | £4,152,747 |
| Closing number of shares | 4,515,803 | 4,349,038 | 3,739,153 |
| Operating charges (note 2) | 1.05% | 1.05% | 1.05% |
| Direct transaction costs | 0.14% | 0.14% | 0.17% |
| Prices | | | |
| Highest share price | 110.3331 | 115.6534 | 115.4537 |
| Lowest share price | 90.8273 | 91.5628 | 98.7642 |

[^] Share class launched on 28 January 2021

| Class G (Accumulation) | Year ended 30 | Year ended 30 | Period 28 January |
|--|----------------|----------------|---|
| | September 2023 | September 2022 | 2021 to 30 September 2021 [^] |
| Changes in net assets per share | GBP | GBP | GBP |
| Opening net asset value per share | 93.1610 | 111.5199 | 100.0000 |
| Return before operating charges | 15.3600 | (17.2843) | 12.3231 |
| Operating charges (note 1) | (1.0533) | (1.0746) | (0.8032) |
| Return after operating charges* | 14.3067 | (18.3589) | 11.5199 |
| Closing net asset value per share | 107.4677 | 93.1610 | 111.5199 |
| Retained distributions on accumulated shares | 0.5662 | 0.3056 | 0.4419 |
| *after direct transaction costs of: | 0.1404 | 0.1433 | 0.1798 |
| Performance | | | |
| Return after charges | 15.36% | (16.46%) | 11.52% |
| Other information | | | |
| Closing net asset value | £2,905,906 | £1,617,913 | £2,126,686 |
| Closing number of shares | 2,703,980 | 1,736,684 | 1,907,002 |
| Operating charges (note 2) | 1.05% | 1.05% | 1.05% |
| Direct transaction costs | 0.14% | 0.14% | 0.17% |
| Prices | | | |
| Highest share price | 111.2541 | 116.1310 | 115.5995 |
| Lowest share price | 91.5101 | 91.9397 | 98.7728 |

[^] Share class launched on 28 January 2021

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 year.
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 together with the ongoing charges included within the underlying holdings held within the Sub-fund.

Risk Profile

Based on past data, the 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 (30 September 2022: ranked 5). The Sub-fund is ranked '5' because monthly historical performance data indicates that relatively high rises and falls in market prices would have occurred historically.

PORTFOLIO STATEMENT

As at 30 September 2023

| Holding | Value £ | % of net assets |
|--|-------------------|-----------------|
| Investment Trusts (30.09.2022:2.64%) | - | - |
| Equities (30.09.2022: 90.40%) | | |
| 4,000 Alphabet Inc | 431,430 | 2.96 |
| 16,300 ArcelorMittal SA | 333,809 | 2.29 |
| 700 ASML Holding NV | 340,836 | 2.34 |
| 70,000 Auto Trader Group PLC | 434,840 | 2.99 |
| 18,000 Blackstone Secured Lending Fund | 404,136 | 2.78 |
| 190 Booking Holdings Inc | 480,954 | 3.30 |
| 8,000 Brown-Forman Corp | 372,406 | 2.56 |
| 5,700 Canadian Pacific Railway Ltd | 346,846 | 2.38 |
| 8,750 Charles Schwab Corp | 389,058 | 2.67 |
| 6,800 Colgate-Palmolive Co | 395,321 | 2.71 |
| 15,500 Diageo PLC | 474,378 | 3.26 |
| 3,000 Equifax Inc | 447,548 | 3.07 |
| 755 Fair Isaac Corp | 545,905 | 3.75 |
| 24,000 Fevertree Drinks PLC | 289,920 | 1.99 |
| 6,750 Fortinet Inc | 322,362 | 2.21 |
| 14,300 Fox Corp | 336,452 | 2.31 |
| 35,000 Future PLC | 302,225 | 2.08 |
| 4,000 Games Workshop Group PLC | 422,000 | 2.90 |
| 870 Geberit AG | 358,389 | 2.46 |
| 1,020 IDEXX Laboratories Inc | 363,365 | 2.50 |
| 900 Kering SA | 336,195 | 2.31 |
| 1,240 LOreal SA | 426,412 | 2.93 |
| 1,870 Microsoft Corp | 478,073 | 3.28 |
| 14,000 Nintendo Co Ltd | 476,794 | 3.27 |
| 7,400 Novo Nordisk A/S | 559,014 | 3.84 |
| 4,500 Paychex Inc | 429,559 | 2.95 |
| 12,000 Pfizer Inc | 313,839 | 2.16 |
| 6,250 Philip Morris International Inc | 474,119 | 3.26 |
| 8,600 Ritchie Bros Auctioneers Inc | 439,529 | 3.02 |
| 5,400 TKO Group Holdings | 362,886 | 2.49 |
| 21,000 Universal Music Group NV | 452,309 | 3.11 |
| 1,750 Vail Resorts Inc | 345,330 | 2.37 |
| 2,550 Verisk Analytics Inc | 500,056 | 3.43 |
| 2,350 Visa Inc | 443,801 | 3.05 |
| 75,000 Watches of Switzerland Group PLC | 398,250 | 2.73 |
| | 14,228,346 | 97.71 |
| Portfolio of investments (30.09.2022: 93.04%) | 14,228,346 | 97.71 |
| Net other assets (30.09.2022: 6.99%) | 333,365 | 2.29 |
| | 14,561,711 | 100.00 |

Note: The 30 September 2022 comparators percentages are based on Mid pricing and does not add up to 100%. The Mid to Bid adjustment for the year ended 30 September 2022 was (0.03%).

SUMMARY OF MATERIAL PORTFOLIO CHANGES

| | £ |
|---|------------------|
| Total sales for the year (note 14) | 7,004,376 |
| Activision Blizzard Inc | 544,300 |
| Admiral Group PLC | 348,362 |
| Adobe Systems Inc | 443,126 |
| BT Group PLC | 416,165 |
| Church & Dwight Co Inc | 422,018 |
| Dominos Pizza Group PLC | 658,478 |
| Estee Lauder Companies Inc | 436,172 |
| Intuit Inc | 428,195 |
| Qualys Inc | 427,357 |
| Starbucks Corp | 433,979 |
| Other various sales | 2,446,224 |

| | £ |
|---|------------------|
| Total purchases for the year (note 14) | 8,679,818 |
| Auto Trader Group PLC | 414,291 |
| Booking Holdings Inc | 416,540 |
| Brown-Forman Corp | 449,143 |
| Colgate-Palmolive Co | 413,333 |
| Estee Lauder Companies Inc | 549,211 |
| Future PLC | 413,245 |
| Philip Morris International Inc | 488,271 |
| Ritchie Bros Auctioneers Inc | 437,024 |
| Vail Resorts Inc | 422,441 |
| Watches of Switzerland Group PLC | 417,006 |
| Other various purchases | 4,259,313 |

The above transactions represent the top 10 sales and purchases during the year.

STATEMENT OF TOTAL RETURN

For the year ended 30 September

| | | 2023 | | 2022 | |
|--|-------|-----------|------------------|-----------|--------------------|
| | Notes | £ | £ | £ | £ |
| Income | | | | | |
| Net capital gains/(losses) | 2 | | 1,797,759 | | (2,353,137) |
| Revenue | 3 | 268,849 | | 206,046 | |
| Expenses | 4 | (141,205) | | (114,672) | |
| Interest payable and similar charges | 6 | - | | (295) | |
| Net revenue before taxation | | 127,644 | | 91,079 | |
| Taxation | 5 | (17,165) | | (13,887) | |
| Net revenue after taxation | | | 110,479 | | 77,192 |
| Total return before distributions | | | 1,908,238 | | (2,275,945) |
| Finance costs: distributions | 6 | | (110,479) | | (77,660) |
| Changes in net assets attributable to shareholders from investment activities | | | <u>1,797,759</u> | | <u>(2,353,605)</u> |

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

For the year ended 30 September

| | 2023 | 2022 |
|---|-------------------|--------------------|
| | £ | £ |
| Opening net assets attributable to shareholders | 11,558,139 | 11,870,942 |
| Amounts receivable on creation of shares | 1,353,804 | 2,241,359 |
| Amounts payable on redemption of shares | (235,458) | (264,401) |
| Retained distributions on accumulation shares | 86,220 | 63,844 |
| Dilution levies | 1,247 | - |
| Changes in net assets attributable to shareholders from investment activities (see above) | <u>1,797,759</u> | <u>(2,353,605)</u> |
| Closing net assets attributable to shareholders | <u>14,561,711</u> | <u>11,558,139</u> |

BALANCE SHEET

| As at | Notes | 30.09.2023 | | 30.09.2022 | |
|--|-------|-----------------|-------------------|------------------|-------------------|
| | | £ | £ | £ | £ |
| FIXED ASSETS | | | | | |
| Investment assets | | | 14,228,346 | | 10,750,590 |
| CURRENT ASSETS | | | | | |
| Debtors | 7 | 80,291 | | 40,053 | |
| Cash and bank balances | 8 | <u>296,245</u> | | <u>1,151,324</u> | |
| Total current assets | | | <u>376,536</u> | | <u>1,191,377</u> |
| Total assets | | | 14,604,882 | | 11,941,967 |
| CURRENT LIABILITIES | | | | | |
| Distribution payable | | (21,343) | | (13,657) | |
| Creditors | 9 | <u>(21,828)</u> | | <u>(370,171)</u> | |
| Total current liabilities | | | <u>(43,171)</u> | | <u>(383,828)</u> |
| Net assets attributable to shareholders | | | <u>14,561,711</u> | | <u>11,558,139</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 out on pages 7-8.

| 2 Net capital gains/(losses) | 2023 | 2022 |
|---|------------------|--------------------|
| | £ | £ |
| The net capital gains/(losses) comprise: | | |
| Non-derivative securities gains/(losses) | 1,816,757 | (2,341,378) |
| Currency (losses) | (18,489) | (11,111) |
| Transaction charges | (509) | (648) |
| Total net capital gains/(losses) | 1,797,759 | (2,353,137) |
| | | |
| 3 Revenue | 2023 | 2022 |
| | £ | £ |
| Non-taxable dividends | 222,612 | 180,576 |
| Investment manager rebates | 32,565 | 24,348 |
| Bank interest | 13,672 | 1,122 |
| Total revenue | 268,849 | 206,046 |
| | | |
| 4 Expenses | 2023 | 2022 |
| | £ | £ |
| Payable to the Authorised Fund Manager, associates of the Authorised Fund Manager, and agents of either of them: | | |
| Annual Management Charge | 110,234 | 88,064 |
| Payable to the depositary, associates of the depositary, and agents of either of them: | | |
| Depositary fee | 17,951 | 18,000 |
| Safe custody fee | 680 | 641 |
| | 18,631 | 18,641 |
| Other expenses: | | |
| Audit fee | 7,180 | 6,333 |
| FCA fee | 34 | 49 |
| Other fees | 5,126 | 1,585 |
| | 12,340 | 7,967 |
| Total expenses | 141,205 | 114,672 |

NOTES TO THE FINANCIAL STATEMENTS (Continued)

| 5 Taxation | 2023 | 2022 |
|---|--------|--------|
| | £ | £ |
| (a) Analysis of charge in the year | | |
| Irrecoverable overseas withholding tax | 17,165 | 13,887 |
| Total tax charge for the year (note 5b) | 17,165 | 13,887 |

(b) Factors affecting current tax charge for the year

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

| | | |
|---|----------|----------|
| Net revenue before UK corporation tax | 127,644 | 91,079 |
| Corporation tax at 20.00% (2022: 20.00%) | 25,529 | 18,216 |
| <u>Effects of:</u> | | |
| Revenue not subject to UK corporation tax | (44,522) | (36,115) |
| Excess management expenses not utilised | 18,993 | 17,899 |
| Irrecoverable overseas withholding tax | 17,165 | 13,887 |
| Total tax charge for the year (note 5b) | 17,165 | 13,887 |

(c) Provision for deferred taxation

At 30 September 2023 there is a potential deferred tax asset of £46,857 (30 September 2022: £27,864) in relation to surplus management expenses. It is unlikely the Sub-fund will generate sufficient taxable profits in the future to utilise this amount and therefore no deferred tax asset has been recognised.

| 6 Finance costs | 2023 | 2022 |
|---|---------|--------|
| | £ | £ |
| Interim dividend distribution | 30,796 | 14,031 |
| Final dividend distribution | 80,553 | 63,482 |
| | 111,349 | 77,513 |
| Add: Revenue deducted on cancellation of shares | 54 | 295 |
| Deduct: Revenue received on issue of shares | (924) | (148) |
| | 110,479 | 77,660 |
| Net distribution for the year | 110,479 | 77,660 |
| Interest payable and similar charges | - | 295 |
| Total finance costs | 110,479 | 77,955 |
| Reconciliation of distributions | | |
| Net revenue after taxation | 110,479 | 77,192 |
| Balance brought forward | - | 468 |
| Net distribution for the year | 110,479 | 77,660 |

NOTES TO THE FINANCIAL STATEMENTS (Continued)

| 7 Debtors | 30.09.2023 | 30.09.2022 |
|--|-------------------|-------------------|
| | £ | £ |
| Accrued revenue: | | |
| Non-taxable dividends receivable | 33,596 | 11,562 |
| Return of capital distributions | 14,444 | - |
| Overseas withholding tax recoverable | 28,406 | 26,578 |
| Investment manager rebates | 3,771 | 1,899 |
| Prepayments | 74 | 14 |
| Total debtors | 80,291 | 40,053 |
| | | |
| 8 Cash and bank balances | 30.09.2023 | 30.09.2022 |
| | £ | £ |
| Bank balances | 296,245 | 1,151,324 |
| | | |
| 9 Creditors | 30.09.2023 | 30.09.2022 |
| | £ | £ |
| Amounts payable on unsettled trades | - | 352,125 |
| Amounts payable on redemption of shares | - | 867 |
| | | |
| Amounts payable to the AFM, associates of the AFM and agents of either of them: | | |
| Annual Management Charge | 11,544 | 6,990 |
| | | |
| Amounts payable to the Depositary, associates of the Depositary and agents of either of them: | | |
| Depositary's fees | 1,430 | 1,479 |
| Transaction charges | 511 | 580 |
| Safe custody fees | 673 | 587 |
| | 2,614 | 2,646 |
| Other accrued expenses | 7,670 | 7,543 |
| Total creditors | 21,828 | 370,171 |

10 Shares held

Class F (Income)

| | |
|-------------------------------------|--------------|
| Opening Shares at 01.10.2022 | 5,000 |
| Shares issued during the year | - |
| Shares cancelled during the year | - |
| Shares converted during the year | - |
| Closing Shares at 30.09.2023 | 5,000 |

Class F (Accumulation)

| | |
|-------------------------------------|------------------|
| Opening Shares at 01.10.2022 | 6,297,817 |
| Shares issued during the year | - |
| Shares cancelled during the year | - |
| Shares converted during the year | - |
| Closing Shares at 30.09.2023 | 6,297,817 |

Class G (Income)

| | |
|-------------------------------------|------------------|
| Opening Shares at 01.10.2022 | 4,349,038 |
| Shares issued during the year | 369,032 |
| Shares cancelled during the year | (202,267) |
| Shares converted during the year | - |
| Closing Shares at 30.09.2023 | 4,515,803 |

Class G (Accumulation)

| | |
|-------------------------------------|------------------|
| Opening Shares at 01.10.2022 | 1,736,684 |
| Shares issued during the year | 1,002,320 |
| Shares cancelled during the year | (35,024) |
| Shares converted during the year | - |
| Closing Shares at 30.09.2023 | 2,703,980 |

11 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.

Credit risk

Credit risk is the risk that a counterparty may be unable or unwilling to make a payment or fulfil contractual obligations. This may be in terms of an actual default or by deterioration in a counterparty's credit quality.

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.

NOTES TO THE FINANCIAL STATEMENTS (Continued)

11 Risk management (continued)

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.

All financial liabilities are payable in one year or less, or on demand.

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 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:

| | 30.09.2023 | 30.09.2022 |
|--|-------------------|-------------------|
| | £ | £ |
| Financial assets floating rate | 296,245 | 1,151,324 |
| Financial assets interest bearing instruments | - | - |
| Financial assets non-interest bearing instruments | 14,308,637 | 10,790,643 |
| Financial liabilities non-interest bearing instruments | (43,171) | (383,828) |
| Financial liabilities floating rate | - | - |
| | 14,561,711 | 11,558,139 |

At 30 September 2023, 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 £741 (30 September 2022: £2,878).

Foreign currency risk

Foreign currency risk is the risk that the sterling value of investments will fluctuate as a result of exchange rate movements. Assets denominated in currencies other than sterling will provide direct exposure to currency risk as a consequence of the movement in foreign exchange rates when calculating the sterling equivalent value.

Where the Sub-fund invests in non-sterling assets, the investment manager allows for the foreign currency risk when considering whether to invest and does not seek to hedge this risk.

This risk is not actively managed.

The table below shows the direct foreign currency risk profile:

| | 30.09.2023 | 30.09.2022 |
|------------------------|-------------------|-------------------|
| | £ | £ |
| Currency: | | |
| Danish krona | 559,104 | 487,682 |
| Euros | 1,582,548 | 1,297,782 |
| Japanese yen | 481,857 | 512,353 |
| Swiss francs | 359,999 | 281,457 |
| US Dollars | 8,988,205 | 6,017,083 |
| CAD Dollars | 559 | 772 |
| Total foreign currency | 11,972,272 | 8,597,129 |
| Pounds sterling | 2,589,439 | 2,961,010 |
| Net assets | 14,561,711 | 11,558,139 |

A 10% change in the Pounds sterling exchange rate against all other currencies, assuming all other factors remained the same, would have an impact of £1,197,227 (30 September 2022: £859,713) on the net assets of the Sub-fund.

11 Risk management (continued)

Market price risk

Market price risk is the risk that the value of the Sub-fund's financial instruments 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 primarily from uncertainty about the future prices of financial instruments that the Sub-fund holds.

Market price risk represents the potential loss the Sub-fund may suffer through holding market positions in the face of price movements. The Sub-fund's investment portfolio is exposed to price fluctuations, which are monitored by the AFM in pursuance of the investment objective and policy. The risk is generally regarded as consisting of two elements – stock specific risk and market risk. Adhering to investment guidelines and avoiding excessive exposure to one particular issuer can limit stock specific risk. Subject to compliance with the investment objective, spreading exposure across a broad range of global stocks can mitigate market risk.

A 10% increase in the value of the Sub-fund's portfolio would have the effect of increasing the return and net assets by £1,422,835 (30 September 2022: £1,075,059). A 10% decrease would have an equal and opposite effect.

Fair Value disclosure

The fair value hierarchy is intended to prioritise the inputs that are used to measure the fair value of assets and liabilities. The highest priority is given to quoted prices and the lowest priority to un-observable inputs. The criteria applied to the fair value 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 | 30.09.2023 | | 30.09.2022 | |
|--|-----------------|----------------------|-----------------|----------------------|
| | Assets (£000's) | Liabilities (£000's) | Assets (£000's) | Liabilities (£000's) |
| Level 1: Unadjusted quoted price in an active market for an identical instrument | 14,228 | - | 10,751 | - |
| Total | 14,228 | - | 10,751 | - |

12 Contingent assets and liabilities

At 30 September 2023, the Sub-fund had no contingent liabilities or commitments (30 September 2022: £nil).

13 Post balance sheet events

As indicated in the accounting policies in Note 1, the investments have been valued at the closing valuation point on 29 September 2023. Since that date, the Sub-fund's quoted price has moved as follows for each share class:

| Share Class | Price (GBp) at 29 Sept 2023 | Price (GBp) at 05 Jan 2024 |
|------------------------|-----------------------------|----------------------------|
| Class F (Income) | 106.1054p | 111.0878p |
| Class F (Accumulation) | 108.9801p | 114.0921p |
| Class G (Income) | 106.1029p | 110.9749p |
| Class G (Accumulation) | 107.4677p | 112.3924p |

NOTES TO THE FINANCIAL STATEMENTS (Continued)

14 Direct transaction costs

| | 2023 | | 2022 | |
|--|-----------|-------|-----------|-------|
| | £ | % | £ | % |
| Analysis of total purchase costs | | | | |
| Purchases in the period before transaction costs | 8,665,077 | | 7,572,496 | |
| Commissions | 5,057 | 0.06% | 3,702 | 0.05% |
| Taxes & levies | 9,684 | 0.11% | 12,686 | 0.17% |
| Total purchase costs | 14,741 | 0.17% | 16,388 | 0.22% |
| Total purchases including transaction costs | 8,679,818 | | 7,588,884 | |

| | 2023 | | 2022 | |
|--|-----------|---------|-----------|---------|
| | £ | % | £ | % |
| Analysis of total sale costs | | | | |
| Sales in period before transaction costs | 7,008,462 | | 6,062,895 | |
| Commissions | (4,069) | (0.06%) | (2,999) | (0.05%) |
| Taxes & levies | (17) | (0.00%) | (11) | (0.00%) |
| Total sale costs | (4,086) | (0.06%) | (3,010) | (0.05%) |
| Total sales including transaction costs | 7,004,376 | | 6,059,885 | |

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

| | 2023 £ | % of average net asset value | 2022 £ | % of average net asset value |
|----------------|-----------|------------------------------------|-----------|------------------------------------|
| Commissions | 9,126 | 0.07% | 6,701 | 0.05% |
| Taxes & levies | 9,701 | 0.07% | 12,697 | 0.09% |
| | 18,827 | 0.14% | 19,398 | 0.14% |

15 Portfolio Dealing Spread

The average portfolio dealing spread at 30 September 2023 is 0.06% (30 September 2022: 0.06%).

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. Amounts received from the AFM and its associates are disclosed in note 3. Amounts due from the AFM and its associates at the balance sheet date are disclosed in note 7.

DISTRIBUTION TABLES

Interim distribution in pence per share

Group 1: Shares purchased prior to 01 October 2022

Group 2 : Shares purchased on or after 01 October 2022 and on or before 31 March 2023

| Class F (Income) | Net Revenue 31.05.2023 | Equalisation | Distribution 31.05.2023 | Distribution 31.05.2022 |
|-------------------------|-----------------------------------|---------------------|------------------------------------|------------------------------------|
| Group 1 | 0.3896p | - | 0.3896p | 0.2212p |
| Group 2 | 0.3896p | - | 0.3896p | 0.2212p |

| Class F (Accumulation) | Net Revenue 31.05.2023 | Equalisation | Distribution 31.05.2023 | Distribution 31.05.2022 |
|-------------------------------|-----------------------------------|---------------------|------------------------------------|------------------------------------|
| Group 1 | 0.3960p | - | 0.3960p | 0.2226p |
| Group 2 | 0.3960p | - | 0.3960p | 0.2226p |

| Class G (Income) | Net Revenue 31.05.2023 | Equalisation | Distribution 31.05.2023 | Distribution 31.05.2022 |
|-------------------------|-----------------------------------|---------------------|------------------------------------|------------------------------------|
| Group 1 | 0.0835p | - | 0.0835p | - |
| Group 2 | 0.0635p | 0.0200p | 0.0835p | - |

| Class G (Accumulation) | Net Revenue 31.05.2023 | Equalisation | Distribution 31.05.2023 | Distribution 31.05.2022 |
|-------------------------------|-----------------------------------|---------------------|------------------------------------|------------------------------------|
| Group 1 | 0.0899p | - | 0.0899p | - |
| Group 2 | 0.0863p | 0.0036p | 0.0899p | - |

Final 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

| Class F (Income) | Net Revenue 30.11.2023 | Equalisation | Distribution 30.11.2023 | Distribution 30.11.2022 |
|-------------------------|-----------------------------------|---------------------|------------------------------------|------------------------------------|
| Group 1 | 0.7212p | - | 0.7212p | 0.7008p |
| Group 2 | 0.7212p | - | 0.7212p | 0.7008p |

| Class F (Accumulation) | Net Revenue 30.11.2023 | Equalisation | Distribution 30.11.2023 | Distribution 30.11.2022 |
|-------------------------------|-----------------------------------|---------------------|------------------------------------|------------------------------------|
| Group 1 | 0.7356p | - | 0.7356p | 0.7069p |
| Group 2 | 0.7356p | - | 0.7356p | 0.7069p |

| Class G (Income) | Net Revenue 30.11.2023 | Equalisation | Distribution 30.11.2023 | Distribution 30.11.2022 |
|-------------------------|-----------------------------------|---------------------|------------------------------------|------------------------------------|
| Group 1 | 0.4718p | - | 0.4718p | 0.3132p |
| Group 2 | 0.1904p | 0.2814p | 0.4718p | 0.3132p |

| Class G (Accumulation) | Net Revenue 30.11.2023 | Equalisation | Distribution 30.11.2023 | Distribution 30.11.2022 |
|-------------------------------|-----------------------------------|---------------------|------------------------------------|------------------------------------|
| Group 1 | 0.4763p | - | 0.4763p | 0.3056p |
| Group 2 | 0.2742p | 0.2021p | 0.4763p | 0.3056p |

Information for corporate shareholders

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

- i) 94.21% of the total dividend allocation together with the tax credit is received as franked investment income.
- ii) 5.79% 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

| | |
|--------------------------------------|---|
| Sub-fund name | VT Vanneck Investment Growth Fund |
| Size of Sub-fund | £59,928,260 |
| Launch date | 26 November 2021 |
| Sub-fund objective and policy | <p>The investment objective of the Sub-fund is to generate capital growth (after deduction of fees) in excess of inflation (Retail Price Index) over a rolling 5 year period).</p> <p>The Sub-fund seeks to meet its objectives by investing in a diversified portfolio, although at least 80% is expected to be invested in equities and bonds (which may be investment grade or sub-investment grade). The portfolio will be actively managed and the allocation to each (and indeed other asset classes) will not be fixed, although the allocation to equities is expected to range from 20%-80% based on the investment manager's views as to whether equity markets are over or undervalued. For example, at times, where the Investment Manager considers it prudent (based on market conditions, for example where the Investment Manager considers that equity markets are overvalued or exclusively volatile), a large proportion of the portfolio may take the form of bonds and/or cash (and less in equities) and vice versa.</p> <p>The Sub-fund may also invest in collective investment vehicles (which are expected to provide exposure to equities and bonds, and may include those managed and/or operated by the AFM or investment manager), money market instruments, deposits, cash and near cash.</p> <p>The direct equity allocation (and any direct corporate bond investments) within the portfolio will be in equities/bonds listed on developed markets only (where it is expected liquidity is greater), specifically, equities must be listed on one of the following indices: FTSE 100, FTSE 250, S&P 500, Nasdaq, Nikkei 225 and STOXX Europe 600 ex UK. In the case of indirect exposure to equities and bonds, via funds, these underlying funds are expected to focus largely on investment in developed markets too and, for equities, those in the indices listed above (although there may also be exposure to other indices), although there may also be exposure to wider global markets. The Sub-fund may only invest in Government Debt of the UK and US Governments.</p> <p>Save as noted above, the Sub-fund will not have any particular geographic, industry or economic sector focus and as such weightings in these may vary as required.</p> |
| Derivatives | <p>The Sub-fund may use derivatives only for currency hedging purposes. It is not intended that the use of derivatives for efficient portfolio management purposes will increase the risk profile of the Sub-fund.</p> |
| Benchmark | <p>A target for the Sub-fund's performance has been set by reference to the Retail Price Index over rolling 5 year periods. The Retail Price Index is published by the Office for National Statistics, further information for which can be obtained from www.ons.gov.uk.</p> <p>The Index has been selected as a target to beat as it a common standard which will allow assessment as to whether shareholders' investments are growing in real terms over a time period which is consistent with the Sub-fund's long-term investment horizon.</p> |

SUB-FUND OVERVIEW (Continued)

| | |
|---|---|
| Authorised Fund Manager (AFM) | Valu-Trac Investment Management Limited |
| Share classes: | Class E (Income, Accumulation) |
| Ex-distribution dates | 30 September (final), 31 March (interim) |
| Distribution dates | 30 November (final), 31 May (interim) |
| Individual Savings Account (ISA) | The Sub-fund is a qualifying investment for inclusion in an ISA |
| Minimum investment* | |
| Lump sum subscription: | Class E = £10,000 |
| Top-up: | Class E = £1,000 |
| Holding: | Class E = £10,000 |
| Redemption & Switching: | Class E = N/A (provided minimum holding is maintained) |
| Redemption, Initial and Switching charges* | Nil |

*The AFM may waive the minimum levels (and initial charge and redemption charge) at its discretion (and expects to waive the redemption charge in respect of any investment held for more than three years).

| | |
|---|--|
| Annual management charges to 31 May 2023 | £26,000 [^] per annum plus: Class E = 0.60% per annum of the net asset value of the Sub-fund (plus VAT if applicable) |
| Annual management charges from 31 May 2023 | Class E = 0.75% per annum of the net asset value of the Sub-fund (plus VAT if applicable) subject to a minimum of £50,000 ^{^^} per annum. |

[^]The fixed element of the fee shall rise annually in line with the rate of inflation (calculated in accordance with the Consumer Prices Index) on 1 January each year (from 1 January 2022). In the event of negative inflation, the fixed element of the fee will remain unchanged.

^{^^}The minimum fee shall rise annually in line with the rate of inflation (calculated in accordance with the Consumer Prices Index) on 1 January each year (from 1 January 2024). In the event of negative inflation, the fixed element of the fee will remain unchanged.

Ongoing Charges

The Investment Manager has, with the agreement of the ACD, undertaken that for Class E shares if the total OCF of the Fund (excluding underlying collective investment undertaking holding charges) exceeds 1%, the Investment Manager shall reimburse the Sub-fund for an amount which, when deducted from the operating costs incurred by the Sub-fund during the relevant accounting period, would result in the Class E shares having a total OCF (excluding underlying collective investment undertaking holding charges) equal to 1% in the relevant accounting period.

INVESTMENT MANAGER'S REVIEW

For the 12 months period – 30/9/2022 to 29/9/2023 – the VIGF returned +4.4% (E acc). The VIGF is not managed to or constrained by a benchmark.

VIGF is an asset allocation fund, so there are two key and distinct investment updates to give investors. First, any significant changes made to the fund's asset allocation. Second, any significant changes to securities within each asset allocation – i.e. did the fund move to 100% in equities, and if so, what equities did we buy.

The fund's asset allocation has been very conservative since inception which proved very helpful for most of 2022. Over the period, the VIGF's allocation to equities stayed in the range of 20-35%, with the majority of the fund held in cash or cash-like assets including cash, short-term UK gilts and short-term US treasuries.

Within this equity allocation, it was an uncharacteristically active period for the fund in terms of buying and selling equities, reflecting a volatile global economic environment driven by rising rates and localised issues in the UK with the mini-budget.

We added AP Moller-Maersk in December and sold the holding in March after it increased 13% in local currency and before it paid a dividend of c. 25% of its market cap which would have been tax inefficient for unit holders. We sold the fund's holding in Exxon following a stellar performance period as global oil prices rose. We also exited our positions in Aberforth Smaller Companies Investment Trust and Associated British Food as we sought to reduce the fund's exposure to pure UK domestic stocks amid a general concern about the sustainability of the UK public finances. We sold the German property company Vonovia as we felt its balance sheet was getting so stretched as to make its dividend vulnerable. We also made diversified our pharma weighting by selling 2 holdings – GSK and Astrazeneca – and buying 4 international pharma companies (detailed below.)

In terms of new positions, the 4 new pharma stocks added were Novartis, Roche, Sanofi and Bristol-Myers. The main aim was international diversification, but each company was bought on its own merits. For example, Bristol-Myers, the large US pharmaceutical company, was trading on a forward PE of below 10 despite, in our view, promising growth opportunities. We also re-opened a position in Coca-Cola as its share price fell to a level where we see considerable upside in the future. We anticipate and hope that all these stocks will be long-term holdings for the fund.

Vanneck Limited
Investment Manager to the Fund
24 October 2023

PERFORMANCE RECORD

Financial Highlights

| Class E Income | Year ended 30 | Period from 01 |
|-------------------------------------|----------------|---|
| | September 2023 | December 2021 to 30 September 2022 [^] |
| Changes in net assets per share | GBP | GBP |
| Opening net asset value per share | 95.8640 | 100.0000 |
| Return before operating charges | 4.9367 | (2.0960) |
| Operating charges (note 1) | (0.7595) | (0.8149) |
| Return after operating charges* | 4.1772 | (2.9109) |
| Distributions on income shares | (1.1510) | (1.2251) |
| Closing net asset value per share | 98.8902 | 95.8640 |
| *after direct transaction costs of: | 0.1071 | 0.4015 |
| Performance | | |
| Return after charges | 4.36% | (2.91%) |
| Other information | | |
| Closing net asset value | £248,843 | £95,864 |
| Closing number of shares | 251,635 | 100,000 |
| Operating charges (note 2) | 0.78% | 1.00% |
| Direct transaction costs | 0.11% | 0.41% |
| Prices | | |
| Highest share price | 100.1480 | 103.6226 |
| Lowest share price | 95.3941 | 93.9248 |

[^] Share class launched on 01 December 2021

| Class E Accumulation | Year ended 30 | Period from 26 |
|--|----------------|--|
| | September 2023 | November 2021 to 31 March 2022 [^] |
| Changes in net assets per share | GBP | GBP |
| Opening net asset value per share | 96.1065 | 100.0000 |
| Return before operating charges | 4.9605 | (3.0661) |
| Operating charges (note 1) | (0.7660) | (0.8274) |
| Return after operating charges* | 4.1945 | (3.8935) |
| Closing net asset value per share | 100.3010 | 96.1065 |
| Retained distributions on accumulated shares | 1.1605 | 1.2011 |
| *after direct transaction costs of: | 0.1080 | 0.4020 |
| Performance | | |
| Return after charges | 4.36% | (3.89%) |
| Other information | | |
| Closing net asset value | £59,805,340 | £32,921,029 |
| Closing number of shares | 59,625,870 | 34,254,750 |
| Operating charges (note 2) | 0.78% | 1.00% |
| Direct transaction costs | 0.11% | 0.41% |
| Prices | | |
| Highest share price | 100.8888 | 102.5868 |
| Lowest share price | 95.6354 | 93.3699 |

[^] Share class launched on 26 November 2021

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 year.
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 together with the ongoing charges included within the underlying holdings held within the Sub-funds.

Risk Profile

Based on past data, the Sub-fund is ranked a 4 on the synthetic risk and reward indicator scale (of 1 to 7) as described fully in the Key Investor Information Document (30 September 2022: ranked 3). The Sub-fund is ranked 4 because monthly historical performance data indicates that average rises and falls in market prices would have occurred historically.

PORTFOLIO STATEMENT

As at 30 September 2023

| Holding | Value £ | % of net assets |
|--|-------------------|-----------------|
| Equities (30.09.2022: 25.66%) | | |
| 7,300 Alphabet Inc | 787,360 | 1.31 |
| 4,550 Apple Inc | 633,118 | 1.06 |
| 3,350 Automatic Data Processing Inc | 664,474 | 1.11 |
| 14,100 Berkeley Group Holdings PLC | 579,933 | 0.97 |
| 620 BlackRock Inc | 325,998 | 0.54 |
| 8,500 Blackstone Group LP | 749,855 | 1.25 |
| 10,000 Bristol-Myers Squibb Co | 473,905 | 0.79 |
| 13,100 British American Tobacco PLC | 338,635 | 0.57 |
| 11,550 Brown-Forman Corp | 537,661 | 0.90 |
| 11,600 Coca-Cola Co | 527,695 | 0.88 |
| 16,450 Diageo PLC | 503,452 | 0.84 |
| 13,900 Experian PLC | 375,717 | 0.63 |
| 12,000 Greggs PLC | 293,520 | 0.49 |
| 141,000 HALEON PLC | 480,740 | 0.80 |
| 50,250 Hargreaves Lansdown PLC | 400,392 | 0.67 |
| 4,243 Johnson & Johnson | 542,526 | 0.91 |
| 4,474 Kenvue Inc | 73,350 | 0.12 |
| 840 Kering SA | 313,782 | 0.52 |
| 1,630 LOreal SA | 560,526 | 0.94 |
| 2,100 Microsoft Corp | 536,874 | 0.90 |
| 42,500 Mondi PLC | 585,438 | 0.98 |
| 54,500 National Grid PLC | 538,787 | 0.90 |
| 215,600 Natwest Group PLC | 507,091 | 0.85 |
| 5,950 Nestle SA | 554,720 | 0.93 |
| 19,000 Nintendo Co Ltd | 647,077 | 1.08 |
| 4,750 Novartis AG | 400,735 | 0.67 |
| 5,400 Novo Nordisk A/S | 407,929 | 0.68 |
| 4,050 PepsiCo Inc | 559,550 | 0.93 |
| 6,100 Reckitt Benckiser Group PLC | 354,898 | 0.59 |
| 22,750 Relx PLC | 636,090 | 1.06 |
| 10,950 Rio Tinto PLC | 571,809 | 0.95 |
| 1,600 Roche Holding AG | 359,681 | 0.60 |
| 4,700 Sanofi SA | 412,242 | 0.69 |
| 39,870 Schroders PLC | 164,185 | 0.27 |
| 25,650 Shell plc | 679,982 | 1.13 |
| 33,000 SSE PLC | 538,890 | 0.90 |
| 118,000 Tesco PLC | 313,526 | 0.52 |
| 4,000 Texas Instruments Inc | 518,760 | 0.87 |
| 13,000 Unilever PLC | 530,985 | 0.89 |
| 1,450 Visa Inc | 273,836 | 0.46 |
| | 19,255,724 | 32.15 |
| Exchange Traded Funds (30.09.2022: 22.29%) | | |
| 1,034,000 iShares \$ TIPS 0-5 UCITS ETF | 5,107,960 | 8.52 |
| 1,093,000 iShares \$ Treasury Bond 1-3yr UCITS ETF | 5,013,591 | 8.37 |
| 1,175,000 iShares \$ Treasury Bond 1-3yr UCITS ETF | 5,044,400 | 8.42 |
| 60,000 iShares \$ TIPS 0-5 UCITS ETF | 4,909,682 | 8.19 |
| | 20,075,633 | 33.50 |
| Government Bonds (30.09.2022: 33.57%) | | |
| 5,145,000 UK GILT 0.125% 31/01/2024 | 5,063,297 | 8.45 |
| 5,100,000 UK GILT 1% 22/04/2024 | 4,986,474 | 8.31 |
| 5,250,000 UK GILT 2.75% 07/09/2024 | 5,143,213 | 8.57 |
| | 15,192,984 | 25.33 |

PORTFOLIO STATEMENT (Continued)

Investment Trusts (30.09.2022: 0.50%)

- -

Portfolio of investments (30.09.2022: 82.02%)

54,524,341

90.98

Net other assets (30.09.2022: 18.03%)

5,403,919

9.02

59,928,260

100.00

Note: The 30 September 2022 comparators percentages are based on Mid pricing and does not add up to 100%. The Mid to Bid adjustment for the year ended 30 September 2022 was (0.05%).

SUMMARY OF MATERIAL PORTFOLIO CHANGES

| | |
|---|-------------------------------|
| Total sales for the year (note 14) | £ 23,339,629 |
| AP Moeller - Maersk A/S | 432,181 |
| Associated British Foods PLC | 539,953 |
| AstraZeneca PLC | 573,726 |
| Exxon Mobil Corp | 399,411 |
| GSK plc | 563,416 |
| iShares US Aggregate Bond UCITS ETF | 5,211,540 |
| iShares US Aggregate Bond UCITS ETF | 1,080,551 |
| UK GILT 0.125% 31/01/2023 | 4,990,000 |
| UK GILT 2.25% 07/09/2023 | 4,997,760 |
| UK GILT 0.00% 22/07/2023 | 3,090,701 |
| Other various sales | 1,460,390 |
| Total purchases for the year (note 14) | £ 49,578,492 |
| iShares \$ TIPS 0-5 UCITS ETF | 2,190,592 |
| iShares \$ TIPS 0-5 UCITS ETF | 4,859,286 |
| iShares \$ Treasury Bond 1-3yr UCITS ETF | 2,150,303 |
| iShares \$ Treasury Bond 1-3yr UCITS ETF | 4,969,802 |
| iShares US Aggregate Bond UCITS ETF | 3,583,198 |
| UK GILT 0.125% 31/01/2023 | 2,960,239 |
| UK GILT 0.125% 31/01/2024 | 1,954,590 |
| UK GILT 1% 22/04/2024 | 4,956,136 |
| UK GILT 2.25% 07/09/2023 | 1,886,677 |
| UK GILT 2.75% 07/09/2024 | 5,189,471 |
| Other various purchases | 14,878,198 |

The above transactions represent the top 10 sales and purchases during the year.

STATEMENT OF TOTAL RETURN

| For the | | Notes | Year ended 30 September 2023 | | Period 26 November 2021 to 30 September 2022 | |
|----------|--|-------|------------------------------|------------------|--|--------------------|
| | | | £ | £ | £ | £ |
| Income | | | | | | |
| | Net capital gains/(losses) | 2 | | 838,054 | | (1,285,537) |
| | Revenue | 3 | 1,484,200 | | 333,675 | |
| Expenses | | 4 | (408,300) | | (130,807) | |
| | Interest payable and similar charges | 6 | <u>(814)</u> | | <u>(1,466)</u> | |
| | Net revenue before taxation | | 1,075,086 | | 201,402 | |
| | Taxation | 5 | <u>(133,302)</u> | | <u>(13,805)</u> | |
| | Net revenue after taxation | | | <u>941,784</u> | | <u>187,597</u> |
| | Total return before distributions | | | 1,779,838 | | (1,097,940) |
| | Finance costs: distributions | 6 | | <u>(671,281)</u> | | <u>(183,808)</u> |
| | Changes in net assets attributable to shareholders from investment activities | | | <u>1,108,557</u> | | <u>(1,281,748)</u> |

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS

| For the | | Year ended 30 September 2023 | | Period 26 November 2021 to 30 September 2022 | |
|---------|---|------------------------------|-------------------|--|--------------------|
| | | £ | £ | £ | £ |
| | Opening net assets attributable to shareholders | | 33,001,317 | | - |
| | Amounts receivable on creation of shares | | 25,051,310 | | 33,936,179 |
| | Retained distributions on accumulation shares | | 691,807 | | 332,896 |
| | Dilution levies | | 75,269 | | 13,990 |
| | Changes in net assets attributable to shareholders from investment activities (see above) | | <u>1,108,557</u> | | <u>(1,281,748)</u> |
| | Closing net assets attributable to shareholders | | <u>59,928,260</u> | | <u>33,001,317</u> |

BALANCE SHEET

| As at | Notes | 30.09.2023 | | 30.09.2022 | |
|--|-------|------------------|-------------------|-------------------|------------|
| | | £ | £ | £ | £ |
| FIXED ASSETS | | | | | |
| Investment assets | | | 54,524,341 | | 27,050,948 |
| CURRENT ASSETS | | | | | |
| Debtors | 7 | 78,465 | | 29,317 | |
| Cash and bank balances | 8 | 5,487,744 | | 5,950,548 | |
| Total current assets | | | <u>5,566,209</u> | <u>5,979,865</u> | |
| Total assets | | | 60,090,550 | | 33,030,813 |
| CURRENT LIABILITIES | | | | | |
| Distribution payable | | (1,697) | | (813) | |
| Creditors | 9 | <u>(160,593)</u> | | <u>(28,683)</u> | |
| Total current liabilities | | | <u>(162,290)</u> | <u>(29,496)</u> | |
| Net assets attributable to shareholders | | | <u>59,928,260</u> | <u>33,001,317</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 out on pages 7-8.

| 2 Net capital gains/(losses) | 2023 | 26.11.2021 to 30.09.2022 |
|---|----------------|-------------------------------------|
| | £ | £ |
| The net capital gains/(losses) comprise: | | |
| Non-derivative securities gains/(losses) | 847,874 | (1,273,188) |
| Currency (losses) | (9,801) | (11,947) |
| Transaction charges | (19) | (402) |
| Total net capital gains/(losses) | 838,054 | (1,285,537) |

| 3 Revenue | 2023 | 26.11.2021 to 30.09.2022 |
|---|------------------|-------------------------------------|
| | £ | £ |
| Non-taxable dividends | 443,106 | 271,555 |
| Interest from non-derivative securities | 871,056 | 60,274 |
| Bank interest | 170,038 | 1,846 |
| Total revenue | 1,484,200 | 333,675 |

| 4 Expenses | 2023 | 26.11.2021 to 30.09.2022 |
|---|----------------|-------------------------------------|
| | £ | £ |
| Payable to the Authorised Fund Manager, associates of the Authorised Fund Manager, and agents of either of them: | | |
| Annual Management Charge | 372,932 | 101,400 |
| Payable to the depositary, associates of the depositary, and agents of either of them: | | |
| Depositary fee | 20,819 | 15,189 |
| Safe custody fee | 2,747 | 709 |
| | 23,566 | 15,898 |
| Other expenses: | | |
| Audit fee | 7,180 | 7,200 |
| FCA fee | 34 | 41 |
| Other fees | 4,588 | 6,268 |
| | 11,802 | 13,509 |
| Total expenses | 408,300 | 130,807 |

NOTES TO THE FINANCIAL STATEMENTS (Continued)

| 5 Taxation | 2023 | 26.11.2021 to 30.09.2022 |
|---|----------------|-----------------------------|
| | £ | |
| (a) Analysis of charge in the year | | |
| UK corporation tax | 112,365 | - |
| Irrecoverable overseas withholding tax | 20,937 | 13,805 |
| Total tax charge for the year (note 5b) | <u>133,302</u> | <u>13,805</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% (2022: 20.00%) | | |
| The differences are explained below: | | |
| Net revenue before UK corporation tax | 1,075,086 | 201,402 |
| Corporation tax at 20.00% (2022: 20.00%) | <u>215,017</u> | <u>40,280</u> |
| <u>Effects of:</u> | | |
| Revenue not subject to UK corporation tax | (88,621) | (54,311) |
| Excess management expenses (utilised)/not utilised | (14,031) | 14,031 |
| Irrecoverable overseas withholding tax | 20,937 | 13,805 |
| Total tax charge for the year (note 5b) | <u>133,302</u> | <u>13,805</u> |

(c) Provision for deferred taxation

At 30 September 2023 there is a potential deferred tax asset of £Nil (30 September 2022: £14,031) in relation to surplus management expenses.

| 6 Finance costs | 2023 | 26.11.2021 to 30.09.2022 |
|---|----------------|-----------------------------|
| | £ | |
| Interim dividend distribution | 285,820 | 55,767 |
| Final dividend distribution | 408,882 | 277,870 |
| | <u>694,702</u> | <u>333,637</u> |
| Add: Revenue deducted on cancellation of shares | (23,421) | (149,829) |
| Deduct: Revenue received on issue of shares | - | - |
| Net distribution for the year | <u>671,281</u> | <u>183,808</u> |
| Interest payable and similar charges | 814 | 1,466 |
| Total finance costs | <u>672,095</u> | <u>185,274</u> |
| Reconciliation of distributions | | |
| Net revenue after taxation | 941,784 | 187,597 |
| Balance brought forward | 3,789 | - |
| Balance carried forward | (274,292) | (3,789) |
| Net distribution for the year | <u>671,281</u> | <u>183,808</u> |

NOTES TO THE FINANCIAL STATEMENTS (Continued)

| 7 Debtors | 30.09.2023 | 30.09.2022 |
|--|-------------------|-------------------|
| | £ | £ |
| Amounts receivable on creation of shares | - | 484 |
| Accrued revenue: | | |
| Non-taxable dividends receivable | 43,611 | 16,833 |
| Interest from non-derivative securities receivable | 33,730 | 10,801 |
| Overseas withholding tax recoverable | 1,102 | 1,174 |
| Prepayments | 22 | 25 |
| Total debtors | 78,465 | 29,317 |
| | | |
| 8 Cash and bank balances | 30.09.2023 | 30.09.2022 |
| | £ | £ |
| Bank balances | 5,487,744 | 5,950,548 |
| | | |
| 9 Creditors | 30.09.2023 | 30.09.2022 |
| | £ | |
| Amounts payable to the AFM, associates of the AFM and agents of either of them: | | |
| Annual Management Charge | 35,766 | 18,786 |
| | | |
| Amounts payable to the Depositary, associates of the Depositary and agents of either of them: | | |
| Depositary's fees | 1,707 | 1,479 |
| Transaction charges | 481 | 410 |
| Safe custody fees | 2,703 | 709 |
| | 4,891 | 2,598 |
| | | |
| Other accrued expenses | 7,571 | 7,299 |
| UK corporation tax | 112,365 | - |
| Total creditors | 160,593 | 28,683 |

10 Shares held

Class E Income

| | |
|-------------------------------------|----------------|
| Opening Shares at 01.10.2022 | 100,000 |
| Shares issued during the year | 151,635 |
| Shares cancelled during the year | - |
| Shares converted during the year | - |
| Closing Shares at 30.09.2023 | 251,635 |

Class E Accumulation

| | |
|-------------------------------------|-------------------|
| Opening Shares at 01.10.2022 | 34,254,750 |
| Shares issued during the year | 25,371,120 |
| Shares cancelled during the year | - |
| Shares converted during the year | - |
| Closing Shares at 30.09.2023 | 59,625,870 |

11 Risk management

In pursuing its investment objective as stated on page 47, 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.

Credit risk

Credit risk is the risk that a counterparty may be unable or unwilling to make a payment or fulfil contractual obligations. This may be in terms of an actual default or by deterioration in a counterparty's credit quality.

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.

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.

All financial liabilities are payable in one year or less, or on demand.

11 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 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:

| | 30.09.2023 | 30.09.2022 |
|--|-------------------|-------------------|
| | £ | £ |
| Financial assets floating rate | 5,487,744 | 5,950,548 |
| Financial assets interest bearing instruments | 35,268,617 | 18,421,211 |
| Financial assets non-interest bearing instruments | 19,334,189 | 8,659,054 |
| Financial liabilities non-interest bearing instruments | (162,290) | (29,496) |
| Financial liabilities floating rate | - | - |
| | 59,928,260 | 33,001,317 |

At 30 September 2023, 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 £51,702 (30 September 2022: £42,579).

Foreign currency risk

Foreign currency risk is the risk that the sterling value of investments will fluctuate as a result of exchange rate movements. Assets denominated in currencies other than sterling will provide direct exposure to currency risk as a consequence of the movement in foreign exchange rates when calculating the sterling equivalent value.

Where the Sub-fund invests in non-sterling assets, the investment manager allows for the foreign currency risk when considering whether to invest and does not seek to hedge this risk.

This risk is not actively managed.

The table below shows the direct foreign currency risk profile:

| | 30.09.2023 | 30.09.2022 |
|-----------------|-------------------|-------------------|
| | £ | £ |
| Currency: | | |
| Danish krona | 407,929 | 245,138 |
| Euros | 1,295,126 | 533,866 |
| Japanese yen | 653,907 | 182,983 |
| Swiss francs | 1,316,238 | 216,867 |
| US Dollars | 17,167,141 | 3,347,806 |
| | 20,840,341 | 4,526,660 |
| Pounds sterling | 39,087,919 | 28,474,657 |
| Net assets | 59,928,260 | 33,001,317 |

A 10% change in the Pounds sterling exchange rate against all other currencies, assuming all other factors remained the same, would have an impact of £2,084,034 (30 September 2022: £452,666) on the net assets of the Sub-fund.

11 Risk management (continued)

Market price risk

Market price risk is the risk that the value of the Sub-fund's financial instruments 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 primarily from uncertainty about the future prices of financial instruments that the Sub-fund holds.

Market price risk represents the potential loss the Sub-fund may suffer through holding market positions in the face of price movements. The Sub-fund's investment portfolio is exposed to price fluctuations, which are monitored by the AFM in pursuance of the investment objective and policy. The risk is generally regarded as consisting of two elements – stock specific risk and market risk. Adhering to investment guidelines and avoiding excessive exposure to one particular issuer can limit stock specific risk. Subject to compliance with the investment objective, spreading exposure across a broad range of global stocks can mitigate market risk.

A 10% increase in the value of the Sub-fund's portfolio would have the effect of increasing the return and net assets by £5,452,434 (30 September 2022: £2,705,095). A 10% decrease would have an equal and opposite effect.

Fair Value disclosure

The fair value hierarchy is intended to prioritise the inputs that are used to measure the fair value of assets and liabilities. The highest priority is given to quoted prices and the lowest priority to un-observable inputs. The criteria applied to the fair value 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 | 30.09.2023 | | 30.09.2022 | |
|--|--------------------|-------------------------|--------------------|-------------------------|
| | Assets (£000's) | Liabilities (£000's) | Assets (£000's) | Liabilities (£000's) |
| Level 1: Unadjusted quoted price in an active market for an identical instrument | 54,524 | - | 27,051 | - |
| Total | 54,524 | - | 27,051 | - |

12 Contingent assets and liabilities

At 30 September 2023, the Sub-fund had no contingent liabilities or commitments (30 September 2022: £nil).

13 Post balance sheet events

As indicated in the accounting policies in Note 1, the investments have been valued at the closing valuation point on 29 September 2023. Since that date, the Sub-fund's quoted price has moved as follows for each share class:

| Share Class | Price (GBp) at 29 Sept 2023 | Price (GBp) at 05 Jan 2024 |
|----------------------|-----------------------------|----------------------------|
| Class E Income | 98.8902p | 100.4269p |
| Class E Accumulation | 100.3010p | 101.8596p |

NOTES TO THE FINANCIAL STATEMENTS (Continued)

14 Direct transaction costs

| | 2023 | | 26.11.2021 to 30.09.2022 | |
|--|------------|-------|--------------------------|-------|
| | £ | % | £ | % |
| Analysis of total purchase costs | | | | |
| Purchases in the year before transaction costs | 49,525,441 | | 32,540,542 | |
| Commissions | 21,429 | 0.04% | 38,031 | 0.12% |
| Taxes & levies | 31,622 | 0.06% | 25,642 | 0.08% |
| Total purchase costs | 53,051 | 0.10% | 63,673 | 0.20% |
| Total purchases including transaction costs | 49,578,492 | | 32,604,215 | |

| | 2023 | | 26.11.2021 to 30.09.2022 | |
|---|------------|---------|--------------------------|---------|
| | £ | % | | |
| Analysis of total sale costs | | | | |
| Sales in year before transaction costs | 23,344,769 | | 4,241,283 | |
| Commissions | (5,094) | (0.02%) | (471) | (0.01%) |
| Taxes & levies | (46) | (0.00%) | (4) | (0.00%) |
| Total sale costs | (5,140) | (0.02%) | (475) | (0.01%) |
| Total sales including transaction costs | 23,339,629 | | 4,240,808 | |

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

| | 2023 | % of average | 2022 | % of average |
|----------------|--------|--------------|--------|--------------|
| | £ | net asset | £ | net asset |
| | | value | | value |
| Commissions | 26,523 | 0.05% | 38,502 | 0.25% |
| Taxes & levies | 31,668 | 0.06% | 25,646 | 0.16% |
| | 58,191 | 0.11% | 64,148 | 0.41% |

15 Portfolio Dealing Spread

The average portfolio dealing spread at 30 September 2023 is 0.05% (30 September 2022: 0.10%).

16 Related party transactions

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

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

DISTRIBUTION TABLES

Interim distribution in pence per share

Group 1: Shares purchased prior to 01 October 2022

Group 2 : Shares purchased on or after 01 October 2022 and on or before 31 March 2023

| Class E Income | Net Revenue 31.05.2023 | Equalisation | Distribution 31.05.2023 | Distribution 31.05.2022 |
|-----------------------|-----------------------------------|---------------------|------------------------------------|------------------------------------|
| Group 1 | 0.4767p | - | 0.4767p | 0.4129p |
| Group 2 | 0.3018p | 0.1749p | 0.4767p | 0.4129p |

| Class E Accumulation | Net Revenue 31.05.2023 | Equalisation | Distribution 31.05.2023 | Distribution 31.05.2022 |
|-----------------------------|-----------------------------------|---------------------|------------------------------------|------------------------------------|
| Group 1 | 0.4776p | - | 0.4776p | 0.3928p |
| Group 2 | 0.3863p | 0.0913p | 0.4776p | 0.3928p |

Final 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

| Class E Income | Net Revenue 30.11.2023 | Equalisation | Distribution 30.11.2023 | Distribution 30.11.2022 |
|-----------------------|-----------------------------------|---------------------|------------------------------------|------------------------------------|
| Group 1 | 0.6743p | - | 0.6743p | 0.8122p |
| Group 2 | 0.6743p | - | 0.6743p | 0.8122p |

| Class E Accumulation | Net Revenue 30.11.2023 | Equalisation | Distribution 30.11.2023 | Distribution 30.11.2022 |
|-----------------------------|-----------------------------------|---------------------|------------------------------------|------------------------------------|
| Group 1 | 0.6829p | - | 0.6829p | 0.8083p |
| Group 2 | 0.6829p | - | 0.6829p | 0.8083p |

Information for corporate shareholders

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

- i) 29.85% of the total dividend allocation together with the tax credit is received as franked investment income.
- ii) 70.15% 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

Distributions

Distributions of the revenue of the Company will be made to shareholders on or before 30 November each year and interim allocations of revenue on or before the last day of February, 31 May and 31 August for VT Vanneck Defensive Fund, 31 May for VT Vanneck Global Growth Fund and VT Vanneck Investment Growth Fund.

Individual shareholders

Income tax: Tax-free annual dividend allowance now 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. UK resident shareholders are subject to tax on dividend income in excess of the annual allowance.

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

The Company will pay corporation tax on its profits in VT Vanneck Investment Growth Fund with no corporation tax in the other two Sub-funds for the year to 30 September 2023. 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 a rate of 20% 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. Instructions may be given by email to (vanneck@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 12:00 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.

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 AFM may at its discretion accept subscriptions lower than the minimum amount.

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

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 May 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 <https://www.valu-trac.com/Pillar%203%202021-09.pdf>. A paper copy of the remuneration policy is available on request from the registered office of the Authorised Fund Manager free of charge.

Assessment of Value

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

CORPORATE DIRECTORY

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| Authorised Fund Manager & Registrar | <p>Valu-Trac Investment Management Limited Orton Moray IV32 7QE</p> <p>Telephone: 01343 880344 Fax: 01343 880267 Email: vanneck@valu-trac.com</p> <p>Authorised and regulated by the Financial Conduct Authority Registered in England No 2428648</p> |
| Investment Manager | <p>Vanneck Limited Little Tufton House 3 Dean Trench Street Westminster London SW1P 3HB</p> |
| Depositary | <p>NatWest Trustee and Depositary Services Limited House A Floor 0, 175 Glasgow Road Gogarburn Edinburgh EH12 1HQ</p> <p>Authorised and regulated by the Financial Conduct Authority</p> |
| Auditor | <p>Johnston Carmichael LLP Commerce House South Street Elgin Moray IV30 1JE</p> |