

Close Discretionary Funds

Interim Report & Financial Statements
for the period ended 30 September 2023 (unaudited)

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Authorised Status and Report of the Manager

Authorised Status

Close Discretionary Funds ("The Trust") is an authorised scheme under the Financial Services and Market Act 2000 (the "Act"). The scheme is classified as a UCITS scheme.

Certification of Financial Statements by Directors of the Manager

This report has been prepared in accordance with the Financial Conduct Authority Collective Investment Schemes ("COLL") Sourcebook.



I.P. Wallace (Director)



R.C.S. Smith (Director)
CAM (UK) Ltd
24 November 2023

Market review

The six month period to the end of September 2023 has remained relatively favourable for equities, though leadership has been narrow. Other assets have reversed course somewhat, compared to the prior six months.

Within equities, all regions have seen positive returns in sterling terms, with the exception of Europe. Having rallied in the prior six months, Europe declined -2.3%. The US was the best performing equity region in sterling terms, gaining +8.4%, followed by Japan, which rose +5.8%. UK equities gained +1.7%, and Emerging Markets +1.2%.

Bonds reversed course, giving back some of the prior period's performance. UK gilts fared worst, declining -5.5%, while corporate bonds declined -1.7%. In local terms, European government bonds declined -1.6%, and US government bonds -3.9%.

Having been on a weakening path, the US dollar regained +3.6% over the period on a trade weighted basis. Against this, the pound fell -1.1%. However, against the euro, sterling rose +1.4%, and against a weakening yen, 11.2%, which was held back by Japan's relatively low interest rates.

Oil, which had been declining, began to strengthen once again in the summer. Over the period under review, oil gained +19.5% in US dollar terms, while gold declined by -5.5% on the same basis.

Outlook

As the final quarter of the year gets under way, global growth expectations for 2023 remain weaker than average but forecasts have improved. The effects of monetary tightening and weaker growth in China have contributed to below-average forecasts, but the US economy has been stronger than expected, lifting estimates.

A weak nominal growth environment is less supportive for equity earnings, which could undermine the valuations of some equities. However, generally, the current reporting season has shown equity earnings to be stronger than feared. In addition, interest rate expectations appear to be having a bigger impact on equity prices today than earnings expectations.

The resilience of equity returns certainly appears to be down to the more benign outlook for interest rates, given the narrow leadership of the market in recent months. Richly valued, US tech stocks have done most of the heavy lifting. This likely reflects the fact that markets are now pricing in little or no further tightening in developed markets, before central bankers begin cutting interest rates. This puts less pressure on assets on high valuations.

While we share the view that there is limited further tightening to come, we are more cautious on the chance of cuts so soon, especially given central bank guidance suggesting that rates need to remain high for longer. If this comes to pass, there could be some volatility in markets, as assets reprice.

While inflation is heading in the right direction and GDP growth forecasts have generally been revised higher in recent months, risks remain. Chief amongst these is Chinese growth. China's services sector, having enjoyed a reopening bounce, has lost momentum and the real estate sector remains weak and troubled. The July Politburo meeting proved to be a false dawn for investors, with limited support following the meeting. It was not until the end of August that concrete measures to help the property sector were announced, but further help may be in train and data is showing signs of improvement.

Weakness also persists in global manufacturing indicators, with services sector measures also weakening in Europe and the UK especially. In addition, energy prices are once again on the rise, and could exert upward pressure on inflation data, and downward pressure on economic activity, with energy prices functioning as a quasi-tax on economic activity.

Recent events in the Middle East have reminded us, once again, that geopolitical risk remains elevated. Russia's war in Ukraine also remains a risk and EU accession talks at the end of the year may prove a new flashpoint.

Overall, 2023 has been a far better year for investors than we had expected, despite continued monetary tightening and weak growth. However, beneath the headline numbers, assets have experienced very different trajectories within indices, with significant volatility, especially in bonds.

Looking to 2024, growth is expected to be weak at the start of the year but to strengthen as the year progresses, while monetary policy is expected to ease. This should offer relief to asset prices across equities and bonds. However, soft growth and falling inflation are not a supportive combination for nominal earnings, and this may weigh on equities. For this reason, we remain more cautious on equities than we were at the start of 2023. For bonds, a shift away from further tightening should be supportive but there remains a risk that market expectations for monetary policy are misaligned with where rates are likely to end up, which could result in further volatility. Bonds are looking more attractive, but investors need to be judicious on credit quality (given the outlook for growth) and duration (given expected volatility).

Looking at valuations, caution is required but there remain opportunities. The favourable market moves experienced in some segments of the market have pushed valuations back into demanding territory. At the same time, other segments of the market are still offering attractive yields. At this liminal moment, where monetary policy is no longer tightening but not yet easing, we favour being close to benchmark at an overall asset class level, taking opportunities in sectors and stocks that offer greatest value.

Given high inflation and the prospect of sustained market volatility, we continue to see an important role for alternative investments within portfolios, especially those which can be a source of genuine diversification and inflation protection.

Source: Market return figures produced by Close Asset Management (UK) Limited using Morningstar indices.

Notes applicable to the Financial statements of all sub-funds

for the period ended 30 September 2023

Accounting policies

Basis of accounting

The financial statements have been prepared on a going concern basis in accordance with FRS 102 and the Statement of Recommended Practice 'Financial Statements of UK Authorised Funds' issued by the Investment Management Association (changed to the Investment Association in January 2015) in May 2014 (the "SORP"), and amended in June 2017.

The Manager is confident that the Trust will continue in operation and be able to meet its liabilities as they fall due for at least the next twelve months from the approval of these financial statements. The Trust has adequate financial resources and its assets primarily consist of securities, which are readily realisable. As such, the financial statements have been prepared on the going concern basis.

No significant judgments, estimates or assumptions have been required in the preparation of the accounts for the current or preceding financial years. All accounting and distribution policies used to prepare the interim financial statements are as per the audited financial statements for the year ended 31 March 2023.

Close Sustainable Balanced Portfolio Fund

For the period ended 30 September 2023

Fund objective and policy

The investment objective of the Close Sustainable Balanced Portfolio Fund ('the Sustainable Balanced Fund') is to provide capital growth with some income over the medium term (i.e. more than 5 years).

The Sustainable Balanced Fund will hold at least 80% of its portfolio in a mixture of equities and fixed interest securities (being corporate and government bonds), achieving this exposure primarily through direct investment.

The equities and corporate bonds in which the Sustainable Balanced Fund invests will be subject to the Manager's sustainability screens. The first is an ethical screen (focussing on what an entity produces). Secondly, an ESG (environmental, social and governance) screen is applied (focussing on how the entity operates).

Under the ethical screen, the Sustainable Balanced Fund may not invest in issuers with more than 10% of their revenue exposure to alcohol, gambling, tobacco or any other areas deemed not to meet the Manager's ethical standards.

Securities which meet the ethical criteria are then subject to an ESG rating screening, where ESG ratings provided by a third party are used.

The purpose of the ESG screen is to identify and invest in issuers which have, what the Manager considers to be positive ESG attributes, being those which are leading in a sector or, as a minimum, are above average, regarding ESG factors. In the Manager's view, these issuers are likely to be better prepared for the risks and opportunities associated with ESG factors and are therefore suitable for investment in a 'sustainable' context. The Manager considers issuers with an A rating or above (as provided by a third-party data provider) to have such attributes. The issuers are subject to an expert and rigorous methodology by the ratings agency to measure ESG attributes including their exposure to ESG risks as well as to how well they manage those risks relative to their peers. For government bonds, only the ESG screen is applied when selecting investments.

The allocation between the equities and fixed income securities in which the Sustainable Balanced Fund invests will be actively managed and will vary in response to short term market conditions. However, the Sustainable Balanced Fund operates a balanced strategy, meaning that the allocation to equities will remain within a 40% to 85% range, consistent with its balanced risk/return profile.

Subject to the sustainability screens, the Sustainable Balanced Fund may invest in equities of companies from anywhere in the world, in any sector and of any market capitalisation. This may include shares in smaller companies and companies listed in emerging markets. The Sustainable Balanced Fund will not purchase unlisted investments.

Subject to the applicable sustainability screens, the fixed interest component of the Sustainable Balanced Fund may include government and corporate bonds (which may include emerging market and high yield bonds from issuers anywhere in the world). These may be investment grade, sub-investment grade or unrated.

The Sustainable Balanced Fund may also invest in money market instruments and deposits, cash and near cash. There may be occasions where the Investment Adviser considers that it is prudent, given market conditions, to maintain higher levels of liquidity in the Sustainable Balanced Fund. In such circumstances, the Investment Adviser may hold up to 20% of the Sustainable Balanced Fund in cash.

The Sustainable Balanced Fund may also invest in other transferable securities (including closed ended funds and exchange traded funds), and collective investment schemes which may include schemes managed by the Manager or an affiliate of the Manager.

The Sustainable Balanced Fund may gain exposure to alternative asset classes, such as commodities, hedge funds, infrastructure, property and convertibles through investment in transferable securities.

The Sustainable Balanced Fund may use derivatives, including exchange traded and over the counter derivatives, forward transactions and currency hedges for investment purposes as well as for efficient portfolio management. It is expected that the Sustainable Balanced Fund's use of derivatives will be limited.

Effective 29 September 2022 the Sustainable Balanced Fund started to hedge up to 100% of the Fixed Income non sterling assets held (previously unhedged).

Investment Report

Market commentary

Fund performance

Global equity markets returned positive performance, +4.0% in sterling terms, with the pound's relative currency depreciation additive. Bond markets, as measured by the sterling broad market index, fell -5.2%. The Fund returned -0.9% over the period, underperforming the IA Mixed 40-85 by -0.9%.

Market volatility across asset classes continued to be characterised by inflation, central bank policy rate action and the business cycle signalling an economic slowdown. Initial concern that sticky inflation and a still strong labour market would cause further increases to interest rates subsided in the summer. Markets rallied as confidence that slowing inflation would allow central banks to ease interest rates lower thus avoiding a recession, caused investor faith in the fabled 'soft landing' scenario to return. Confidence abated towards the end of the period, inflation and a deteriorating economic growth outlook - with the services sector weakening in line with an already depressed manufacturing sector - drove a shift in market focus from the level of peak rates, to how long rates will be held at a 'sufficiently restrictive' level, forcing markets lower.

Through this volatility, our preference for businesses that exhibit through cycle, persistent earnings momentum allowed us to keep pace with market rallies and outperform in weaker markets. Broadly, our positioning remained defensively biased through the period. Activity included divesting more economically sensitive businesses including Ashtead Group, UBS, Automatic Data Processing, 3m and adding to defensive business models which had derated to attractive valuations such as UnitedHealth Group, RELX, Wolters Kluwer, Nestle and Schneider Electric. New positions included those whose growth profiles remain strong, and the stock had relatively underperformed such as: Merck KGaA, Compass Group, Reply, SBA Communications and reintroducing Prudential. We further swapped equities for the Royal Mint Responsibly Sourced Gold ETC – which doesn't have earnings risk – and switched some of our allocation to US Treasuries into UK Gilts, where economic data is signalling greater recessionary pressure in the UK. Looking ahead, we are waiting for final confirmation that economies are entering recession before moving longer duration in fixed income. We are looking to buy new cyclical equities on profit warnings, or where the business models are competitively advantaged yet economically insensitive, and add to corporate bonds into any selloff.

Fund Performance

Performance for the Sustainable Balanced Fund over the last three years.

| | 6 months to 30/9/2023 | Year to 30/9/2023 | Year to 30/9/2022 | Year to 30/9/2021 |
|--|--------------------------|----------------------|----------------------|----------------------|
| Sustainable Balanced Fund X Accumulation | (0.9%) | 3.0% | (5.3%) | n/a* |
| IA Mixed Investment 40%-85% Sector | (0.0%) | 5.1% | (10.2%) | 16.6% |

Source: Produced by CAM (UK) Ltd using Financial Express.

*The Close Sustainable Balanced Portfolio Fund launched 2 November 2020.

The percentage growth in prices is calculated using the published dealing price of units in the X Accumulation unit class (which may include a dilution adjustment to the mid-market value) in sterling with net revenue re-invested.

Units are priced on a single mid-market basis.

Risk and Reward Profile

The Sustainable Balanced Fund currently has two types of unit class in issue; I Accumulation and X Accumulation. Each type of unit class has the same risk and reward profile which is as follows:

Synthetic Risk and Reward Indicator ("SRRI")

| | | | | | | |
|-------------------------|---|---|--------------------------|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| lower risks/ rewards | | | higher risks/ rewards | | | |

The Sustainable Balanced Fund is ranked at 4 because funds of this type have experienced average rises and falls in value in the past.

The SRRI table demonstrates where the Sustainable Balanced Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data (the past 5 years), may change over time and may not be a reliable indication of the future risk profile of the Sustainable Balanced Fund.

Past performance is not a reliable guide to future performance.

Investment Report

continued

Risk and Reward Profile continued

The lowest category does not mean risk free.

The rating does not reflect the possible effects of unusual market conditions or large unpredictable events.

The SRRI conforms to the ESMA guidelines regarding its calculation.

Investing in the Sustainable Balanced Fund carries the following risks:

Counterparty risk: The Sustainable Balanced Fund could lose money if a counterparty with which it transacts becomes unwilling or unable to meet its obligations to the Sustainable Balanced Fund.

Currency risk: The Sustainable Balanced Fund invests in overseas assets, denominated in currencies other than Sterling. Changes in exchange rates may have a negative impact on the value of your investment.

Investment risk: The Sustainable Balanced Fund invests in equities and bonds globally. Share prices can rise or fall due to a number of factors affecting global stock markets.

Sustainability strategy risk: The Funds are subject to screening criteria applied by the Manager which mean that they are unable to invest in certain sectors, companies and investments that conflict with the Manager's sustainability policy. The Sustainable Balanced Fund will only invest in issuers which have, what the Manager considers to be, positive ESG attributes. This investment strategy may result in the Sustainable Balanced Fund having a narrower range of eligible investments, which may in turn affect the Sustainable Balanced Fund's performance.

Management risk: Investment management techniques that have worked well in normal market conditions could prove ineffective or detrimental at other times.

Liquidity risk: In extreme market conditions, some securities held by the Sustainable Balanced Fund may become hard to value or sell. In these circumstances, performance may be affected and redemptions in the Sustainable Balanced Fund may need to be deferred or the Sustainable Balanced Fund suspended for a period of time.

Derivative risk: The Sustainable Balanced Fund uses derivatives for efficient portfolio management purposes only (currency hedging). Using derivatives can involve a higher level of risk. A small movement in the price of an underlying investment may result in disproportionately large movements in the price of the derivative instrument.

A more comprehensive list of the Sustainable Balanced Fund's risks are contained in the "Risk Factors" section of the Prospectus.

Collective Investment Schemes

Collective Investment Schemes

The Sustainable Balanced Fund invests a proportion of its assets in other Collective Investment Schemes. Please refer to the portfolio statement for details of the Collective Investment Schemes that are held at the balance sheet date.

The charges incurred by the Sustainable Balanced Fund as a result of its investments in other Collective Investment Schemes as expressed as a percentage of net assets at the balance sheet date are 0.04% (31/3/2023 - 0.06%).

Following changes to disclosure requirements; Closed-Ended funds are now included in the calculation of the synthetic element of the operating charge.

Performance record

Net asset value

| Accounting Date | Total Net Asset Value £'000 | Net Asset Value per Unit (p) | Number of Units in issue |
|-------------------|--------------------------------|---------------------------------|-----------------------------|
| 30/9/2023 | | | |
| I Accumulation | 253 | 110.45 | 229,423 |
| X Accumulation | 69,575 | 108.41 | 64,176,905 |
| 31/3/2023 | | | |
| I Accumulation | 234 | 111.75 | 209,410 |
| X Accumulation | 66,302 | 109.96 | 60,297,221 |
| 31/3/2022 | | | |
| I Accumulation | 32 | 114.35 | 27,930 |
| X Accumulation | 49,283 | 113.22 | 43,527,457 |
| 31/3/2021* | | | |
| I Accumulation | 28 | 104.67 | 26,450 |
| X Accumulation | 16,561 | 104.38 | 15,866,676 |

*The Close Sustainable Balanced Portfolio Fund launched 2 November 2020.

Operating charges figure

| Period to 30/9/2023 | | Year to 31/3/2023 | |
|---------------------|-------|-------------------|-------|
| I Accumulation | 0.13% | I Accumulation | 0.15% |
| X Accumulation | 0.87% | X Accumulation | 0.89% |

The operating charges figure (OCF) represents the annual operating expenses of the Fund, the Fund Management Fee ("FMF"), expressed as a percentage of average net assets for the period/year - it does not include initial charges or performance fees.

Portfolio statement

as at 30 September 2023

| Holding/ Nominal Value | Investment | Market Value GBP £'000 | Percentage of Net Assets % |
|---|--|---------------------------------|-------------------------------------|
| BONDS - 28.45% (31/3/2023 - 28.00%) | | | |
| Sterling Denominated Fixed Rate Corporate Bonds - 3.90% (31/3/2023 - 5.38%) | | | |
| £500,000 | A2D Funding II 4.5% 30/9/2026 | 478 | 0.69 |
| £580,000 | Admiral 5.5% 25/7/2024 | 575 | 0.82 |
| £300,000 | EDP Finance 8.625% 4/1/2024 | 302 | 0.43 |
| £350,000 | Hiscox 6.125% 24/11/2045 | 338 | 0.49 |
| £470,000 | Paragon Banking 6% 28/8/2024 | 461 | 0.66 |
| £600,000 | Siemens Financieringsmaatschappij 1% 20/2/2025 | 566 | 0.81 |
| | | 2,720 | 3.90 |
| Sterling Denominated Fixed Rate Government Bonds - 4.01% (31/3/2023 - 0.00%) | | | |
| £4,600,000 | United Kingdom Gilt 1.125% 31/1/2039 | 2,800 | 4.01 |
| Euro Denominated Fixed Rate Corporate Bonds - 0.37% (31/3/2023 - 0.00%) | | | |
| €100,000 | Iberdrola International 2.625% Perpetual | 86 | 0.12 |
| €200,000 | Veolia Environnement 2.875% Perpetual | 171 | 0.25 |
| | | 257 | 0.37 |
| United States Dollar Denominated Fixed Rate Government Bonds - 20.17% (31/3/2023 - 22.62%) | | | |
| \$5,600,000 | United States Treasury Note 0.375% 30/9/2027 | 3,873 | 5.55 |
| \$1,900,000 | United States Treasury Note 0.625% 15/5/2030 | 1,205 | 1.73 |
| \$2,700,000 | United States Treasury Note 1.125% 15/5/2040 | 1,270 | 1.82 |
| \$3,100,000 | United States Treasury Note 1.25% 15/5/2050 | 1,198 | 1.71 |
| \$1,600,000 | United States Treasury Note 1.375% 15/8/2050 | 639 | 0.91 |
| \$2,200,000 | United States Treasury Note 1.625% 15/5/2031 | 1,463 | 2.09 |
| \$3,500,000 | United States Treasury Note 1.875% 15/2/2032 | 2,330 | 3.34 |
| \$2,500,000 | United States Treasury Note 2.25% 15/8/2046 | 1,297 | 1.86 |
| \$1,400,000 | United States Treasury Note 2.875% 15/5/2052 | 812 | 1.16 |
| | | 14,087 | 20.17 |
| EQUITIES - 56.48% (31/3/2023 - 51.60%) | | | |
| UNITED KINGDOM - 10.86% (31/3/2023 - 13.59%) | | | |
| 88,400 | 3i | 1,833 | 2.62 |
| 19,000 | Anglo American | 430 | 0.62 |
| 7,000 | AstraZeneca | 777 | 1.11 |
| 48,300 | Compass | 966 | 1.38 |

Portfolio statement

continued

| Holding/ Nominal Value | Investment | Market Value GBP £'000 | Percentage of Net Assets % |
|--|--------------------|---------------------------------|-------------------------------------|
| UNITED KINGDOM continued | | | |
| 85,000 | Howden Joinery | 626 | 0.90 |
| 106,405 | RELX | 2,954 | 4.23 |
| | | 7,586 | 10.86 |
| EUROPE - 16.79% (31/3/2023 - 13.91%) | | | |
| Denmark - 1.62% (31/3/2023 - 1.45%) | | | |
| 15,000 | Novo Nordisk | 1,132 | 1.62 |
| France - 1.11% (31/3/2023 - 0.00%) | | | |
| 5,700 | Schneider Electric | 776 | 1.11 |
| Germany - 3.10% (31/3/2023 - 2.30%) | | | |
| 17,900 | Bayer | 706 | 1.01 |
| 10,626 | Merck | 1,457 | 2.09 |
| | | 2,163 | 3.10 |
| Ireland - 2.53% (31/3/2023 - 3.20%) | | | |
| 7,000 | Accenture | 1,762 | 2.53 |
| Italy - 1.49% (31/3/2023 - 0.00%) | | | |
| 11,700 | Moncler | 559 | 0.80 |
| 6,247 | Reply | 483 | 0.69 |
| | | 1,042 | 1.49 |
| Netherlands - 1.93% (31/3/2023 - 0.00%) | | | |
| 3,300 | IMCD | 344 | 0.49 |
| 10,100 | Wolters Kluwer | 1,004 | 1.44 |
| | | 1,348 | 1.93 |
| Sweden - 1.02% (31/3/2023 - 0.99%) | | | |
| 64,000 | Atlas Copco | 712 | 1.02 |
| Switzerland - 3.99% (31/3/2023 - 5.97%) | | | |
| 15,200 | Alcon | 964 | 1.38 |
| 19,600 | Nestle | 1,821 | 2.61 |
| | | 2,785 | 3.99 |
| ASIA PACIFIC (EX JAPAN) - 5.56% (31/3/2023 - 5.04%) | | | |
| 32,200 | AIA | 215 | 0.31 |
| 24,299 | HDFC Bank ADR | 1,175 | 1.68 |

Portfolio statement

continued

| Holding/ Nominal Value | Investment | Market Value GBP £'000 | Percentage of Net Assets % |
|--|--|---------------------------------|-------------------------------------|
| ASIA PACIFIC (EX JAPAN) continued | | | |
| 220,000 | HSBC Index Tracker Investment Funds - Pacific Index Fund | 1,097 | 1.57 |
| 13,800 | Prudential | 123 | 0.18 |
| 43,500 | Singapore Exchange | 254 | 0.36 |
| 14,300 | Taiwan Semiconductor Manufacturing | 1,017 | 1.46 |
| | | 3,881 | 5.56 |
| JAPAN - 2.24% (31/3/2023 - 3.38%) | | | |
| 5,700 | Tokyo Electron | 638 | 0.91 |
| 60,000 | Xtrackers MSCI Japan ESG UCITS ETF | 929 | 1.33 |
| | | 1,567 | 2.24 |
| NORTH AMERICA - 19.76% (31/3/2023 - 14.29%) | | | |
| United States - 19.76% (31/3/2023 - 14.29%) | | | |
| 14,000 | Applied Materials | 1,588 | 2.28 |
| 69,951 | Avantor | 1,208 | 1.73 |
| 6,300 | Becton Dickinson | 1,334 | 1.91 |
| 2,800 | Cooper | 729 | 1.04 |
| 10,500 | Dover | 1,201 | 1.72 |
| 6,600 | Marsh & McLennan | 1,029 | 1.47 |
| 4,000 | PepsiCo | 555 | 0.80 |
| 4,400 | SBA Communications | 722 | 1.03 |
| 4,700 | UnitedHealth | 1,942 | 2.78 |
| 67,200 | Valvoline | 1,775 | 2.54 |
| 9,100 | Visa | 1,715 | 2.46 |
| | | 13,798 | 19.76 |
| EMERGING MARKETS - 1.27% (31/3/2023 - 1.39%) | | | |
| 165,000 | iShares MSCI EM SRI UCITS ETF | 885 | 1.27 |
| FIXED INTEREST - 8.75% (31/3/2023 - 10.30%) | | | |
| Non Equity Investment Instruments - 8.75% (31/3/2023 - 7.93%) | | | |
| 2,862,089 | HSBC Sterling Liquidity Fund | 2,862 | 4.10 |
| 320,000 | iShares USD Treasury Bond 20+yr UCITS ETF | 1,110 | 1.59 |
| 2,000,000 | Royal London Short Term Money Market Fund | 2,140 | 3.06 |
| | | 6,112 | 8.75 |

Portfolio statement

continued

| Holding/ Nominal Value | Investment | Market Value GBP £'000 | Percentage of Net Assets % |
|---|---|---------------------------------|-------------------------------------|
| United Kingdom Gilts & Corporate Bonds - 0.00% (31/3/2023 - 2.37%) | | | |
| ALTERNATIVE - 5.61% (31/3/2023 - 6.78%) | | | |
| 473,846 | Greencoat UK Wind | 663 | 0.95 |
| 411,666 | International Public Partnerships | 510 | 0.73 |
| 182,000 | Royal Mint Physical Gold ETC | 2,743 | 3.93 |
| | | 3,916 | 5.61 |
| DERIVATIVES* - (0.59%) (31/3/2023 - 0.81%) | | | |
| Open Forward Currency Contracts - (0.59%) (31/3/2023 - 0.81%) | | | |
| £257,831 | Bought GBP 257,831 : Sold EUR 300,290 | (3) | (0.01) |
| £16,470,107 | Bought GBP 16,470,107 : Sold USD 20,640,934 | (440) | (0.63) |
| US\$2,917,524 | Bought USD 2,917,524 : Sold GBP 2,357,039 | 33 | 0.05 |
| US\$536,992 | Bought USD 536,992 : Sold GBP 440,313 | – | – |
| | | (410) | (0.59) |
| | Portfolio of investments | 68,919 | 98.70 |
| | Net other assets | 909 | 1.30 |
| | Total net assets | 69,828 | 100.00 |

All securities are approved securities which are listed on an official stock exchange and/or traded on regulated markets, unless otherwise stated.

*The costs associated with derivatives for the year were £3,753.

Financial statements

Statement of total return

for the period ended 30 September 2023

| | GBP £'000 | Period to 30/9/2023 GBP £'000 | GBP £'000 | Period to 30/9/2022 GBP £'000 |
|--|--------------|--|--------------|--|
| Income | | | | |
| Net capital losses | | (1,605) | | (4,487) |
| Revenue | 945 | | 575 | |
| Expenses | (284) | | (223) | |
| Interest payable and similar charges | – | | – | |
| Net revenue before taxation for the period | 661 | | 352 | |
| Taxation | (48) | | (38) | |
| Net revenue after taxation for the period | | 613 | | 314 |
| Total return before distributions | | (992) | | (4,173) |
| Distributions | | (613) | | (314) |
| Change in net assets attributable to unitholders from investment activities | | (1,605) | | (4,487) |

Statement of change in net assets attributable to unitholders

for the period ended 30 September 2023

| | GBP £'000 | Period to 30/9/2023 GBP £'000 | GBP £'000 | Period to 30/9/2022 GBP £'000 |
|---|--------------|--|--------------|--|
| Opening net assets attributable to unitholders | | 66,536 | | 49,315 |
| Amounts received on creation of units | 9,083 | | 13,392 | |
| Amounts paid on cancellation of units | (4,813) | | (3,136) | |
| | | 4,270 | | 10,256 |
| Dilution adjustment | | (2) | | 2 |
| Change in net assets attributable to unitholders from investment activities | | (1,605) | | (4,487) |
| Retained distribution on accumulation units | | 629 | | 348 |
| Closing net assets attributable to unitholders | | 69,828 | | 55,434 |

The difference between the current period opening net assets attributable to unitholders and the closing net assets attributable to unitholders at the end of the comparative period is the movement in the second half of the year.

Financial statements

continued

Balance sheet

as at 30 September 2023

| | GBP £'000 | As at 30/9/2023 GBP £'000 | GBP £'000 | As at 31/3/2023 GBP £'000 |
|---|--------------|------------------------------------|--------------|------------------------------------|
| ASSETS | | | | |
| Fixed assets | | | | |
| Investments | | 69,362 | | 64,869 |
| Current assets | | | | |
| Debtors | 349 | | 485 | |
| Cash and bank balances | 997 | | 1,484 | |
| Total other assets | | 1,346 | | 1,969 |
| Total assets | | 70,708 | | 66,838 |
| LIABILITIES | | | | |
| Investment liabilities | | (443) | | – |
| Creditors | | | | |
| Other creditors | (437) | | (302) | |
| Total other liabilities | | (437) | | (302) |
| Total liabilities | | (880) | | (302) |
| Net assets attributable to unitholders | | 69,828 | | 66,536 |

Distribution table

For the period ended 30 September 2023

Interim dividend distribution in pence per unit

Group 1: units purchased prior to 1 April 2023

Group 2: units purchased between 1 April 2023 and 30 September 2023

| | Net Revenue per Unit | Equalisation per Unit | Distribution Payable per Unit on 30/11/2023 | Distribution Paid per Unit on 30/11/2022 |
|----------------|----------------------|-----------------------|---|--|
| I Accumulation | | | | |
| Group 1 | 1.2687 | – | 1.2687 | 1.0430 |
| Group 2 | 0.7093 | 0.5594 | 1.2687 | 1.0430 |
| X Accumulation | | | | |
| Group 1 | 0.9756 | – | 0.9756 | 0.6567 |
| Group 2 | 0.4517 | 0.5239 | 0.9756 | 0.6567 |

Equalisation

This applies only to units purchased during the distribution period (Group 2 units). It is the average amount of revenue included in the purchase price of all Group 2 units and is refunded to the holders of these units as a return of capital; being capital it is not liable to Income tax but must be deducted from the cost of units for Capital Gains tax purposes.

Close Diversified Income Portfolio Fund

For the period ended 30 September 2023

Fund objective and policy

The investment objective of the Close Diversified Income Portfolio Fund (the "Diversified Income Fund") is to provide a regular income stream (i.e., quarterly) together with some capital growth over the medium term (i.e. more than 5 years).

The Diversified Income Fund has a focus on a diversified mixture of income producing assets and will hold at least 80% of its portfolio in equities and fixed interest securities, achieving this exposure primarily through direct investment.

The Diversified Income Fund is actively managed, with the Investment Adviser employing a strategic asset allocation model (developed in collaboration with an external provider) that is matched to a specific risk and volatility band. Accordingly, the allocation to particular asset classes may vary over time at the Investment Adviser's discretion as is consistent with a conservative risk and volatility level and in response to changing market conditions. However, the allocation to equities will remain within a 20-60% range, consistent with its risk/return profile.

The Diversified Income Fund may invest in equities of companies from anywhere in the world, in any sector and of any market capitalisation. This may include shares in smaller companies and companies listed in emerging markets but the Diversified Income Fund will not hold unlisted investments.

The fixed interest component of the Diversified Income Fund may include government and corporate bonds (which may include emerging market and high yield bonds). These may be investment grade, sub-investment grade or unrated. Investment grade bonds for the purposes of the Diversified Income Fund are those which are rated at least BBB- (or equivalent) by a single rating agency at the time of purchase.

The Diversified Income Fund may also invest in other transferable securities (including closed ended funds and exchange traded funds), and collective investment schemes which may include schemes managed by the Manager or an affiliate of the Manager, money market instruments and deposits, cash and near cash. There may be occasions where the Investment Adviser considers that it is prudent, given market conditions, to maintain higher levels of liquidity in the Diversified Income Fund. In such circumstances, the Investment Adviser may hold up to 20% of the Diversified Income Fund in cash.

The Diversified Income Fund may also gain exposure to alternative asset classes, such as commodities, hedge funds, infrastructure, property and convertibles through investment in transferable securities.

The Diversified Income Fund may use derivatives, including exchange-traded and over the counter derivatives, forward transactions and currency hedges for investment purposes as well as for efficient portfolio management. It is expected that the Diversified Income Fund use of derivatives will be limited.

Currency hedging for exposure to foreign currencies was initiated in March 2015 and the Manager has had discretion to hedge up to 50% of all non-sterling currency positions.

Investment Report

Market commentary

Fund performance

The Diversified Income Portfolio Fund X Acc units rose 0.4% in the 6 months to September 2023.

Asset class returns were weak as the continued rise in interest rates put further pressure on consumers / businesses (economic risk rising) and asset prices (rising risk free rate driving up required returns). The jury is out on whether the current rate hiking cycle will lead to a recession, and the Central bankers have hit the pause button on interest rate rises whilst they wait to see what will happen. We think that an economic slowdown would be most dangerous for equities (given the increased chance of profit warnings and current high valuations). We remain underweight equities.

Whilst investment grade credit spreads are slightly below the long-term average, corporate hybrid bonds and subordinated bonds of financial companies remain at above average levels (cheap), as the market still recovers from the US banking and Credit Suisse failure earlier in the year.

The alternatives (largely investment trusts) underperformed in the period. Their Net Asset Values are continuously being updated and have already factored in higher required rates of return going forward for the rising rate environment, yet the trust sector is now trading at Great Financial Crisis discount (sentiment) levels. The trapped performance from these discounts has reached a record high of 9.4% - good news for future returns, at some point, or plenty of cushion if economic news does deteriorate.

Diversified Income's yield (based on end of month prices) ended September at 7.8%, a new all-time high level. With CPI inflation coming back down again in September, to 6.7% from 6.8%, the yield is not only the highest ever in nominal terms, but is also now a real yield. This was one of the things we predicted when we bought 17 bonds at >8% yields in the sell-off last year.

The Fund continues to use its proprietary multi-asset Quantitative Model combined with fundamental research, to focus in on those ideas with the best risk:reward, valuation and long-term prospects.

Fund Performance

Performance for the Diversified Income Fund over the last five years.

| | 6 months to 30/9/2023 | Year to 30/9/2023 | Year to 30/9/2022 | Year to 30/9/2021 | Year to 30/9/2020 | Year to 30/9/2019 |
|--|--------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Diversified Income Fund X Accumulation | 0.4% | 2.0% | (6.7%) | 10.8% | 0.3% | 4.1% |
| IA Mixed Investments 20-60% Sector | (0.5%) | 4.2% | (10.6%) | 12.2% | (1.2%) | 4.0% |

Source: Produced by CAM (UK) Ltd using Financial Express.

The percentage growth in prices is calculated using the published dealing price of units in the X Accumulation unit class (which may include a dilution adjustment to the mid-market value) in sterling with net revenue re-invested.

Units are priced on a single mid-market basis.

Risk and Reward Profile

The Diversified Income Fund currently has five types of unit class in issue; A Income, A Accumulation, X Income, X Accumulation and I Income. Each type of unit class has the same risk and reward profile which is as follows:

Synthetic Risk and Reward Indicator ("SRRI")

| | | | | | | |
|---|---|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
|---|---|---|---|---|---|---|

lower risks/
rewards

higher risks/
rewards

The Diversified Income Fund is ranked at 4 because funds of this type have experienced average rises and falls in value in the past.

The SRRI table demonstrates where the Diversified Income Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data (the past 5 years), may change over time and may not be a reliable indication of the future risk profile of the Diversified Income Fund.

Past performance is not a reliable guide to future performance.

The lowest category does not mean risk free.

The rating does not reflect the possible effects of unusual market conditions or large unpredictable events.

There have been no changes to the risk rating this period.

Investment Report

continued

Risk and Reward Profile continued

The SRRI conforms to the ESMA guidelines regarding its calculation.

Investing in the Diversified Income Fund carries the following risks:

Counterparty risk: The Diversified Income Fund could lose money if a counterparty with which it transacts becomes unwilling or unable to meet its obligations to the Diversified Income Fund.

Currency risk: The Diversified Income Fund invests in overseas assets, denominated in currencies other than Sterling. The Manager aims to remove some of the impact of changes in some exchange rates by hedging, a currency transaction which may protect against such movements. While the Diversified Income Fund operates portfolio hedging to reduce this risk, it may not always be fully effective.

Default risk: The Diversified Income Fund may invest in bonds which provide a fixed or variable return and which are a form of loan, the value of which depends on the issuer being able to make its payments. There is a risk that the issuer will fail to do so. Although the Diversified Income Fund generally invests in bonds with high ratings, a high rating does not guarantee an issuer's ability to pay.

Derivatives risk: The Diversified Income Fund uses derivatives for efficient portfolio management purposes only (currency hedging). Using derivatives can involve a higher level of risk. A small movement in the price of an underlying investment may result in disproportionately large movements in the price of the derivative instrument.

Emerging Markets risk: The Diversified Income Fund may invest in emerging markets which can involve a higher element of risk due to less well regulated markets and the potential for political and economic instability.

Liquidity risk: In extreme market conditions, some securities held by the fund may become hard to value or sell. In these circumstances, performance may be affected and redemptions in the fund may need to be deferred or the fund suspended for a period of time.

A more comprehensive list of the Diversified Income Fund's risks are contained in the "Risk Factors" section of the Prospectus.

Collective Investment Schemes

Collective Investment Schemes

The Diversified Income Fund invests a proportion of its assets in other Collective Investment Schemes. Please refer to the portfolio statement for details of the Collective Investment Schemes that are held at the balance sheet date.

The charges incurred by the Diversified Income Fund as a result of its investments in other Collective Investment Schemes as expressed as a percentage of net assets at the balance sheet date are 0.34% (31/3/2023 - 0.31%).

Following changes to disclosure requirements; Closed-Ended funds are now included in the calculation of the synthetic element of the operating charge.

Performance record

Net asset value

| Accounting Date | Total Net Asset Value £'000 | Net Asset Value per Unit (p) | Number of Units in issue |
|-----------------|--------------------------------|---------------------------------|-----------------------------|
| 30/9/2023 | | | |
| A Income | 418 | 97.53 | 428,789 |
| A Accumulation | 9,899 | 155.82 | 6,352,886 |
| I Income | 4,539 | 90.02 | 5,041,670 |
| X Income | 88,846 | 119.73 | 74,205,158 |
| X Accumulation | 393,084 | 184.23 | 213,361,324 |
| 31/3/2023 | | | |
| A Income | 397 | 100.36 | 394,848 |
| A Accumulation | 10,366 | 156.00 | 6,645,075 |
| I Income | 3,563 | 92.18 | 3,865,125 |
| X Income | 95,393 | 122.90 | 77,616,181 |
| X Accumulation | 421,069 | 184.00 | 228,847,041 |
| 31/3/2022 | | | |
| A Income | 395 | 113.70 | 347,740 |
| A Accumulation | 12,926 | 167.94 | 7,696,384 |
| I Income | 1,125 | 103.40 | 1,088,362 |
| X Income | 101,590 | 138.56 | 73,316,580 |
| X Accumulation | 466,664 | 197.12 | 236,741,653 |
| 31/3/2021 | | | |
| A Income | 419 | 110.19 | 380,656 |
| A Accumulation | 13,818 | 156.38 | 8,836,188 |
| I Income | 1,061 | 99.24 | 1,069,220 |
| X Income | 101,908 | 133.64 | 76,253,070 |
| X Accumulation | 447,730 | 182.66 | 245,119,021 |

Operating charges figure

| Period to 30/9/2023 | | Year to 31/3/2023 | |
|---------------------|-------|-------------------|-------|
| A Income | 1.66% | A Income | 1.63% |
| A Accumulation | 1.66% | A Accumulation | 1.63% |
| I Income | 0.44% | I Income | 0.41% |
| X Income | 1.06% | X Income | 1.03% |
| X Accumulation | 1.05% | X Accumulation | 1.02% |

The operating charges figure (OCF) represents the annual operating expenses of the Fund, the Fund Management Fee ("FMF"), expressed as a percentage of average net assets for the period/year - it does not include initial charges or performance fees.

Portfolio statement

as at 30 September 2023

| Holding/ Nominal Value | Investment | Market Value GBP £'000 | Percentage of Net Assets % |
|--|---|---------------------------------|-------------------------------------|
| BONDS - 50.87% (31/3/2023 - 48.01%) | | | |
| Sterling Denominated Fixed Rate Corporate Bonds - 37.72% (31/3/2023 - 36.39%) | | | |
| £25,470,000 | abrdn 5.25% Perpetual | 20,758 | 4.18 |
| £273,250 | abrdn Asia Focus 2.25% 31/5/2025 | 257 | 0.05 |
| £17,000,000 | Aviva 6.875% Perpetual | 14,514 | 2.92 |
| £3,200,000 | Barclays 8.875% Perpetual | 2,960 | 0.60 |
| £400,000 | Barclays 9.25% Perpetual | 365 | 0.07 |
| £2,550,000 | BAT International Finance 5.75% 5/7/2040 | 2,048 | 0.41 |
| £4,150,000 | BP Capital Markets 4.25% Perpetual | 3,680 | 0.74 |
| £1,932,000 | Bupa Finance 4% Perpetual | 1,174 | 0.24 |
| £3,170,000 | Bupa Finance 4.125% 14/6/2035 | 2,334 | 0.47 |
| £5,642,700 | Burford Capital 5% 1/12/2026 | 5,157 | 1.04 |
| £5,500,000 | Co-operative 7.5% 8/7/2026 | 5,237 | 1.05 |
| £500,000 | Co-operative 11% 22/12/2025 | 527 | 0.11 |
| £13,665,000 | Hiscox 6.125% 24/11/2045 | 13,197 | 2.66 |
| £4,470,000 | HSBC 8.201% 16/11/2034 | 4,614 | 0.93 |
| £256,000 | International Personal Finance 12% 12/12/2027 | 256 | 0.05 |
| £2,885,000 | Jupiter Fund Management 8.875% 27/7/2030 | 2,857 | 0.57 |
| £8,550,000 | Just 5% Perpetual | 5,473 | 1.10 |
| £800,000 | Just 8.125% 26/10/2029 | 802 | 0.16 |
| £4,450,000 | Legal & General 5.625% Perpetual | 3,510 | 0.71 |
| £7,000,000 | Lloyds Banking 7.875% Perpetual | 6,179 | 1.24 |
| £2,000,000 | Lloyds Banking 8.5% Perpetual | 1,865 | 0.38 |
| £3,333,000 | Lloyds Banking 8.5% Perpetual | 3,067 | 0.62 |
| £6,800,000 | Nationwide Building Society 5.75% Perpetual | 5,780 | 1.16 |
| £16,400,000 | Nationwide Building Society 5.875% Perpetual | 15,354 | 3.09 |
| £10,032,000 | NGG Finance 5.625% 18/6/2073 | 9,562 | 1.92 |
| £14,680,000 | Paragon Banking 4.375% 25/9/2031 | 11,959 | 2.41 |
| £76,800 | Paragon Banking 6% 28/8/2024 | 75 | 0.02 |
| £2,146,000 | Pension Insurance 4.625% 7/5/2031 | 1,772 | 0.36 |
| £7,241,000 | Pension Insurance 7.375% Perpetual | 6,309 | 1.27 |
| £4,583,000 | Pension Insurance 8% 23/11/2026 | 4,689 | 0.94 |
| £2,363,000 | Phoenix 5.625% 28/4/2031 | 2,077 | 0.42 |
| £4,700,000 | Phoenix 5.75% Perpetual | 3,676 | 0.74 |
| £2,200,000 | Rothsay Life 5% Perpetual | 1,411 | 0.28 |

Portfolio statement

continued

| Holding/ Nominal Value | Investment | Market Value GBP £'000 | Percentage of Net Assets % |
|--|---|---------------------------------|-------------------------------------|
| Sterling Denominated Fixed Rate Corporate Bonds continued | | | |
| £3,500,000 | Rothesay Life 6.875% Perpetual | 2,916 | 0.59 |
| £1,250,000 | Rothesay Life 7.734% 16/5/2033 | 1,213 | 0.24 |
| £1,700,000 | Shawbrook 9% 10/10/2030 | 1,623 | 0.33 |
| £2,135,000 | TP ICAP Finance 2.625% 18/11/2028 | 1,636 | 0.33 |
| £1,050,000 | TP ICAP Finance 5.25% 29/5/2026 | 990 | 0.20 |
| £5,074,000 | TP ICAP Finance 7.875% 17/4/2030 | 4,915 | 0.99 |
| £11,650,000 | Travis Perkins 3.75% 17/2/2026 | 10,593 | 2.13 |
| | | 187,381 | 37.72 |
| Euro Denominated Fixed Rate Corporate Bonds - 0.61% (31/3/2023 - 0.53%) | | | |
| €3,800,000 | International Personal Finance 9.75% 12/11/2025 | 3,059 | 0.61 |
| United States Dollar Denominated Fixed Rate Corporate Bonds - 12.54% (31/3/2023 - 11.09%) | | | |
| \$3,300,000 | Barclays 8% Perpetual | 2,426 | 0.49 |
| \$12,441,000 | Beazley Insurance DAC 5.5% 10/9/2029 | 8,970 | 1.81 |
| \$1,400,000 | Beazley Insurance DAC 5.875% 4/11/2026 | 1,095 | 0.22 |
| \$8,480,000 | Burford Capital Finance 6.125% 12/8/2025 | 6,663 | 1.34 |
| \$3,732,000 | Burford Capital Global Finance 6.25% 15/4/2028 | 2,820 | 0.57 |
| \$16,180,000 | Lancashire 5.625% 18/9/2041 | 10,837 | 2.18 |
| \$8,945,000 | Marks & Spencer 7.125% 1/12/2037 | 6,825 | 1.37 |
| \$5,000,000 | Pershing Square Ltd/Fund 3.25% 1/10/2031 | 2,969 | 0.60 |
| \$3,520,000 | Phoenix 5.625% Perpetual | 2,581 | 0.52 |
| \$23,834,000 | Trafigura Pte 5.875% Perpetual | 17,113 | 3.44 |
| | | 62,299 | 12.54 |
| EQUITIES - 23.62% (31/3/2023 - 24.44%) | | | |
| UNITED KINGDOM - 12.37% (31/3/2023 - 11.82%) | | | |
| 1,960,088 | AEW UK REIT | 1,929 | 0.39 |
| 6,726,377 | Atrato Onsite Energy | 4,722 | 0.95 |
| 66,121 | British American Tobacco | 1,704 | 0.34 |
| 164,300 | Bunzl | 4,806 | 0.97 |
| 270,930 | Diploma | 8,139 | 1.64 |
| 3,182,879 | Ediston Property Investment | 2,209 | 0.44 |
| 2,159,750 | Ground Rents Income Fund | 764 | 0.15 |
| 175,193 | Imperial Brands | 2,920 | 0.59 |
| 904,601 | Mears | 2,497 | 0.50 |

Portfolio statement

continued

| Holding/ Nominal Value | Investment | Market Value GBP £'000 | Percentage of Net Assets % |
|--|--|---------------------------------|-------------------------------------|
| UNITED KINGDOM continued | | | |
| 517,000 | Moneysupermarket.com | 1,254 | 0.25 |
| 2,458,364 | Phoenix | 11,852 | 2.39 |
| 10,210,071 | Residential Secure Income | 6,044 | 1.22 |
| 5,296,919 | Schroder European Real Estate Investment Trust | 3,655 | 0.74 |
| 716,470 | Schroders | 2,917 | 0.59 |
| 6,650,423 | Tritax EuroBox | 3,338 | 0.67 |
| 1,548,779 | Urban Logistics REIT | 1,700 | 0.34 |
| 1,219,443 | Warehouse Reit | 1,000 | 0.20 |
| 2,000 | Xtrackers FTSE 100 Short Daily Swap UCITS ETF | 6 | – |
| | | 61,456 | 12.37 |
| AUSTRALIA - 0.47% (31/3/2023 - 0.48%) | | | |
| 98,859 | BHP | 2,313 | 0.47 |
| EUROPE - 3.99% (31/3/2023 - 4.37%) | | | |
| Germany - 2.45% (31/3/2023 - 2.28%) | | | |
| 190,768 | Brenntag | 12,163 | 2.45 |
| Guernsey - 0.00% (31/3/2023 - 0.51%) | | | |
| Luxembourg - 0.00% (31/3/2023 - 0.00%) | | | |
| 3,800 | Xtrackers Euro Stoxx 50 Short Daily Swap UCITS ETF | 26 | – |
| Switzerland - 1.54% (31/3/2023 - 1.58%) | | | |
| 34,024 | Roche | 7,630 | 1.54 |
| NORTH AMERICA - 6.79% (31/3/2023 - 7.77%) | | | |
| Canada - 0.81% (31/3/2023 - 0.95%) | | | |
| 336,237 | Barrick Gold | 4,014 | 0.81 |
| United States - 5.98% (31/3/2023 - 6.82%) | | | |
| 67,935 | CVS ⁺ | 1,108 | 0.22 |
| 13,970 | Mastercard | 4,532 | 0.91 |
| 221,681 | Philip Morris International | 16,816 | 3.39 |
| 38,450 | Visa | 7,247 | 1.46 |
| 4,000 | Xtrackers S&P 500 Inverse Daily Swap UCITS ETF | 28 | – |
| | | 29,731 | 5.98 |

Portfolio statement

continued

| Holding/ Nominal Value | Investment | Market Value GBP £'000 | Percentage of Net Assets % |
|------------------------------|--|---------------------------------|-------------------------------------|
| | ALTERNATIVE - 24.49% (31/3/2023 - 25.61%) | | |
| 3,742,375 | 3i Infrastructure | 11,396 | 2.29 |
| 4,077,830 | Cordiant Digital Infrastructure Ltd/Fund | 2,855 | 0.58 |
| 2,983,000 | Digital 9 Infrastructure | 1,154 | 0.23 |
| 17,652,795 | GCP Asset Backed Income Fund | 10,768 | 2.17 |
| 7,724,102 | GCP Infrastructure Investments | 5,229 | 1.05 |
| 13,313,643 | Greencoat UK Wind | 18,639 | 3.75 |
| 4,745,542 | Hicl Infrastructure | 5,885 | 1.19 |
| 10,448,813 | ICG-Longbow Senior Secured UK Property Debt Investments | 2,717 | 0.55 |
| 6,013,548 | International Public Partnerships | 7,445 | 1.50 |
| 19,200 | Invesco Physical Gold ETC | 2,816 | 0.57 |
| 1,948,700 | Pollen Street | 11,536 | 2.32 |
| 11,912,023 | Real Estate Credit Investments Ltd/Fund | 15,664 | 3.15 |
| 625,000 | Royal Mint Physical Gold ETC | 9,419 | 1.90 |
| 17,426,217 | Starwood European Real Estate Finance | 15,056 | 3.03 |
| 7,442 | WisdomTree Physical Gold | 1,060 | 0.21 |
| | | 121,639 | 24.49 |
| | DERIVATIVES* - (0.17%) (31/3/2023 - 0.24%) | | |
| | Open Forward Currency Contracts - (0.17%) (31/3/2023 - 0.24%) | | |
| £1,634,516 | Bought GBP 1,634,516 : Sold EUR 1,903,683 | (17) | – |
| £31,281,656 | Bought GBP 31,281,656 : Sold USD 39,187,662 | (823) | (0.17) |
| | | (840) | (0.17) |
| | Portfolio of investments | 490,871 | 98.81 |
| | Net other assets | 5,915 | 1.19 |
| | Total net assets | 496,786 | 100.00 |

All securities are approved securities which are listed on an official stock exchange and/or traded on regulated markets, unless otherwise stated.

*The costs associated with derivatives for the year were £7,216.

*Securities are listed on the Alternative Investments Market.

Financial statements

Statement of total return

for the period ended 30 September 2023

| | GBP £'000 | Period to 30/9/2023 GBP £'000 | GBP £'000 | Period to 30/9/2022 GBP £'000 |
|--|--------------|--|--------------|--|
| Income | | | | |
| Net capital losses | | (11,668) | | (61,871) |
| Revenue | 16,171 | | 15,114 | |
| Expenses | (1,868) | | (2,083) | |
| Interest payable and similar charges | – | | (1) | |
| Net revenue before taxation for the period | 14,303 | | 13,030 | |
| Taxation | (1,697) | | (1,271) | |
| Net revenue after taxation for the period | | 12,606 | | 11,759 |
| Total return before distributions | | 938 | | (50,112) |
| Distributions | | (14,100) | | (13,425) |
| Change in net assets attributable to unitholders from investment activities | | (13,162) | | (63,537) |

Statement of change in net assets attributable to unitholders

for the period ended 30 September 2023

| | GBP £'000 | Period to 30/9/2023 GBP £'000 | GBP £'000 | Period to 30/9/2022 GBP £'000 |
|---|--------------|--|--------------|--|
| Opening net assets attributable to unitholders | | 530,788 | | 582,700 |
| Amounts received on creation of units | 21,829 | | 41,175 | |
| Amounts paid on cancellation of units | (53,898) | | (41,758) | |
| | | (32,069) | | (583) |
| Dilution adjustment | | 11 | | (1) |
| Change in net assets attributable to unitholders from investment activities | | (13,162) | | (63,537) |
| Retained distribution on accumulation units | | 11,218 | | 10,976 |
| Closing net assets attributable to unitholders | | 496,786 | | 529,555 |

The difference between the current period opening net assets attributable to unitholders and the closing net assets attributable to unitholders at the end of the comparative period is the movement in the second half of the year.

Financial statements

continued

Balance sheet

as at 30 September 2023

| | GBP £'000 | As at 30/9/2023 GBP £'000 | GBP £'000 | As at 31/3/2023 GBP £'000 |
|---|--------------|------------------------------------|--------------|------------------------------------|
| ASSETS | | | | |
| Fixed assets | | | | |
| Investments | | 491,711 | | 521,769 |
| Current assets | | | | |
| Debtors | 7,401 | | 7,207 | |
| Cash and bank balances | 2,178 | | 5,215 | |
| Total other assets | | 9,579 | | 12,422 |
| Total assets | | 501,290 | | 534,191 |
| LIABILITIES | | | | |
| Investment liabilities | | (840) | | (23) |
| Creditors | | | | |
| Distribution payable | (1,385) | | (1,436) | |
| Other creditors | (2,279) | | (1,944) | |
| Total other liabilities | | (3,664) | | (3,380) |
| Total liabilities | | (4,504) | | (3,403) |
| Net assets attributable to unitholders | | 496,786 | | 530,788 |

Distribution tables

For the period ended 30 September 2023

2nd Interim dividend distribution in pence per unit

Group 1: units purchased prior to 1 July 2023

Group 2: units purchased between 1 July 2023 and 30 September 2023

| | Net Revenue per Unit | Equalisation per Unit | Distribution Payable per Unit on 30/11/2023 | Distribution Paid per Unit on 30/11/2022 |
|----------------|----------------------|-----------------------|---|--|
| A Income | | | | |
| Group 1 | 1.4415 | – | 1.4415 | 1.5032 |
| Group 2 | 0.7582 | 0.6833 | 1.4415 | 1.5032 |
| A Accumulation | | | | |
| Group 1 | 2.2689 | – | 2.2689 | 2.2425 |
| Group 2 | 1.1775 | 1.0914 | 2.2689 | 2.2425 |
| I Income | | | | |
| Group 1 | 1.3290 | – | 1.3290 | 1.3721 |
| Group 2 | 0.7563 | 0.5727 | 1.3290 | 1.3721 |
| X Income | | | | |
| Group 1 | 1.7686 | – | 1.7686 | 1.8353 |
| Group 2 | 0.9044 | 0.8642 | 1.7686 | 1.8353 |
| X Accumulation | | | | |
| Group 1 | 2.6812 | – | 2.6812 | 2.6369 |
| Group 2 | 1.5891 | 1.0921 | 2.6812 | 2.6369 |

1st Interim dividend distribution in pence per unit

Group 1: units purchased prior to 1 April 2023

Group 2: units purchased between 1 April 2023 and 30 June 2023

| | Net Revenue per Unit | Equalisation per Unit | Distribution Paid per Unit on 31/8/2023 | Distribution Paid per Unit on 31/8/2022 |
|----------------|----------------------|-----------------------|---|---|
| A Income | | | | |
| Group 1 | 1.2865 | – | 1.2865 | 1.0970 |
| Group 2 | 0.1781 | 1.1084 | 1.2865 | 1.0970 |
| A Accumulation | | | | |
| Group 1 | 1.9989 | – | 1.9989 | 1.6201 |
| Group 2 | 1.2881 | 0.7108 | 1.9989 | 1.6201 |
| I Income | | | | |
| Group 1 | 1.1830 | – | 1.1830 | 0.9990 |
| Group 2 | 0.6748 | 0.5082 | 1.1830 | 0.9990 |
| X Income | | | | |
| Group 1 | 1.5764 | – | 1.5764 | 1.3378 |
| Group 2 | 0.6997 | 0.8767 | 1.5764 | 1.3378 |
| X Accumulation | | | | |
| Group 1 | 2.3591 | – | 2.3591 | 1.9028 |
| Group 2 | 1.1210 | 1.2381 | 2.3591 | 1.9028 |

Distribution tables

continued

Equalisation

This applies only to units purchased during the distribution period (Group 2 units). It is the average amount of revenue included in the purchase price of all Group 2 units and is refunded to the holders of these units as a return of capital; being capital it is not liable to Income tax but must be deducted from the cost of units for Capital Gains tax purposes.

Close Conservative Portfolio Fund

For the period ended 30 September 2023

Fund objective and policy

The investment objective of the Close Conservative Portfolio Fund ("the Conservative Fund") is to deliver some capital growth with some income over the medium term (i.e. more than 5 years).

The Conservative Fund will hold at least 80% of its portfolio in a mixture of equities and fixed interest securities, achieving this exposure primarily through direct investment.

The Conservative Fund is actively managed, with the Investment Adviser employing a strategic asset allocation model (developed in collaboration with an external provider) that is matched to a specific risk and volatility band. Accordingly, the allocation to particular asset classes may vary over time at the Investment Adviser's discretion as is consistent with a conservative risk and volatility level and in response to changing market conditions. However, the allocation to equities will remain within a 20-60% range, consistent with its risk/return profile.

The Conservative Fund may invest in equities of companies from anywhere in the world, in any sector and of any market capitalisation. This may include shares in smaller companies and companies listed in emerging markets but the Conservative Fund will not purchase unlisted investments.

The fixed interest component of the Conservative Fund may include government and corporate bonds (which may include emerging market and high yield bonds). These may be investment grade, sub-investment grade or unrated. Investment grade bonds for the purposes of the Conservative Fund are those which are rated at least BBB- (or equivalent) by a single rating agency at the time of purchase.

The Conservative Fund may also invest in other transferable securities (including closed ended funds and exchange traded funds), and collective investment schemes which may include schemes managed by the Manager or an affiliate of the Manager, money market instruments and deposits, cash and near cash. There may be occasions where the Investment Adviser considers that it is prudent, given market conditions, to maintain higher levels of liquidity in the Conservative Fund. In such circumstances, the Investment Adviser may hold up to 20% of the Conservative Fund in cash.

The Conservative Fund may also gain exposure to alternative asset classes, such as commodities, hedge funds, infrastructure, property and convertibles through investment in transferable securities.

The Conservative Fund may use derivatives, including exchange-traded and over the counter derivatives, forward transactions and currency hedges for investment purposes as well as for efficient portfolio management. It is expected that the Conservative Fund use of derivatives will be limited.

Investment Report

Market commentary

Fund performance

Global equity markets returned positive performance, +4.0% in sterling terms, with the pound's relative currency depreciation additive. Bond markets, as measured by the sterling broad market index, fell -5.2%. The Fund returned -1.8% over the period, underperforming the IA Mixed 20-60 by -1.3%.

Market volatility across asset classes continued to be characterised by inflation, central bank policy rate action and the business cycle signalling an economic slowdown. Initial concern that sticky inflation and a still strong labour market would cause further increases to interest rates subsided in the summer. Markets rallied as confidence that slowing inflation would allow central banks to ease interest rates lower thus avoiding a recession, caused investor faith in the fabled 'soft landing' scenario to return. Confidence abated towards the end of the period, inflation and a deteriorating economic growth outlook - with the services sector weakening in line with an already depressed manufacturing sector - drove a shift in market focus from the level of peak rates, to how long rates will be held at a 'sufficiently restrictive' level, forcing markets lower.

Through this volatility, our preference for businesses that exhibit through cycle, persistent earnings momentum allowed us to keep pace with market rallies and outperform in weaker markets. Broadly, our positioning remained defensively biased through the period. Activity included divesting more economically sensitive businesses including Ferguson, Ally Financial, Automatic Data Processing, and adding to defensive business models which had derated to attractive valuations such as UnitedHealth Group, Valvoline, Singapore Exchange and Casey's General Stores. New positions included those whose growth profiles remain strong, and the stock had relatively underperformed such as: Thermo Fisher, Merck KGaA, Compass Group, Performance Food Group, SBA Communications and Franco Nevada. We further swapped equities for physical gold ETCs – which doesn't have earnings risk – and switched some of our allocation to US Treasuries into UK Gilts, where economic data is signalling greater recessionary pressure in the UK. Looking ahead, we are waiting for final confirmation that economies are entering recession before moving longer duration in fixed income. We are looking to buy new cyclical equities on profit warnings, or where the business models are competitively advantaged yet economically insensitive, and add to corporate bonds into any selloff.

Fund Performance

Performance for the Conservative Fund over the last five years.

| | 6 months to 30/9/2023 | Year to 30/9/2023 | Year to 30/9/2022 | Year to 30/9/2021 | Year to 30/9/2020 | Year to 30/9/2019 |
|------------------------------------|--------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Conservative Fund X Accumulation | (1.8%) | 1.3% | (11.8%) | 8.0% | 0.4% | 6.0% |
| IA Mixed Investments 20-60% sector | (0.5%) | 4.2% | (10.6%) | 12.2% | (1.2%) | 4.0% |

Source: Produced by CAM (UK) Ltd using Financial Express.

The percentage growth in prices is calculated using the published dealing price of units in the X Accumulation unit class (which may include a dilution adjustment to the mid-market value) in sterling with net revenue re-invested.

Units are priced on a single mid-market basis.

Risk and Reward Profile

The Conservative Fund currently has four types of unit class in issue; A Income, A Accumulation, X Income, and X Accumulation. Each type of unit class has the same risk and reward profile which is as follows:

Synthetic Risk and Reward Indicator ("SRRI")

| | | | | | | |
|-------------------------|---|---|---|--------------------------|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| lower risks/ rewards | | | | higher risks/ rewards | | |

The Conservative Fund is ranked at 4 because funds of this type have experienced average rises and falls in value in the past.

The SRRI table demonstrates where the Conservative Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data (the past 5 years), may change over time and may not be a reliable indication of the future risk profile of the Conservative Fund.

Past performance is not a reliable guide to future performance.

The lowest category does not mean risk free.

The rating does not reflect the possible effects of unusual market conditions or large unpredictable events.

Investment Report

continued

Risk and Reward Profile continued

There have been no changes to the risk rating this period.

The SRRI conforms to the ESMA guidelines regarding its calculation.

Investing in the Conservative Fund carries the following risks:

Counterparty risk: The Conservative Fund could lose money if a counterparty with which it transacts becomes unwilling or unable to meet its obligations to the Conservative Fund.

Currency risk: The Conservative Fund invests in overseas assets, denominated in currencies other than Sterling. The Manager aims to remove some of the impact of changes in some exchange rates by hedging, a currency transaction which may protect against such movements. While the Conservative Fund operates portfolio hedging to reduce this risk, it may not always be fully effective.

Derivatives risk: The Conservative Fund uses derivatives for efficient portfolio management purposes only (currency hedging). Using derivatives can involve a higher level of risk. A small movement in the price of an underlying investment may result in disproportionately large movements in the price of the derivative instrument.

Focus risk: The Conservative Fund's value may fall where it has concentrated exposure to an issuer or type of security that is heavily affected by an adverse event.

Investment risk: The Conservative Fund invests in equities and bonds globally. Share prices can rise or fall due to a number of factors affecting global stock markets.

Liquidity risk: In extreme market conditions, some securities held by the Conservative Fund may become hard to value or sell. In these circumstances, performance may be affected and redemptions in the fund may need to be deferred or the fund suspended for a period of time.

Management risk: Investment management techniques that have worked well in normal market conditions could prove ineffective or detrimental at other times.

A more comprehensive list of the Conservative Fund's risks are contained in the "Risk Factors" section of the Prospectus.

Collective Investment Schemes

Collective Investment Schemes

The Conservative Fund invests a proportion of its assets in other Collective Investment Schemes. Please refer to the portfolio statement for details of the Collective Investment Schemes that are held at the balance sheet date.

The charges incurred by the Conservative Fund as a result of its investments in other Collective Investment Schemes as expressed as a percentage of net assets at the balance sheet date are 0.03% (31/3/2023 - 0.05%).

Following changes to disclosure requirements; Closed-Ended funds are now included in the calculation of the synthetic element of the operating charge.

Performance record

Net asset value

| Accounting Date | Total Net Asset Value £'000 | Net Asset Value per Unit (p) | Number of Units in issue |
|-----------------|--------------------------------|---------------------------------|-----------------------------|
| 30/9/2023 | | | |
| A Income | 298 | 135.00 | 220,959 |
| A Accumulation | 11,046 | 151.45 | 7,293,792 |
| X Income | 15,879 | 151.72 | 10,466,136 |
| X Accumulation | 713,959 | 175.52 | 406,775,757 |
| 31/3/2023 | | | |
| A Income | 318 | 139.55 | 227,874 |
| A Accumulation | 11,886 | 154.44 | 7,696,269 |
| X Income | 17,958 | 156.83 | 11,450,630 |
| X Accumulation | 773,734 | 179.84 | 430,227,185 |
| 31/3/2022 | | | |
| A Income | 382 | 148.45 | 257,413 |
| A Accumulation | 14,143 | 164.02 | 8,622,582 |
| X Income | 22,703 | 166.87 | 13,605,343 |
| X Accumulation | 882,692 | 189.63 | 465,477,654 |
| 31/3/2021 | | | |
| A Income | 407 | 150.17 | 271,133 |
| A Accumulation | 15,733 | 165.35 | 9,514,646 |
| X Income | 25,358 | 168.23 | 15,073,715 |
| X Accumulation | 865,108 | 189.80 | 455,812,029 |

Operating charges figure

| Period to 30/9/2023 | | Year to 31/3/2023 | |
|---------------------|-------|-------------------|-------|
| A Income | 1.60% | A Income | 1.62% |
| A Accumulation | 1.60% | A Accumulation | 1.62% |
| X Income | 0.91% | X Income | 0.93% |
| X Accumulation | 0.88% | X Accumulation | 0.90% |

The operating charges figure (OCF) represents the annual operating expenses of the Fund, the Fund Management Fee ("FMF"), expressed as a percentage of average net assets for the period/year - it does not include initial charges or performance fees.

Portfolio statement

as at 30 September 2023

| Holding/ Nominal Value | Investment | Market Value GBP £'000 | Percentage of Net Assets % |
|--|--|---------------------------------|-------------------------------------|
| BONDS - 44.93% (31/3/2023 - 44.55%) | | | |
| Sterling Denominated Fixed Rate Corporate Bonds - 8.53% (31/3/2023 - 11.34%) | | | |
| £2,900,000 | A2D Funding II 4.5% 30/9/2026 | 2,773 | 0.37 |
| £7,000,000 | Admiral 5.5% 25/7/2024 | 6,948 | 0.94 |
| £1,100,000 | Co-operative 7.5% 8/7/2026 | 1,047 | 0.14 |
| £10,900,000 | Coventry Building Society 1% 21/9/2025 | 9,910 | 1.34 |
| £10,100,000 | EDP Finance 8.625% 4/1/2024 | 10,158 | 1.37 |
| £7,000,000 | Hiscox 6.125% 24/11/2045 | 6,760 | 0.91 |
| £4,900,000 | Just 3.5% 7/2/2025 | 4,590 | 0.62 |
| £7,000,000 | Legal & General 5.375% 27/10/2045 | 6,792 | 0.92 |
| £7,000,000 | Pension Insurance 6.5% 3/7/2024 | 6,960 | 0.94 |
| £8,000,000 | Rothsay Life 3.375% 12/7/2026 | 7,305 | 0.98 |
| | | 63,243 | 8.53 |
| Sterling Denominated Fixed Rate Government Bonds - 4.01% (31/3/2023 - 0.00%) | | | |
| £48,800,000 | United Kingdom Gilt 1.125% 31/1/2039 | 29,704 | 4.01 |
| Euro Denominated Fixed Rate Corporate Bonds - 2.14% (31/3/2023 - 1.39%) | | | |
| €3,404,000 | America Movil 1.5% 10/3/2024 | 2,916 | 0.39 |
| €1,500,000 | American Tower 1.375% 4/4/2025 | 1,247 | 0.17 |
| €1,100,000 | Engie 1.625% Perpetual | 889 | 0.12 |
| €100,000 | Engie 3.25% Perpetual | 84 | 0.01 |
| €1,000,000 | Iberdrola International 2.625% Perpetual | 854 | 0.12 |
| €500,000 | Iberdrola International 3.25% Perpetual | 422 | 0.06 |
| €6,700,000 | Pershing Square 1.375% 1/10/2027 | 4,920 | 0.66 |
| €3,500,000 | Trafigura Pte 7.5% Perpetual | 3,057 | 0.41 |
| €1,700,000 | Veolia Environnement 2.875% Perpetual | 1,454 | 0.20 |
| | | 15,843 | 2.14 |
| United States Dollar Denominated Fixed Rate Corporate Bonds - 0.91% (31/3/2023 - 0.88%) | | | |
| \$553,000 | American Tower 0.6% 15/1/2024 | 446 | 0.06 |
| \$2,200,000 | American Tower 3.375% 15/5/2024 | 1,773 | 0.24 |
| \$750,000 | American Tower 5% 15/2/2024 | 612 | 0.08 |
| \$4,900,000 | Crown Castle 3.2% 1/9/2024 | 3,912 | 0.53 |
| | | 6,743 | 0.91 |

Portfolio statement

continued

| Holding/ Nominal Value | Investment | Market Value GBP £'000 | Percentage of Net Assets % |
|---|--|---------------------------------|-------------------------------------|
| United States Dollar Denominated Fixed Rate Government Bonds - 29.34% (31/3/2023 - 30.94%) | | | |
| \$82,600,000 | United States Treasury Note 0.375% 30/9/2027 | 57,121 | 7.71 |
| \$35,300,000 | United States Treasury Note 0.625% 15/5/2030 | 22,383 | 3.02 |
| \$10,400,000 | United States Treasury Note 1.125% 15/5/2040 | 4,893 | 0.66 |
| \$56,700,000 | United States Treasury Note 1.25% 15/5/2050 | 21,914 | 2.96 |
| \$19,200,000 | United States Treasury Note 1.375% 15/8/2050 | 7,664 | 1.03 |
| \$41,200,000 | United States Treasury Note 1.625% 15/5/2031 | 27,405 | 3.70 |
| \$47,000,000 | United States Treasury Note 1.875% 15/2/2032 | 31,284 | 4.22 |
| \$43,500,000 | United States Treasury Note 2.25% 15/8/2046 | 22,571 | 3.04 |
| \$38,400,000 | United States Treasury Note 2.875% 15/5/2052 | 22,280 | 3.00 |
| | | 217,515 | 29.34 |
| EQUITIES - 39.81% (31/3/2023 - 39.17%) | | | |
| UNITED KINGDOM - 4.65% (31/3/2023 - 5.41%) | | | |
| 573,300 | 3i | 11,885 | 1.60 |
| 277,400 | Compass | 5,548 | 0.75 |
| 613,000 | RELX | 17,020 | 2.30 |
| | | 34,453 | 4.65 |
| EUROPE - 10.98% (31/3/2023 - 9.01%) | | | |
| France - 3.36% (31/3/2023 - 3.21%) | | | |
| 19,900 | LVMH Moet Hennessy Louis Vuitton | 12,367 | 1.67 |
| 51,300 | Pernod Ricard | 7,024 | 0.95 |
| 40,300 | Schneider Electric | 5,488 | 0.74 |
| | | 24,879 | 3.36 |
| Germany - 1.86% (31/3/2023 - 0.77%) | | | |
| 131,900 | Bayer | 5,204 | 0.70 |
| 62,573 | Merck | 8,579 | 1.16 |
| | | 13,783 | 1.86 |
| Ireland - 0.30% (31/3/2023 - 0.14%) | | | |
| 32,000 | DCC | 1,475 | 0.20 |
| 70,000 | Neuberger Berman Event Driven I5 GBP HGD | 720 | 0.10 |
| | | 2,195 | 0.30 |

Portfolio statement

continued

| Holding/ Nominal Value | Investment | Market Value GBP £'000 | Percentage of Net Assets % |
|------------------------------|--|---------------------------------|-------------------------------------|
| | Italy - 0.94% (31/3/2023 - 0.62%) | | |
| 90,000 | Moncler | 4,300 | 0.58 |
| 35,044 | Reply | 2,707 | 0.36 |
| | | 7,007 | 0.94 |
| | Luxembourg - 0.28% (31/3/2023 - 0.62%) | | |
| 20,000 | LandseerAM European Equity Focus Long/Short Fund | 2,074 | 0.28 |
| | Netherlands - 1.45% (31/3/2023 - 1.06%) | | |
| 23,600 | IMCD | 2,457 | 0.33 |
| 83,500 | Wolters Kluwer | 8,304 | 1.12 |
| | | 10,761 | 1.45 |
| | Switzerland - 2.79% (31/3/2023 - 2.59%) | | |
| 118,000 | Alcon | 7,483 | 1.01 |
| 142,200 | Nestle | 13,212 | 1.78 |
| | | 20,695 | 2.79 |
| | ASIA PACIFIC (EX JAPAN) - 2.67% (31/3/2023 - 2.89%) | | |
| 228,900 | AIA | 1,528 | 0.21 |
| 174,400 | HDFC Bank ADR | 8,432 | 1.14 |
| 79,500 | Prudential | 706 | 0.09 |
| 320,800 | Singapore Exchange | 1,877 | 0.25 |
| 101,900 | Taiwan Semiconductor Manufacturing | 7,251 | 0.98 |
| | | 19,794 | 2.67 |
| | JAPAN - 1.26% (31/3/2023 - 1.43%) | | |
| 418,300 | Olympus | 4,449 | 0.60 |
| 43,500 | Tokyo Electron | 4,872 | 0.66 |
| | | 9,321 | 1.26 |
| | NORTH AMERICA - 20.25% (31/3/2023 - 20.43%) | | |
| | Canada - 2.79% (31/3/2023 - 2.75%) | | |
| 181,600 | Canadian Natural Resources | 9,667 | 1.30 |
| 89,700 | Cenovus Energy | 1,537 | 0.21 |
| 22,200 | Franco-Nevada | 2,435 | 0.33 |
| 36,300 | Suncor Energy | 1,026 | 0.14 |
| 145,800 | Tourmaline Oil | 6,030 | 0.81 |
| | | 20,695 | 2.79 |

Portfolio statement

continued

| Holding/ Nominal Value | Investment | Market Value GBP £'000 | Percentage of Net Assets % |
|---|--|---------------------------------|-------------------------------------|
| United States - 17.46% (31/3/2023 - 17.68%) | | | |
| 64,500 | Alphabet | 6,913 | 0.93 |
| 92,300 | Applied Materials | 10,468 | 1.41 |
| 25,900 | Arthur J Gallagher | 4,837 | 0.65 |
| 399,343 | Avantor | 6,897 | 0.93 |
| 37,400 | Becton Dickinson | 7,921 | 1.07 |
| 15,300 | Booz Allen Hamilton | 1,369 | 0.19 |
| 142,700 | Brown & Brown | 8,168 | 1.10 |
| 17,100 | Casey's General Stores | 3,804 | 0.51 |
| 19,900 | Cooper | 5,183 | 0.70 |
| 60,200 | Dover | 6,885 | 0.93 |
| 51,500 | Marsh & McLennan | 8,030 | 1.08 |
| 153,800 | Performance Food | 7,413 | 1.00 |
| 25,700 | SBA Communications | 4,215 | 0.57 |
| 22,100 | Thermo Fisher Scientific | 9,169 | 1.24 |
| 34,600 | UnitedHealth | 14,294 | 1.93 |
| 385,100 | Valvoline | 10,172 | 1.37 |
| 72,600 | Visa | 13,684 | 1.85 |
| | | 129,422 | 17.46 |
| FIXED INTEREST - 10.82% (31/3/2023 - 8.44%) | | | |
| Non Equity Investment Instruments - 10.82% (31/3/2023 - 8.44%) | | | |
| 40,000 | Brevan Howard Absolute Return Government Bond Fund | 4,824 | 0.65 |
| 4,006,596 | HSBC Sterling Liquidity Fund | 4,007 | 0.54 |
| 5,600,000 | iShares USD Treasury Bond 20+yr UCITS ETF | 19,426 | 2.62 |
| 48,500,000 | Royal London Short Term Money Market Fund | 51,901 | 7.01 |
| | | 80,158 | 10.82 |
| ALTERNATIVE - 3.39% (31/3/2023 - 3.89%) | | | |
| 79,500 | Invesco Physical Gold ETC | 11,660 | 1.57 |
| 394,000 | iShares Physical Gold ETC | 11,648 | 1.57 |
| 20,000 | Lumyna - Sandbar Global Equity Market Neutral UCITS Fund | 1,833 | 0.25 |
| | | 25,141 | 3.39 |

Portfolio statement

continued

| Holding/ Nominal Value | Investment | Market Value GBP £'000 | Percentage of Net Assets % |
|--|---|---------------------------------|-------------------------------------|
| DERIVATIVES* - (0.89%) (31/3/2023 - 1.17%) | | | |
| Open Forward Currency Contracts - (0.89%) (31/3/2023 - 1.17%) | | | |
| £15,930,028 | Bought GBP 15,930,028 : Sold EUR 18,553,339 | (170) | (0.02) |
| £257,282,726 | Bought GBP 257,282,726 : Sold USD 322,436,023 | (6,873) | (0.93) |
| US\$40,266,892 | Bought USD 40,266,892 : Sold GBP 32,531,235 | 458 | 0.06 |
| US\$8,353,826 | Bought USD 8,353,826 : Sold GBP 6,849,807 | (6) | – |
| | | (6,591) | (0.89) |
| | Portfolio of investments | 726,835 | 98.06 |
| | Net other assets | 14,347 | 1.94 |
| | Total net assets | 741,182 | 100.00 |

All securities are approved securities which are listed on an official stock exchange and/or traded on regulated markets, unless otherwise stated.

*The costs associated with derivatives for the year were £62,526.

Financial statements

Statement of total return

for the period ended 30 September 2023

| | GBP £'000 | Period to 30/9/2023 GBP £'000 | GBP £'000 | Period to 30/9/2022 GBP £'000 |
|--|--------------|--|--------------|--|
| Income | | | | |
| Net capital losses | | (24,770) | | (85,642) |
| Revenue | 10,907 | | 7,280 | |
| Expenses | (3,357) | | (3,781) | |
| Interest payable and similar charges | – | | (2) | |
| Net revenue before taxation for the period | 7,550 | | 3,497 | |
| Taxation | (1,250) | | (432) | |
| Net revenue after taxation for the period | | 6,300 | | 3,065 |
| Total return before distributions | | (18,470) | | (82,577) |
| Distributions | | (6,715) | | (3,066) |
| Change in net assets attributable to unitholders from investment activities | | (25,185) | | (85,643) |

Statement of change in net assets attributable to unitholders

for the period ended 30 September 2023

| | GBP £'000 | Period to 30/9/2023 GBP £'000 | GBP £'000 | Period to 30/9/2022 GBP £'000 |
|---|--------------|--|--------------|--|
| Opening net assets attributable to unitholders | | 803,896 | | 919,920 |
| Amounts received on creation of units | 22,984 | | 29,431 | |
| Amounts paid on cancellation of units | (66,883) | | (54,572) | |
| | | (43,899) | | (25,141) |
| Dilution adjustment | | 13 | | 9 |
| Change in net assets attributable to unitholders from investment activities | | (25,185) | | (85,643) |
| Retained distribution on accumulation units | | 6,357 | | 2,944 |
| Closing net assets attributable to unitholders | | 741,182 | | 812,089 |

The difference between the current period opening net assets attributable to unitholders and the closing net assets attributable to unitholders at the end of the comparative period is the movement in the second half of the year.

Financial statements

continued

Balance sheet

as at 30 September 2023

| | GBP £'000 | As at 30/9/2023 GBP £'000 | GBP £'000 | As at 31/3/2023 GBP £'000 |
|---|--------------|------------------------------------|--------------|------------------------------------|
| ASSETS | | | | |
| Fixed assets | | | | |
| Investments | | 733,884 | | 781,548 |
| Current assets | | | | |
| Debtors | 3,648 | | 5,093 | |
| Cash and bank balances | 13,471 | | 21,795 | |
| Total other assets | | 17,119 | | 26,888 |
| Total assets | | 751,003 | | 808,436 |
| LIABILITIES | | | | |
| Investment liabilities | | | | |
| | | (7,049) | | – |
| Creditors | | | | |
| Distribution payable | (149) | | (93) | |
| Other creditors | (2,623) | | (4,447) | |
| Total other liabilities | | (2,772) | | (4,540) |
| Total liabilities | | (9,821) | | (4,540) |
| Net assets attributable to unitholders | | 741,182 | | 803,896 |

Distribution table

For the period ended 30 September 2023

Interim dividend distribution in pence per unit

Group 1: units purchased prior to 1 April 2023

Group 2: units purchased between 1 April 2023 and 30 September 2023

| | Net Revenue per Unit | Equalisation per Unit | Distribution Payable per Unit on 30/11/2023 | Distribution Paid per Unit on 30/11/2022 |
|----------------|----------------------|-----------------------|---|--|
| A Income | | | | |
| Group 1 | 1.8625 | – | 1.8625 | 0.0000 |
| Group 2 | 1.7056 | 0.1569 | 1.8625 | 0.0000 |
| A Accumulation | | | | |
| Group 1 | 2.0473 | – | 2.0473 | 0.0000 |
| Group 2 | 1.1596 | 0.8877 | 2.0473 | 0.0000 |
| X Income | | | | |
| Group 1 | 1.3862 | – | 1.3862 | 0.5479 |
| Group 2 | 0.6876 | 0.6986 | 1.3862 | 0.5479 |
| X Accumulation | | | | |
| Group 1 | 1.5261 | – | 1.5261 | 0.6504 |
| Group 2 | 0.7396 | 0.7865 | 1.5261 | 0.6504 |

Equalisation

This applies only to units purchased during the distribution period (Group 2 units). It is the average amount of revenue included in the purchase price of all Group 2 units and is refunded to the holders of these units as a return of capital; being capital it is not liable to Income tax but must be deducted from the cost of units for Capital Gains tax purposes.

Close Balanced Portfolio Fund

For the period ended 30 September 2023

Fund objective and policy

The investment objective of the Close Balanced Portfolio Fund ("the Balanced Fund") is to generate capital growth with some income over the medium term (i.e. more than 5 years).

The Balanced Fund will hold at least 80% of its portfolio in a mixture of equities and fixed interest securities, achieving this exposure primarily through direct investment.

The Balanced Fund is actively managed, with the Investment Adviser employing a strategic asset allocation model (developed in collaboration with an external provider) that is matched to a specific risk and volatility band. Accordingly, the allocation to particular asset classes may vary over time at the Investment Adviser's discretion as is consistent with a balanced risk and volatility level and in response to changing market conditions. However, the Balanced Fund operates a balanced strategy, meaning that the allocation to equities will remain within a 40%-85% range, consistent with its risk/return profile.

The Balanced Fund may invest in equities of companies from anywhere in the world, in any sector and of any market capitalisation. This may include shares in smaller companies and companies listed in emerging markets but the Balanced Fund will not purchase unlisted investments.

The fixed interest component of the Balanced Fund may include government and corporate bonds (which may include emerging market and high yield bonds). These may be investment grade, sub-investment grade or unrated. Investment grade bonds for the purposes of the Balanced Fund are those which are rated at least BBB- (or equivalent) by a single rating agency at the time of purchase.

The Balanced Fund may also invest in other transferable securities (including closed ended funds and exchange traded funds), and collective investment schemes which may include schemes managed by the Manager or an affiliate of the Manager, money market instruments and deposits, cash and near cash. There may be occasions where the Manager Investment Adviser considers that it is prudent, given market conditions, to maintain higher levels of liquidity in the Balanced Fund. In such circumstances, the Investment Adviser may hold up to 20% of the Balanced Fund in cash.

The Balanced Fund may also gain exposure to alternative asset classes, such as commodities, hedge funds, infrastructure, property and convertibles through investment in transferable securities.

The Balanced Fund may use derivatives, including exchange-traded and over the counter derivatives, forward transactions and currency hedges for investment purposes as well as for efficient portfolio management. It is expected that the Balanced Fund use of derivatives will be limited.

Investment Report

Market commentary

Fund performance

Global equity markets returned positive performance, +4.0% in sterling terms, with the pound's relative currency depreciation additive. Bond markets, as measured by the sterling broad market index, fell -5.2%. The Fund returned +0.3% over the period, outperforming the IA Mixed 40-85 by +0.3%.

Market volatility across asset classes continued to be characterised by inflation, central bank policy rate action and the business cycle signalling an economic slowdown. Initial concern that sticky inflation and a still strong labour market would cause further increases to interest rates subsided in the summer. Markets rallied as confidence that slowing inflation would allow central banks to ease interest rates lower thus avoiding a recession, caused investor faith in the fabled 'soft landing' scenario to return. Confidence abated towards the end of the period, inflation and a deteriorating economic growth outlook - with the services sector weakening in line with an already depressed manufacturing sector - drove a shift in market focus from the level of peak rates, to how long rates will be held at a 'sufficiently restrictive' level, forcing markets lower.

Through this volatility, our preference for businesses that exhibit through cycle, persistent earnings momentum allowed us to keep pace with market rallies and outperform in weaker markets. Broadly, our positioning remained defensively biased through the period. Activity included divesting more economically sensitive businesses including Ferguson, Ally Financial, Automatic Data Processing, and adding to defensive business models which had derated to attractive valuations such as UnitedHealth Group, Valvoline, Singapore Exchange and Casey's General Stores. New positions included those whose growth profiles remain strong, and the stock had relatively underperformed such as: Thermo Fisher, Merck KGaA, Compass Group, Performance Food Group, SBA Communications and Franco Nevada. We further swapped equities for physical gold ETCs – which doesn't have earnings risk – and switched some of our allocation to US Treasuries into UK Gilts, where economic data is signalling greater recessionary pressure in the UK. Looking ahead, we are waiting for final confirmation that economies are entering recession before moving longer duration in fixed income. We are looking to buy new cyclical equities on profit warnings, or where the business models are competitively advantaged yet economically insensitive, and add to corporate bonds into any selloff.

Fund Performance

Performance for the Balanced Fund over the last five years.

| | 6 months to 30/9/2023 | Year to 30/9/2023 | Year to 30/9/2022 | Year to 30/9/2021 | Year to 30/9/2020 | Year to 30/9/2019 |
|------------------------------------|--------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Balanced Fund X Accumulation | 0.3% | 3.9% | (13.5%) | 12.0% | (0.8%) | 7.6% |
| IA Mixed Investments 40-85% Sector | (0.0%) | 5.1% | (10.2%) | 16.6% | (0.2%) | 4.2% |

Source: Produced by CAM (UK) Ltd using Financial Express.

The percentage growth in prices is calculated using the published dealing price of units in the X Accumulation unit class (which may include a dilution adjustment to the mid-market value) in sterling with net revenue re-invested.

Units are priced on a single mid-market basis.

Risk and Reward Profile

The Balanced Fund currently has three types of unit class in issue; A Accumulation, I Accumulation and X Accumulation. Each type of unit class has the same risk and reward profile which is as follows:

Synthetic Risk and Reward Indicator ("SRRI")

| | | | | | | |
|-------------------------|---|---|---|--------------------------|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| lower risks/ rewards | | | | higher risks/ rewards | | |

The Balanced Fund is ranked at 5 because funds of this type have experienced medium to high rises and falls in value in the past.

The SRRI table demonstrates where the Balanced Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data (the past 5 years), may change over time and may not be a reliable indication of the future risk profile of the Balanced Fund.

Past performance is not a reliable guide to future performance.

The lowest category does not mean risk free.

The rating does not reflect the possible effects of unusual market conditions or large unpredictable events.

Investment Report

continued

Risk and Reward Profile continued

There have been no changes to the risk rating this period.

The SRRI conforms to the ESMA guidelines regarding its calculation.

Investing in the Balanced Fund carries the following risks:

Counterparty risk: The Balanced Fund could lose money if a counterparty with which it transacts becomes unwilling or unable to meet its obligations to the Balanced Fund.

Currency risk: The Balanced Fund invests in overseas assets, denominated in currencies other than Sterling. The Manager aims to remove some of the impact of changes in some exchange rates by hedging, a currency transaction which may protect against such movements. While the Balanced Fund operates portfolio hedging to reduce this risk, it may not always be fully effective.

Derivatives risk: The Balanced Fund uses derivatives for efficient portfolio management purposes only (currency hedging). Using derivatives can involve a higher level of risk. A small movement in the price of an underlying investment may result in disproportionately large movements in the price of the derivative instrument.

Focus risk: The Balanced Fund's value may fall where it has concentrated exposure to an issuer or type of security that is heavily affected by an adverse event.

Investment risk: The Balanced Fund invests in equities and bonds globally. Share prices can rise or fall due to a number of factors affecting global stock markets.

Liquidity risk: In extreme market conditions, some securities held by the Balanced Fund may become hard to value or sell. In these circumstances, performance may be affected and redemptions in the fund may need to be deferred or the fund suspended for a period of time.

Management risk: Investment management techniques that have worked well in normal market conditions could prove ineffective or detrimental at other times.

A more comprehensive list of the Balanced Fund's risks are contained in the "Risk Factors" section of the Prospectus.

Collective Investment Schemes

Collective Investment Schemes

The Balanced Fund invests a proportion of its assets in other Collective Investment Schemes. Please refer to the portfolio statement for details of the Collective Investment Schemes that are held at the balance sheet date.

The charges incurred by the Balanced Fund as a result of its investments in other Collective Investment Schemes as expressed as a percentage of net assets at the balance sheet date are 0.02% (31/3/2023 - 0.03%).

Following changes to disclosure requirements; Closed-Ended funds are now included in the calculation of the synthetic element of the operating charge.

Performance record

Net asset value

| Accounting Date | Total Net Asset Value £'000 | Net Asset Value per Unit (p) | Number of Units in issue |
|-----------------|--------------------------------|---------------------------------|-----------------------------|
| 30/9/2023 | | | |
| A Accumulation | 16,410 | 181.33 | 9,050,031 |
| I Accumulation | 747 | 181.34 | 411,818 |
| X Accumulation | 1,144,570 | 211.39 | 541,457,566 |
| 31/3/2023 | | | |
| A Accumulation | 17,900 | 182.83 | 9,790,404 |
| I Accumulation | 576 | 181.71 | 316,797 |
| X Accumulation | 1,218,693 | 212.35 | 573,904,763 |
| 31/3/2022 | | | |
| A Accumulation | 21,763 | 196.56 | 11,072,003 |
| I Accumulation | 287 | 192.72 | 149,166 |
| X Accumulation | 1,373,857 | 226.61 | 606,259,189 |
| 31/3/2021 | | | |
| A Accumulation | 23,455 | 195.11 | 12,021,130 |
| I Accumulation | 351 | 188.58 | 186,026 |
| X Accumulation | 1,381,477 | 223.28 | 618,715,141 |

Operating charges figure

| Period to 30/9/2023 | | Year to 31/3/2023 | |
|---------------------|-------|-------------------|-------|
| A Accumulation | 1.59% | A Accumulation | 1.60% |
| I Accumulation | 0.11% | I Accumulation | 0.12% |
| X Accumulation | 0.85% | X Accumulation | 0.86% |

The operating charges figure (OCF) represents the annual operating expenses of the Fund, the Fund Management Fee ("FMF"), expressed as a percentage of average net assets for the period/year - it does not include initial charges or performance fees.

Portfolio statement

as at 30 September 2023

| Holding/ Nominal Value | Investment | Market Value GBP £'000 | Percentage of Net Assets % |
|---|--|---------------------------------|-------------------------------------|
| BONDS - 27.92% (31/3/2023 - 29.33%) | | | |
| Sterling Denominated Fixed Rate Corporate Bonds - 4.11% (31/3/2023 - 6.61%) | | | |
| £6,700,000 | A2Dominion Housing 3.5% 15/11/2028 | 5,979 | 0.51 |
| £7,000,000 | Admiral 5.5% 25/7/2024 | 6,947 | 0.60 |
| £7,000,000 | BUPA Finance 5% 8/12/2026 | 6,688 | 0.58 |
| £1,090,000 | Co-operative 7.5% 8/7/2026 | 1,038 | 0.09 |
| £7,000,000 | Just 3.5% 7/2/2025 | 6,557 | 0.56 |
| £7,000,000 | Pension Insurance 8% 23/11/2026 | 7,162 | 0.62 |
| £7,000,000 | Phoenix 6.625% 18/12/2025 | 6,978 | 0.60 |
| £7,000,000 | Rothsay Life 3.375% 12/7/2026 | 6,392 | 0.55 |
| | | 47,741 | 4.11 |
| Sterling Denominated Fixed Rate Government Bonds - 1.94% (31/3/2023 - 0.00%) | | | |
| £37,000,000 | United Kingdom Gilt 1.125% 31/1/2039 | 22,521 | 1.94 |
| Euro Denominated Fixed Rate Corporate Bonds - 1.51% (31/3/2023 - 1.12%) | | | |
| €4,895,000 | America Movil 1.5% 10/3/2024 | 4,194 | 0.36 |
| €2,200,000 | American Tower 1.375% 4/4/2025 | 1,828 | 0.16 |
| €900,000 | Engie 1.625% Perpetual | 727 | 0.06 |
| €100,000 | Engie 3.25% Perpetual | 84 | 0.01 |
| €900,000 | Iberdrola International 2.625% Perpetual | 769 | 0.07 |
| €700,000 | Iberdrola International 3.25% Perpetual | 591 | 0.05 |
| €6,700,000 | Pershing Square 1.375% 1/10/2027 | 4,921 | 0.42 |
| €3,400,000 | Trafigura Pte 7.5% Perpetual | 2,969 | 0.26 |
| €1,700,000 | Veolia Environnement 2.875% Perpetual | 1,454 | 0.12 |
| | | 17,537 | 1.51 |
| United States Dollar Denominated Fixed Rate Corporate Bonds - 0.84% (31/3/2023 - 0.82%) | | | |
| \$755,000 | American Tower 0.6% 15/1/2024 | 609 | 0.05 |
| \$3,140,000 | American Tower 3.375% 15/5/2024 | 2,531 | 0.22 |
| \$1,100,000 | American Tower 5% 15/2/2024 | 898 | 0.08 |
| \$7,100,000 | Crown Castle 3.2% 1/9/2024 | 5,668 | 0.49 |
| | | 9,706 | 0.84 |
| United States Dollar Denominated Fixed Rate Government Bonds - 19.52% (31/3/2023 - 20.78%) | | | |
| \$86,600,000 | United States Treasury Note 0.375% 30/9/2027 | 59,888 | 5.15 |
| \$48,100,000 | United States Treasury Note 0.625% 15/5/2030 | 30,499 | 2.63 |

Portfolio statement

continued

| Holding/ Nominal Value | Investment | Market Value GBP £'000 | Percentage of Net Assets % |
|---|--|---------------------------------|-------------------------------------|
| United States Dollar Denominated Fixed Rate Government Bonds continued | | | |
| \$11,500,000 | United States Treasury Note 1.125% 15/5/2040 | 5,410 | 0.47 |
| \$54,900,000 | United States Treasury Note 1.25% 15/5/2050 | 21,218 | 1.83 |
| \$17,300,000 | United States Treasury Note 1.375% 15/8/2050 | 6,906 | 0.59 |
| \$38,300,000 | United States Treasury Note 1.625% 15/5/2031 | 25,476 | 2.19 |
| \$46,700,000 | United States Treasury Note 1.875% 15/2/2032 | 31,084 | 2.68 |
| \$50,900,000 | United States Treasury Note 2.25% 15/8/2046 | 26,411 | 2.27 |
| \$34,300,000 | United States Treasury Note 2.875% 15/5/2052 | 19,901 | 1.71 |
| | | 226,793 | 19.52 |
| EQUITIES - 60.53% (31/3/2023 - 58.92%) | | | |
| UNITED KINGDOM - 7.31% (31/3/2023 - 8.42%) | | | |
| 1,418,500 | 3i | 29,406 | 2.53 |
| 670,700 | Compass | 13,414 | 1.15 |
| 1,516,900 | RELX | 42,117 | 3.63 |
| | | 84,937 | 7.31 |
| EUROPE - 16.19% (31/3/2023 - 12.89%) | | | |
| France - 4.93% (31/3/2023 - 4.77%) | | | |
| 43,400 | LVMH Moet Hennessy Louis Vuitton | 26,971 | 2.32 |
| 124,000 | Pernod Ricard | 16,979 | 1.46 |
| 97,700 | Schneider Electric | 13,304 | 1.15 |
| | | 57,254 | 4.93 |
| Germany - 2.88% (31/3/2023 - 1.22%) | | | |
| 325,500 | Bayer | 12,841 | 1.11 |
| 150,151 | Merck | 20,586 | 1.77 |
| | | 33,427 | 2.88 |
| Ireland - 0.35% (31/3/2023 - 0.06%) | | | |
| 77,700 | DCC | 3,581 | 0.31 |
| 50,000 | Neuberger Berman Event Driven I5 GBP HGD | 515 | 0.04 |
| | | 4,096 | 0.35 |
| Italy - 1.36% (31/3/2023 - 0.86%) | | | |
| 190,000 | Moncler | 9,078 | 0.78 |
| 86,598 | Reply | 6,690 | 0.58 |
| | | 15,768 | 1.36 |

Portfolio statement

continued

| Holding/ Nominal Value | Investment | Market Value GBP £'000 | Percentage of Net Assets % |
|------------------------------|--|---------------------------------|-------------------------------------|
| | Luxembourg - 0.27% (31/3/2023 - 0.40%) | | |
| 30,000 | LandseerAM European Equity Focus Long/Short Fund | 3,112 | 0.27 |
| | Netherlands - 2.08% (31/3/2023 - 1.50%) | | |
| 58,800 | IMCD | 6,121 | 0.53 |
| 181,800 | Wolters Kluwer | 18,080 | 1.55 |
| | | 24,201 | 2.08 |
| | Switzerland - 4.32% (31/3/2023 - 4.08%) | | |
| 286,600 | Alcon | 18,175 | 1.56 |
| 344,900 | Nestle | 32,045 | 2.76 |
| | | 50,220 | 4.32 |
| | ASIA PACIFIC (EX JAPAN) - 4.17% (31/3/2023 - 4.54%) | | |
| 561,000 | AIA | 3,744 | 0.32 |
| 433,900 | HDFC Bank ADR | 20,978 | 1.81 |
| 193,000 | Prudential | 1,715 | 0.15 |
| 779,800 | Singapore Exchange | 4,564 | 0.39 |
| 245,500 | Taiwan Semiconductor Manufacturing | 17,469 | 1.50 |
| | | 48,470 | 4.17 |
| | JAPAN - 1.91% (31/3/2023 - 2.21%) | | |
| 1,035,100 | Olympus | 11,008 | 0.95 |
| 99,300 | Tokyo Electron | 11,122 | 0.96 |
| | | 22,130 | 1.91 |
| | NORTH AMERICA - 30.95% (31/3/2023 - 30.86%) | | |
| | Canada - 4.34% (31/3/2023 - 4.51%) | | |
| 439,500 | Canadian Natural Resources | 23,394 | 2.01 |
| 221,900 | Cenovus Energy | 3,801 | 0.33 |
| 55,100 | Franco-Nevada | 6,045 | 0.52 |
| 89,000 | Suncor Energy | 2,516 | 0.22 |
| 353,000 | Tourmaline Oil | 14,600 | 1.26 |
| | | 50,356 | 4.34 |
| | United States - 26.61% (31/3/2023 - 26.35%) | | |
| 159,200 | Alphabet | 17,062 | 1.47 |
| 210,200 | Applied Materials | 23,840 | 2.05 |
| 62,800 | Arthur J Gallagher | 11,727 | 1.01 |

Portfolio statement

continued

| Holding/ Nominal Value | Investment | Market Value GBP £'000 | Percentage of Net Assets % |
|--|--|---------------------------------|-------------------------------------|
| United States continued | | | |
| 969,344 | Avantor | 16,741 | 1.44 |
| 90,700 | Becton Dickinson | 19,211 | 1.65 |
| 36,900 | Booz Allen Hamilton | 3,302 | 0.28 |
| 328,300 | Brown & Brown | 18,791 | 1.62 |
| 41,600 | Casey's General Stores | 9,254 | 0.80 |
| 48,100 | Cooper | 12,529 | 1.08 |
| 145,600 | Dover | 16,652 | 1.43 |
| 124,800 | Marsh & McLennan | 19,459 | 1.67 |
| 371,800 | Performance Food | 17,921 | 1.54 |
| 62,200 | SBA Communications | 10,201 | 0.88 |
| 53,500 | Thermo Fisher Scientific | 22,196 | 1.91 |
| 85,500 | UnitedHealth | 35,322 | 3.04 |
| 935,200 | Valvoline | 24,703 | 2.13 |
| 160,600 | Visa | 30,271 | 2.61 |
| | | 309,182 | 26.61 |
| FIXED INTEREST - 6.49% (31/3/2023 - 4.68%) | | | |
| Non Equity Investment Instruments - 6.49% (31/3/2023 - 4.68%) | | | |
| 40,000 | Brevan Howard Absolute Return Government Bond Fund | 4,823 | 0.41 |
| 18,330,666 | HSBC Sterling Liquidity Fund | 18,331 | 1.58 |
| 5,600,000 | iShares USD Treasury Bond 20+yr UCITS ETF | 19,426 | 1.67 |
| 30,700,000 | Royal London Short Term Money Market Fund | 32,853 | 2.83 |
| | | 75,433 | 6.49 |
| ALTERNATIVE - 4.10% (31/3/2023 - 4.08%) | | | |
| 156,000 | Invesco Physical Gold ETC | 22,879 | 1.97 |
| 775,000 | iShares Physical Gold ETC | 22,913 | 1.97 |
| 20,000 | Lumyna - Sandbar Global Equity Market Neutral UCITS Fund | 1,833 | 0.16 |
| | | 47,625 | 4.10 |
| DERIVATIVES* - (0.57%) (31/3/2023 - 0.80%) | | | |
| Open Forward Currency Contracts - (0.57%) (31/3/2023 - 0.80%) | | | |
| £17,615,042 | Bought GBP 17,615,042 : Sold EUR 20,515,836 | (188) | (0.02) |

Portfolio statement

continued

| Holding/ Nominal Value | Investment | Market Value GBP £'000 | Percentage of Net Assets % |
|--|---|---------------------------------|-------------------------------------|
| Open Forward Currency Contracts continued | | | |
| £244,151,416 | Bought GBP 244,151,416 : Sold USD 305,979,391 | (6,522) | (0.56) |
| US\$9,005,652 | Bought USD 9,005,652 : Sold GBP 7,264,211 | 114 | 0.01 |
| | | (6,596) | (0.57) |
| | Portfolio of investments | 1,143,913 | 98.47 |
| | Net other assets | 17,814 | 1.53 |
| | Total net assets | 1,161,727 | 100.00 |

All securities are approved securities which are listed on an official stock exchange and/or traded on regulated markets, unless otherwise stated.

*The costs associated with derivatives for the year were £63,481.

Financial statements

Statement of total return

for the period ended 30 September 2023

| | GBP £'000 | Period to 30/9/2023 GBP £'000 | GBP £'000 | Period to 30/9/2022 GBP £'000 |
|--|--------------|--|--------------|--|
| Income | | | | |
| Net capital losses | | (14,095) | | (154,240) |
| Revenue | 15,016 | | 11,667 | |
| Expenses | (5,087) | | (5,585) | |
| Interest payable and similar charges | – | | (3) | |
| Net revenue before taxation for the period | 9,929 | | 6,079 | |
| Taxation | (924) | | (914) | |
| Net revenue after taxation for the period | | 9,005 | | 5,165 |
| Total return before distributions | | (5,090) | | (149,075) |
| Distributions | | (9,005) | | (5,165) |
| Change in net assets attributable to unitholders from investment activities | | (14,095) | | (154,240) |

Statement of change in net assets attributable to unitholders

for the period ended 30 September 2023

| | GBP £'000 | Period to 30/9/2023 GBP £'000 | GBP £'000 | Period to 30/9/2022 GBP £'000 |
|---|--------------|--|--------------|--|
| Opening net assets attributable to unitholders | | 1,237,169 | | 1,395,908 |
| Amounts received on creation of units | 29,753 | | 40,549 | |
| Amounts paid on cancellation of units | (99,811) | | (64,448) | |
| | | (70,058) | | (23,899) |
| Dilution adjustment | | 17 | | 11 |
| Change in net assets attributable to unitholders from investment activities | | (14,095) | | (154,240) |
| Retained distribution on accumulation units | | 8,694 | | 5,100 |
| Closing net assets attributable to unitholders | | 1,161,727 | | 1,222,880 |

The difference between the current period opening net assets attributable to unitholders and the closing net assets attributable to unitholders at the end of the comparative period is the movement in the second half of the year.

Financial statements

continued

Balance sheet

as at 30 September 2023

| | GBP £'000 | As at 30/9/2023 GBP £'000 | GBP £'000 | As at 31/3/2023 GBP £'000 |
|---|--------------|------------------------------------|--------------|------------------------------------|
| ASSETS | | | | |
| Fixed assets | | | | |
| Investments | | 1,150,623 | | 1,210,050 |
| Current assets | | | | |
| Debtors | 3,521 | | 6,443 | |
| Cash and bank balances | 17,814 | | 27,177 | |
| Total other assets | | 21,335 | | 33,620 |
| Total assets | | 1,171,958 | | 1,243,670 |
| LIABILITIES | | | | |
| Investment liabilities | | | | |
| | | (6,710) | | – |
| Creditors | | | | |
| Other creditors | (3,521) | | (6,501) | |
| Total other liabilities | | (3,521) | | (6,501) |
| Total liabilities | | (10,231) | | (6,501) |
| Net assets attributable to unitholders | | 1,161,727 | | 1,237,169 |

Distribution table

For the period ended 30 September 2023

Interim dividend distribution in pence per unit

Group 1: units purchased prior to 1 April 2023

Group 2: units purchased between 1 April 2023 and 30 September 2023

| | Net Revenue per Unit | Equalisation per Unit | Distribution Payable per Unit on 30/11/2023 | Distribution Paid per Unit on 30/11/2022 |
|----------------|----------------------|-----------------------|---|--|
| A Accumulation | | | | |
| Group 1 | 0.6918 | – | 0.6918 | 0.0453 |
| Group 2 | 0.3710 | 0.3208 | 0.6918 | 0.0453 |
| I Accumulation | | | | |
| Group 1 | 1.8230 | – | 1.8230 | 1.3492 |
| Group 2 | 0.9979 | 0.8251 | 1.8230 | 1.3492 |
| X Accumulation | | | | |
| Group 1 | 1.5927 | – | 1.5927 | 0.8555 |
| Group 2 | 0.8533 | 0.7394 | 1.5927 | 0.8555 |

Equalisation

This applies only to units purchased during the distribution period (Group 2 units). It is the average amount of revenue included in the purchase price of all Group 2 units and is refunded to the holders of these units as a return of capital; being capital it is not liable to Income tax but must be deducted from the cost of units for Capital Gains tax purposes.

Close Growth Portfolio Fund

For the period ended 30 September 2023

Fund objective and policy

The investment objective of the Close Growth Portfolio Fund ("the Growth Fund") is to generate capital growth over the medium term (i.e. more than 5 years).

The Growth Fund will hold at least 80% of its portfolio in a mixture of equities and fixed interest securities, achieving this exposure primarily through direct investment.

The Growth Fund is actively managed, with the Investment Adviser employing a strategic asset allocation model (developed in collaboration with an external provider) that is matched to a specific risk and volatility band (which is consistent with a growth objective). Accordingly, the allocation to particular asset classes may vary over time at the Investment Adviser's discretion as is consistent with a growth risk and volatility level and in response to changing market conditions. However, the allocation to equities will not normally fall below 60%, consistent with its risk/return profile.

The Growth Fund may invest in equities of companies from anywhere in the world, in any sector and of any market capitalisation. This may include shares in smaller companies and companies listed in emerging markets but the Growth Fund will not purchase unlisted investments.

The fixed interest component of the Growth Fund may include government and corporate bonds (which may include emerging market and high yield bonds). These may be investment grade, sub-investment grade or unrated. Investment grade bonds for the purposes of the Growth Fund are those which are rated at least BBB- (or equivalent) by a single rating agency at the time of purchase.

The Growth Fund may also invest in other transferable securities (including closed ended funds and exchange traded funds), and collective investment schemes which may include schemes managed by the Manager or an affiliate of the Manager, money market instruments and deposits, cash and near cash. There may be occasions where the Investment Adviser considers that it is prudent, given market conditions, to maintain higher levels of liquidity in the Growth Fund. In such circumstances, the Investment Adviser may hold up to 20% of the Growth Fund in cash.

The Growth Fund may also gain exposure to alternative asset classes, such as commodities, hedge funds, infrastructure, property and convertibles through transferable securities.

The Growth Fund may use derivatives, including exchange-traded and over the counter derivatives, forward transactions and currency hedges for investment purposes as well as for efficient portfolio management. It is expected that the Growth Fund use of derivatives will be limited.

Investment Report

Market commentary

Fund performance

Global equity markets returned positive performance, +4.0% in sterling terms, with the pound's relative currency depreciation additive. Bond markets, as measured by the sterling broad market index, fell -5.2%. The Fund returned +2.0% over the period, outperforming the IA Flexible by +2.0%

Market volatility across asset classes continued to be characterised by inflation, central bank policy rate action and the business cycle signalling an economic slowdown. Initial concern that sticky inflation and a still strong labour market would cause further increases to interest rates subsided in the summer. Markets rallied as confidence that slowing inflation would allow central banks to ease interest rates lower thus avoiding a recession, caused investor faith in the fabled 'soft landing' scenario to return. Confidence abated towards the end of the period, inflation and a deteriorating economic growth outlook - with the services sector weakening in line with an already depressed manufacturing sector - drove a shift in market focus from the level of peak rates, to how long rates will be held at a 'sufficiently restrictive' level, forcing markets lower.

Through this volatility, our preference for businesses that exhibit through cycle, persistent earnings momentum allowed us to keep pace with market rallies and outperform in weaker markets. Broadly, our positioning remained defensively biased through the period. Activity included divesting more economically sensitive businesses including Ferguson, Ally Financial, Automatic Data Processing, and adding to defensive business models which had derated to attractive valuations such as UnitedHealth Group, Valvoline, Singapore Exchange and Casey's General Stores. New positions included those whose growth profiles remain strong, and the stock had relatively underperformed such as: Thermo Fisher, Merck KGaA, Compass Group, Performance Food Group, SBA Communications and Franco Nevada. We further swapped equities for physical gold ETCs – which doesn't have earnings risk – and switched some of our allocation to US Treasuries into UK Gilts, where economic data is signalling greater recessionary pressure in the UK. Looking ahead, we are waiting for final confirmation that economies are entering recession before moving longer duration in fixed income. We are looking to buy new cyclical equities on profit warnings, or where the business models are competitively advantaged yet economically insensitive, and add to corporate bonds into any selloff.

Fund Performance

Performance for the Growth Fund over the last five years.

| | 6 months to 30/9/2023 | Year to 30/9/2023 | Year to 30/9/2022 | Year to 30/9/2021 | Year to 30/9/2020 | Year to 30/9/2019 |
|-------------------------------|--------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Growth Fund X Accumulation | 2.0% | 6.2% | (14.8%) | 14.7% | 2.1% | 9.6% |
| IA Flexible Investment Sector | 0.1% | 4.3% | (9.2%) | 18.3% | 0.9% | 3.2% |

Source: Produced by CAM (UK) Ltd using Financial Express.

The percentage growth in prices is calculated using the published dealing price of units in the X Accumulation unit class (which may include a dilution adjustment to the mid-market value) in sterling with net revenue re-invested.

Units are priced on a single mid-market basis.

Risk and Reward Profile

The Growth Fund currently has two types of unit class in issue; A Accumulation and X Accumulation. Each type of unit class has the same risk and reward profile which is as follows:

Synthetic Risk and Reward Indicator ("SRRI")

| | | | | | | |
|-------------------------|---|---|---|--------------------------|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| lower risks/ rewards | | | | higher risks/ rewards | | |

The Growth Fund is ranked at 5 because funds of this type have experienced medium to high rises and falls in value in the past.

The SRRI table demonstrates where the Growth Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data (the past 5 years), may change over time and may not be a reliable indication of the future risk profile of the Growth Fund.

Past performance is not a reliable guide to future performance.

The lowest category does not mean risk free.

The rating does not reflect the possible effects of unusual market conditions or large unpredictable events.

Investment Report

continued

Risk and Reward Profile continued

There have been no changes to the risk rating this period.

The SRRRI conforms to the ESMA guidelines regarding its calculation.

Investing in the Growth Fund carries the following risks:

Counterparty risk: The Growth Fund could lose money if a counterparty with which it transacts becomes unwilling or unable to meet its obligations to the Growth Fund.

Currency risk: The Growth Fund invests in overseas assets, denominated in currencies other than Sterling. The Manager aims to remove some of the impact of changes in some exchange rates by hedging, a currency transaction which may protect against such movements. While the Growth Fund operates portfolio hedging to reduce this risk, it may not always be fully effective.

Derivatives risk: The Growth Fund uses derivatives for efficient portfolio management purposes only (currency hedging). Using derivatives can involve a higher level of risk. A small movement in the price of an underlying investment may result in disproportionately large movements in the price of the derivative instrument.

Focus risk: The Growth Fund's value may fall where it has concentrated exposure to an issuer or type of security that is heavily affected by an adverse event.

Investment risk: The Growth Fund invests in equities and bonds globally. Share prices can rise or fall due to a number of factors affecting global stock markets.

Liquidity risk: In extreme market conditions, some securities held by the Growth Fund may become hard to value or sell. In these circumstances, performance may be affected and redemptions in the fund may need to be deferred or the fund suspended for a period of time.

Management risk: Investment management techniques that have worked well in normal market conditions could prove ineffective or detrimental at other times.

A more comprehensive list of the Growth Fund's risks are contained in the "Risk Factors" section of the Prospectus.

Collective Investment Schemes

Collective Investment Schemes

The Growth Fund invests a proportion of its assets in other Collective Investment Schemes. Please refer to the portfolio statement for details of the Collective Investment Schemes that are held at the balance sheet date.

The charges incurred by the Growth Fund as a result of its investments in other Collective Investment Schemes as expressed as a percentage of net assets at the balance sheet date are 0.01% (31/3/2023 - 0.00%).

Following changes to disclosure requirements; Closed-Ended funds are now included in the calculation of the synthetic element of the operating charge.

Performance record

Net asset value

| Accounting Date | Total Net Asset Value £'000 | Net Asset Value per Unit (p) | Number of Units in issue |
|-----------------|--------------------------------|---------------------------------|-----------------------------|
| 30/9/2023 | | | |
| A Accumulation | 5,689 | 207.81 | 2,737,764 |
| X Accumulation | 336,580 | 235.84 | 142,713,783 |
| 31/3/2023 | | | |
| A Accumulation | 5,935 | 206.23 | 2,877,920 |
| X Accumulation | 350,268 | 233.21 | 150,194,794 |
| 31/3/2022 | | | |
| A Accumulation | 7,256 | 224.15 | 3,237,205 |
| X Accumulation | 403,948 | 251.65 | 160,519,891 |
| 31/3/2021 | | | |
| A Accumulation | 7,453 | 218.29 | 3,413,994 |
| X Accumulation | 396,408 | 243.32 | 162,915,141 |

Operating charges figure

| Period to 30/9/2023 | | Year to 31/3/2023 | |
|---------------------|-------|-------------------|-------|
| A Accumulation | 1.59% | A Accumulation | 1.58% |
| X Accumulation | 0.87% | X Accumulation | 0.86% |

The operating charges figure (OCF) represents the annual operating expenses of the Fund, the Fund Management Fee ("FMF"), expressed as a percentage of average net assets for the period/year - it does not include initial charges or performance fees.

Portfolio statement

as at 30 September 2023

| Holding/ Nominal Value | Investment | Market Value GBP £'000 | Percentage of Net Assets % |
|---|--|---------------------------------|-------------------------------------|
| BONDS - 14.40% (31/3/2023 - 13.84%) | | | |
| Sterling Denominated Fixed Rate Corporate Bonds - 0.04% (31/3/2023 - 0.04%) | | | |
| £160,000 | Co-operative 7.5% 8/7/2026 | 152 | 0.04 |
| Sterling Denominated Fixed Rate Government Bonds - 0.98% (31/3/2023 - 0.00%) | | | |
| £5,500,000 | United Kingdom Gilt 1.125% 31/1/2039 | 3,348 | 0.98 |
| Euro Denominated Fixed Rate Corporate Bonds - 1.30% (31/3/2023 - 1.09%) | | | |
| €1,592,000 | America Movil 1.5% 10/3/2024 | 1,364 | 0.40 |
| €700,000 | American Tower 1.375% 4/4/2025 | 582 | 0.17 |
| €300,000 | Engie 1.625% Perpetual | 242 | 0.07 |
| €100,000 | Engie 3.25% Perpetual | 84 | 0.02 |
| €300,000 | Iberdrola International 2.625% Perpetual | 256 | 0.08 |
| €300,000 | Iberdrola International 3.25% Perpetual | 253 | 0.07 |
| €1,000,000 | Pershing Square 1.375% 1/10/2027 | 735 | 0.21 |
| €600,000 | Trafigura Pte 7.5% Perpetual | 524 | 0.15 |
| €500,000 | Veolia Environnement 2.875% Perpetual | 428 | 0.13 |
| | | 4,468 | 1.30 |
| United States Dollar Denominated Fixed Rate Corporate Bonds - 0.94% (31/3/2023 - 0.95%) | | | |
| \$302,000 | American Tower 0.6% 15/1/2024 | 244 | 0.07 |
| \$1,040,000 | American Tower 3.375% 15/5/2024 | 838 | 0.25 |
| \$350,000 | American Tower 5% 15/2/2024 | 286 | 0.08 |
| \$2,300,000 | Crown Castle 3.2% 1/9/2024 | 1,836 | 0.54 |
| | | 3,204 | 0.94 |
| United States Dollar Denominated Fixed Rate Government Bonds - 11.14% (31/3/2023 - 11.76%) | | | |
| \$13,900,000 | United States Treasury Note 0.375% 30/9/2027 | 9,612 | 2.81 |
| \$13,900,000 | United States Treasury Note 0.625% 15/5/2030 | 8,814 | 2.57 |
| \$1,300,000 | United States Treasury Note 1.125% 15/5/2040 | 612 | 0.18 |
| \$7,700,000 | United States Treasury Note 1.25% 15/5/2050 | 2,976 | 0.87 |
| \$3,100,000 | United States Treasury Note 1.375% 15/8/2050 | 1,237 | 0.36 |
| \$5,400,000 | United States Treasury Note 1.625% 15/5/2031 | 3,592 | 1.05 |
| \$7,500,000 | United States Treasury Note 1.875% 15/2/2032 | 4,992 | 1.46 |

Portfolio statement

continued

| Holding/ Nominal Value | Investment | Market Value GBP £'000 | Percentage of Net Assets % |
|---|--|---------------------------------|-------------------------------------|
| United States Dollar Denominated Fixed Rate Government Bonds continued | | | |
| \$9,900,000 | United States Treasury Note 2.25% 15/8/2046 | 5,137 | 1.50 |
| \$2,000,000 | United States Treasury Note 2.875% 15/5/2052 | 1,160 | 0.34 |
| | | 38,132 | 11.14 |
| EQUITIES - 79.93% (31/3/2023 - 79.05%) | | | |
| UNITED KINGDOM - 9.81% (31/3/2023 - 11.44%) | | | |
| 561,600 | 3i | 11,642 | 3.40 |
| 263,200 | Compass | 5,264 | 1.54 |
| 600,500 | RELX | 16,673 | 4.87 |
| | | 33,579 | 9.81 |
| EUROPE - 20.97% (31/3/2023 - 16.97%) | | | |
| France - 6.46% (31/3/2023 - 6.39%) | | | |
| 16,500 | LVMH Moet Hennessy Louis Vuitton | 10,254 | 3.00 |
| 48,100 | Pernod Ricard | 6,586 | 1.92 |
| 38,600 | Schneider Electric | 5,256 | 1.54 |
| | | 22,096 | 6.46 |
| Germany - 3.81% (31/3/2023 - 1.66%) | | | |
| 127,100 | Bayer | 5,015 | 1.46 |
| 58,637 | Merck | 8,039 | 2.35 |
| | | 13,054 | 3.81 |
| Ireland - 0.41% (31/3/2023 - 0.03%) | | | |
| 30,600 | DCC | 1,410 | 0.41 |
| 100 | Neuberger Berman Event Driven I5 GBP HGD | 1 | – |
| | | 1,411 | 0.41 |
| Italy - 1.89% (31/3/2023 - 1.25%) | | | |
| 80,000 | Moncler | 3,822 | 1.12 |
| 34,237 | Reply | 2,645 | 0.77 |
| | | 6,467 | 1.89 |
| Luxembourg - 0.00% (31/3/2023 - 0.18%) | | | |
| 100 | LandseerAM European Equity Focus Long/Short Fund | 10 | – |

Portfolio statement

continued

| Holding/ Nominal Value | Investment | Market Value GBP £'000 | Percentage of Net Assets % |
|------------------------------|--|---------------------------------|-------------------------------------|
| | Netherlands - 2.71% (31/3/2023 - 1.98%) | | |
| 23,000 | IMCD | 2,394 | 0.70 |
| 69,100 | Wolters Kluwer | 6,872 | 2.01 |
| | | 9,266 | 2.71 |
| | Switzerland - 5.69% (31/3/2023 - 5.48%) | | |
| 111,200 | Alcon | 7,052 | 2.06 |
| 133,500 | Nestle | 12,404 | 3.63 |
| | | 19,456 | 5.69 |
| | ASIA PACIFIC (EX JAPAN) - 5.55% (31/3/2023 - 6.14%) | | |
| 219,400 | AIA | 1,464 | 0.43 |
| 169,900 | HDFC Bank ADR | 8,214 | 2.40 |
| 75,800 | Prudential | 674 | 0.20 |
| 303,700 | Singapore Exchange | 1,777 | 0.52 |
| 96,500 | Taiwan Semiconductor Manufacturing | 6,867 | 2.00 |
| | | 18,996 | 5.55 |
| | JAPAN - 2.54% (31/3/2023 - 3.02%) | | |
| 409,800 | Olympus | 4,358 | 1.27 |
| 38,700 | Tokyo Electron | 4,335 | 1.27 |
| | | 8,693 | 2.54 |
| | NORTH AMERICA - 41.06% (31/3/2023 - 41.48%) | | |
| | Canada - 5.77% (31/3/2023 - 6.10%) | | |
| 172,200 | Canadian Natural Resources | 9,166 | 2.67 |
| 87,900 | Cenovus Energy | 1,506 | 0.44 |
| 21,800 | Franco-Nevada | 2,392 | 0.70 |
| 35,100 | Suncor Energy | 992 | 0.29 |
| 138,300 | Tourmaline Oil | 5,720 | 1.67 |
| | | 19,776 | 5.77 |
| | United States - 35.29% (31/3/2023 - 35.38%) | | |
| 62,200 | Alphabet | 6,666 | 1.95 |
| 82,100 | Applied Materials | 9,312 | 2.72 |
| 24,700 | Arthur J Gallagher | 4,613 | 1.35 |
| 380,893 | Avantor | 6,578 | 1.92 |
| 35,400 | Becton Dickinson | 7,498 | 2.19 |

Portfolio statement

continued

| Holding/ Nominal Value | Investment | Market Value GBP £'000 | Percentage of Net Assets % |
|--|--|---------------------------------|-------------------------------------|
| United States continued | | | |
| 14,400 | Booz Allen Hamilton | 1,288 | 0.38 |
| 126,800 | Brown & Brown | 7,258 | 2.12 |
| 16,200 | Casey's General Stores | 3,604 | 1.05 |
| 19,000 | Cooper | 4,949 | 1.45 |
| 57,100 | Dover | 6,530 | 1.91 |
| 48,300 | Marsh & McLennan | 7,531 | 2.20 |
| 145,900 | Performance Food | 7,032 | 2.05 |
| 24,400 | SBA Communications | 4,002 | 1.17 |
| 21,100 | Thermo Fisher Scientific | 8,754 | 2.56 |
| 33,400 | UnitedHealth | 13,798 | 4.03 |
| 367,200 | Valvoline | 9,699 | 2.83 |
| 61,900 | Visa | 11,668 | 3.41 |
| | | 120,780 | 35.29 |
| FIXED INTEREST - 0.81% (31/3/2023 - 1.37%) | | | |
| Non Equity Investment Instruments - 0.81% (31/3/2023 - 1.37%) | | | |
| 100 | Brevan Howard Absolute Return Government Bond Fund | 12 | 0.01 |
| 2,133,573 | HSBC Sterling Liquidity Fund | 2,134 | 0.62 |
| 180,000 | iShares USD Treasury Bond 20+yr UCITS ETF | 624 | 0.18 |
| 1,000 | Royal London Short Term Money Market Fund | 1 | - |
| | | 2,771 | 0.81 |
| ALTERNATIVE - 4.10% (31/3/2023 - 3.60%) | | | |
| 48,000 | Invesco Physical Gold ETC | 7,040 | 2.06 |
| 236,100 | iShares Physical Gold ETC | 6,980 | 2.04 |
| 100 | Lumyna - Sandbar Global Equity Market Neutral UCITS Fund | 9 | - |
| | | 14,029 | 4.10 |
| DERIVATIVES* - (0.34%) (31/3/2023 - 0.47%) | | | |
| Open Forward Currency Contracts - (0.34%) (31/3/2023 - 0.47%) | | | |
| £4,478,983 | Bought GBP 4,478,983 : Sold EUR 5,216,569 | (48) | (0.01) |

Portfolio statement

continued

| Holding/ Nominal Value | Investment | Market Value GBP £'000 | Percentage of Net Assets % |
|------------------------------|--|---------------------------------|-------------------------------------|
| | Open Forward Currency Contracts continued | | |
| £42,350,356 | Bought GBP 42,350,356 : Sold USD 53,074,999 | (1,131) | (0.33) |
| US\$1,951,570 | Bought USD 1,951,570 : Sold GBP 1,591,302 | 8 | – |
| | | (1,171) | (0.34) |
| | Portfolio of investments | 338,517 | 98.90 |
| | Net other assets | 3,752 | 1.10 |
| | Total net assets | 342,269 | 100.00 |

All securities are approved securities which are listed on an official stock exchange and/or traded on regulated markets, unless otherwise stated.

*The costs associated with derivatives for the year were £11,335.

Financial statements

Statement of total return

for the period ended 30 September 2023

| | GBP £'000 | Period to 30/9/2023 GBP £'000 | GBP £'000 | Period to 30/9/2022 GBP £'000 |
|--|--------------|--|--------------|--|
| Income | | | | |
| Net capital gains/(losses) | | 1,900 | | (52,098) |
| Revenue | 3,992 | | 3,643 | |
| Expenses | (1,538) | | (1,692) | |
| Interest payable and similar charges | – | | (1) | |
| Net revenue before taxation for the period | 2,454 | | 1,950 | |
| Taxation | (342) | | (349) | |
| Net revenue after taxation for the period | | 2,112 | | 1,601 |
| Total return before distributions | | 4,012 | | (50,497) |
| Distributions | | (2,112) | | (1,601) |
| Change in net assets attributable to unitholders from investment activities | | 1,900 | | (52,098) |

Statement of change in net assets attributable to unitholders

for the period ended 30 September 2023

| | GBP £'000 | Period to 30/9/2023 GBP £'000 | GBP £'000 | Period to 30/9/2022 GBP £'000 |
|---|--------------|--|--------------|--|
| Opening net assets attributable to unitholders | | 356,203 | | 411,204 |
| Amounts received on creation of units | 8,705 | | 12,756 | |
| Amounts paid on cancellation of units | (26,584) | | (20,761) | |
| | | (17,879) | | (8,005) |
| Dilution adjustment | | 5 | | 3 |
| Change in net assets attributable to unitholders from investment activities | | 1,900 | | (52,098) |
| Retained distribution on accumulation units | | 2,040 | | 1,576 |
| Closing net assets attributable to unitholders | | 342,269 | | 352,680 |

The difference between the current period opening net assets attributable to unitholders and the closing net assets attributable to unitholders at the end of the comparative period is the movement in the second half of the year.

Financial statements

continued

Balance sheet

as at 30 September 2023

| | GBP £'000 | As at 30/9/2023 GBP £'000 | GBP £'000 | As at 31/3/2023 GBP £'000 |
|---|--------------|------------------------------------|--------------|------------------------------------|
| ASSETS | | | | |
| Fixed assets | | | | |
| Investments | | 339,696 | | 350,257 |
| Current assets | | | | |
| Debtors | 661 | | 1,384 | |
| Cash and bank balances | 4,668 | | 7,113 | |
| Total other assets | | 5,329 | | 8,497 |
| Total assets | | 345,025 | | 358,754 |
| LIABILITIES | | | | |
| Investment liabilities | | | | |
| | | (1,179) | | – |
| Creditors | | | | |
| Other creditors | (1,577) | | (2,551) | |
| Total other liabilities | | (1,577) | | (2,551) |
| Total liabilities | | (2,756) | | (2,551) |
| Net assets attributable to unitholders | | 342,269 | | 356,203 |

Distribution table

For the period ended 30 September 2023

Interim dividend distribution in pence per unit

Group 1: units purchased prior to 1 April 2023

Group 2: units purchased between 1 April 2023 and 30 September 2023

| | Net Revenue per Unit | Equalisation per Unit | Distribution Payable per Unit on 30/11/2023 | Distribution Paid per Unit on 30/11/2022 |
|----------------|----------------------|-----------------------|---|--|
| A Accumulation | | | | |
| Group 1 | 0.5032 | – | 0.5032 | 0.1243 |
| Group 2 | 0.1482 | 0.3550 | 0.5032 | 0.1243 |
| X Accumulation | | | | |
| Group 1 | 1.4197 | – | 1.4197 | 1.0009 |
| Group 2 | 0.6199 | 0.7998 | 1.4197 | 1.0009 |

Equalisation

This applies only to units purchased during the distribution period (Group 2 units). It is the average amount of revenue included in the purchase price of all Group 2 units and is refunded to the holders of these units as a return of capital; being capital it is not liable to Income tax but must be deducted from the cost of units for Capital Gains tax purposes.

Close Managed Income Fund

For the period ended 30 September 2023

Fund objective and policy

The investment objective of the Close Managed Income Fund ("the Managed Income Fund") is to provide income together with some capital growth over the medium term (i.e. more than 5 years).

The Managed Income Fund has a focus on income producing assets and will hold at least 80% of its portfolio in a mixture of equities and fixed interest securities. As part of the "Managed" fund range, this means the Managed Income Fund will achieve this exposure through investment in actively and passively managed collective investment schemes (which may include collective investment schemes managed by the Manager or by an affiliate of the Manager), closed ended funds and exchange traded funds.

The Managed Income Fund is actively managed, with the Investment Adviser employing a strategic asset allocation model (developed in collaboration with an external provider) that is matched to a specific risk and volatility band. Accordingly, the allocation to particular asset classes may vary over time at the Investment Adviser's discretion as is consistent with a conservative risk and volatility level and in response to changing market conditions. However, the allocation to equities will remain within a 20-60% range, consistent with its risk/return profile.

The underlying equity component of the Managed Income Fund may include equities of companies from anywhere in the world, in any sector and of any market capitalisation. This may include shares in smaller companies and companies listed in emerging markets.

The underlying fixed interest component may include government and corporate bonds (which may include emerging market and high yield bonds). These may be investment grade, sub-investment grade or unrated.

The Managed Income Fund may also invest in other transferable securities, money market instruments, deposits, cash and near cash. There may be occasions where the Investment Adviser considers that it is prudent, given market conditions, to maintain higher levels of liquidity in the Managed Income Fund. In such circumstances, the Investment Adviser may hold up to 20% of the Managed Income Fund in cash.

The Managed Income Fund may also gain exposure to alternative asset classes, such as commodities, hedge funds, infrastructure, property and convertibles through investment in transferable securities.

The Managed Income Fund may use derivatives, including exchange-traded and over the counter derivatives, forward transactions and currency hedges for investment purposes as well as for efficient portfolio management. It is expected that the Managed Income Fund use of derivatives will be limited.

Investment Report

Market commentary

Fund performance

In the 6 months to the 30th September 2023 the Close Managed Income fund (X Acc) fell -0.6%, whilst the IA Mixed Investment (20%-60% Shares) sector fell -0.5%.

During the reporting period the 'growth' area of the equity market has continued to do well, led by a small number of mainly US companies. Meanwhile the broader market has struggled, as has fixed interest. The reason for this disparity is partly because of the uncertainty regarding the extent to which rising interest rates will slow down economic growth in different regions of the world. There is a view that central banks will be forced to cut interest rates, which the argument goes, will be positive for high growth companies. It's also the case that there is a good deal of enthusiasm around a narrow portion of the market, where advances in AI (artificial intelligence) is suggestive of some companies being able to continue to deliver supernormal levels of growth. Both these factors have helped the 'growth' portion of equity markets to rebound from 2022's lows, but there is also increasing concern that valuations in this portion of the market have once again become stretched.

The regional and asset class picture has been mixed with the UK equity market up 1.9%, behind the US on 6.3%. Japan delivered a healthy 6.1%, while European markets were down -2.0% for the reporting period; with Asia and emerging markets down -3.1% and -0.8% respectively. Gilt markets were again a painful place to be and ended the reporting period down -7.2%. Gold was negative over the 6 months to the tune of -5.1%, but broad commodities were up 3.4%.

Our active managers were able to deliver the strongest performance in markets that were themselves producing positive returns. The Schroder US Equity Income Maximiser fund, for example, delivered 7.7% for the reporting period, which was above the index return. Likewise, the CC Japan Income & Growth Trust managed a total return of 14.0%, continuing its strong performance this year. In the UK meanwhile, small and mid-cap exposed funds underperformed, whilst the Man GLG UK Income fund, which we switched into the portfolio right at the beginning of the reporting period, managed a total return of 3.6%. In other areas returns were harder to come by; particularly where we had mid and small-cap exposure, such as in the UK and Europe, which ultimately dragged on overall performance. Fixed income was also a challenging place to be; especially in funds that back a worsening economic environment and were therefore longer duration in terms of interest rate sensitivity. We did have some strong total return, however, from the TwentyFour Monument Bond fund, which focuses on European mortgage backed securities, and delivered 4.8% for the reporting period. This was in addition to the Schroder Strategic Credit fund, which keeps a low duration and invests into the lower credit quality end of investment grade, and the higher end of high yield. It produced a total return of 3.6% over the 6 months to end of September. There was not too much to celebrate in terms of our alternative exposure, as both gold and infrastructure did poorly. It was better news for our broad commodity tracker (UBS CMCI Composite), however, which beat the index and delivered 5.9%. AEW REIT returned 10.9% against a tough backdrop for UK real estate. Also worth mentioning is that following a bid for Roundhill Music Royalty Fund, the share price was up 81.9% over the reporting period.

As already mentioned, we added the Man GLG UK Income fund right at the beginning of the reporting period, replacing the Threadneedle UK Equity Income Alpha fund after the lead manager decided to step down. We've also added a little bit to corporate bonds over the last 6 months, after trimming equity across broad regions. Finally, we sold the GCP Asset Backed Infrastructure fund holding following poor performance and upside potential.

Our outlook remains unchanged from the last reporting period. There are still many signals that point to the likelihood of an economic downturn in the developed world over the next year, and yet one has not materialised at this point. Some areas of the stock market continue to outperform, but also appear historically expensive. As a result we favour sticking closely to our long term asset allocation, and relying on good active managers at an individual holding level to deliver outperformance. Our decision to be cautious of China has been positive, and we remain cautious in this area, whilst becoming more positive on Japan; particularly as the market often outperforms in an economic downturn.

Fund Performance

Performance for the Managed Income Fund over the last five years.

| | 6 months to 30/9/2023 | Year to 30/9/2023 | Year to 30/9/2022 | Year to 30/9/2021 | Year to 30/9/2020 | Year to 30/9/2019 |
|------------------------------------|--------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Managed Income Fund X Accumulation | (0.6%) | 2.8% | (7.7%) | 12.9% | (3.6%) | 3.2% |
| IA Mixed Investments 20-60% Sector | (0.5%) | 4.2% | (10.6%) | 12.2% | (1.2%) | 4.0% |

Source: Produced by CAM (UK) Ltd using Financial Express.

The percentage growth in prices is calculated using the published dealing price of units in the X Accumulation unit class (which may include a dilution adjustment to the mid-market value) in sterling with net revenue re-invested.

Units are priced on a single mid-market basis.

Investment Report

continued

Risk and Reward Profile

The Managed Income Fund currently has two types of unit class in issue; X Income and X Accumulation. Each type of unit class has the same risk and reward profile which is as follows:

Synthetic Risk and Reward Indicator ("SRRI")

| | | | | | | |
|-------------------------|---|---|--------------------------|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| lower risks/ rewards | | | higher risks/ rewards | | | |

The Managed Income Fund is ranked at 4 because funds of this type have experienced average rises and falls in value in the past.

The SRRI table demonstrates where the Managed Income Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data (the past 5 years), may change over time and may not be a reliable indication of the future risk profile of the Managed Income Fund.

Past performance is not a reliable guide to future performance.

The lowest category does not mean risk free.

The rating does not reflect the possible effects of unusual market conditions or large unpredictable events.

There have been no changes to the risk rating this period.

The SRRI conforms to the ESMA guidelines regarding its calculation.

Investing in the Managed Income Fund carries the following risks:

Currency risk: The Managed Income Fund invests in overseas assets, denominated in currencies other than Sterling. Changes in exchange rates may have a negative impact on the value of your investment.

Default risk: The Managed Income Fund may invest in bonds which provide a fixed or variable return and which are a form of loan, the value of which depends on the issuer being able to make its payments. There is a risk that the issuer will fail to do so. Although the Managed Income Fund generally invests in bonds with high ratings, a high rating does not guarantee an issuer's ability to pay.

Emerging Markets risk: The Managed Income Fund may invest in emerging markets which can involve a higher element of risk due to less well regulated markets and the potential for political and economic instability.

Focus risk: The Managed Income Fund's value may fall where it has concentrated exposure to an issuer or type of security that is heavily affected by an adverse event.

Funds of funds - Liquidity risk: The Managed Income Fund invests in other funds and its liquidity depends upon the liquidity of those underlying funds. If underlying funds suspend or defer the payment of redemption proceeds, the Managed Income Fund's ability to meet redemption requests may also be affected.

Investment risk: The Managed Income Fund invests in equities and bonds globally. Share prices can rise or fall due to a number of factors affecting global stock markets.

Liquidity risk: In extreme market conditions, some securities held by the Managed Income Fund may become hard to value or sell. In these circumstances, performance may be affected and redemptions in the fund may need to be deferred or the fund suspended for a period of time.

Management risk: Investment management techniques that have worked well in normal market conditions could prove ineffective or detrimental at other times.

A more comprehensive list of the Managed Income Fund's risks are contained in the "Risk Factors" section of the Prospectus.

Collective Investment Schemes

Collective Investment Schemes

The Managed Income Fund invests a proportion of its assets in other Collective Investment Schemes. Please refer to the portfolio statement for details of the Collective Investment Schemes that are held at the balance sheet date.

The charges incurred by the Managed Income Fund as a result of its investments in other Collective Investment Schemes as expressed as a percentage of net assets at the balance sheet date are 0.63% (31/3/2023 - 0.61%).

Following changes to disclosure requirements; Closed-Ended funds are now included in the calculation of the synthetic element of the operating charge.

Performance record

Net asset value

| Accounting Date | Total Net Asset Value £'000 | Net Asset Value per Unit (p) | Number of Units in issue |
|-----------------|--------------------------------|---------------------------------|-----------------------------|
| 30/9/2023 | | | |
| X Income | 25,426 | 161.98 | 15,697,315 |
| X Accumulation | 67,553 | 235.78 | 28,650,018 |
| 31/3/2023 | | | |
| X Income | 27,449 | 165.99 | 16,535,989 |
| X Accumulation | 71,059 | 236.62 | 30,031,150 |
| 31/3/2022 | | | |
| X Income | 31,713 | 181.86 | 17,438,238 |
| X Accumulation | 82,340 | 249.83 | 32,958,364 |
| 31/3/2021 | | | |
| X Income | 34,545 | 176.63 | 19,557,272 |
| X Accumulation | 88,244 | 235.30 | 37,502,450 |

Operating charges figure

| Period to 30/9/2023 | | Year to 31/3/2023 | |
|---------------------|-------|-------------------|-------|
| X Income | 1.18% | X Income | 1.16% |
| X Accumulation | 1.17% | X Accumulation | 1.15% |

The operating charges figure (OCF) represents the annual operating expenses of the Fund, the Fund Management Fee ("FMF"), expressed as a percentage of average net assets for the period/year - it does not include initial charges or performance fees.

Portfolio statement

as at 30 September 2023

| Holding | Investment | Market Value GBP £'000 | Percentage of Net Assets % |
|---|--|------------------------------|-------------------------------------|
| EQUITIES - 48.01% (31/3/2023 - 48.16%) | | | |
| United Kingdom - 20.07% (31/3/2023 - 19.62%) | | | |
| 573,824 | iShares Core FTSE 100 UCITS ETF | 4,259 | 4.58 |
| 3,410,000 | Man GLG Income Fund | 4,129 | 4.44 |
| 4,115,016 | MI Chelverton UK Equity Income Fund | 3,969 | 4.27 |
| 1,230,000 | Premier Miton UK Multi Cap Income Fund | 2,058 | 2.21 |
| 5,650,000 | Schroder Income Fund | 4,245 | 4.57 |
| | | 18,660 | 20.07 |
| Europe - 5.84% (31/3/2023 - 6.14%) | | | |
| 1,867,704 | BlackRock Continental European Income Fund | 3,202 | 3.44 |
| 2,210,000 | WS Montanaro European Income Fund | 2,226 | 2.40 |
| | | 5,428 | 5.84 |
| Asia Pacific (ex Japan) - 2.81% (31/3/2023 - 3.27%) | | | |
| 246,000 | Matthews Asia Funds - Asia ex Japan Total Return Equity Fund | 2,613 | 2.81 |
| Japan - 2.11% (31/3/2023 - 1.99%) | | | |
| 1,145,481 | CC Japan Income & Growth Trust | 1,964 | 2.11 |
| North America - 11.78% (31/3/2023 - 11.04%) | | | |
| 110,000 | First Trust US Equity Income UCITS ETF | 2,595 | 2.79 |
| 1,044,484 | JPMorgan Fund ICVC - JPM US Equity Income Fund | 4,419 | 4.76 |
| 5,924,615 | Schroder US Equity Income Maximiser Fund | 3,934 | 4.23 |
| | | 10,948 | 11.78 |
| Emerging Markets - 2.07% (31/3/2023 - 2.21%) | | | |
| 263,681 | Capital Emerging Markets Total | 1,925 | 2.07 |
| Global - 3.33% (31/3/2023 - 3.89%) | | | |
| 1,393,000 | Fidelity Investment Funds ICVC - Global Dividend Fund | 3,099 | 3.33 |
| FIXED INTEREST - 35.50% (31/3/2023 - 33.85%) | | | |
| United Kingdom Gilts & Corporate Bonds - 28.01% (31/3/2023 - 22.66%) | | | |
| 2,356,070 | Allianz Strategic Bond Fund | 2,041 | 2.20 |
| 4,596,000 | Artemis Corporate Bond Fund | 3,970 | 4.27 |
| 2,804,051 | BlackRock Sustainable Sterling Strategic Bond Fund | 2,842 | 3.06 |
| 305,000 | Fidelity Investment Funds - Short Dated Corporate Bond Fund | 2,493 | 2.68 |
| 24,698 | Lyxor Core UK Government Bond DR UCITS ETF | 2,465 | 2.65 |

Portfolio statement

continued

| Holding | Investment | Market Value GBP £'000 | Percentage of Net Assets % |
|--|---|------------------------------|-------------------------------------|
| United Kingdom Gilts & Corporate Bonds continued | | | |
| 3,675,421 | MI TwentyFour - Monument Bond Fund | 3,803 | 4.09 |
| 4,261,178 | Royal London Asset Management Bond Funds - Sterling Extra Yield Bond Fund | 3,911 | 4.21 |
| 5,204,589 | Royal London Short Duration Global High Yield Bond Fund | 3,889 | 4.18 |
| 16,800 | SPDR Bloomberg Barclays 15+ Year Gilt UCITS ETF | 625 | 0.67 |
| | | 26,039 | 28.01 |
| Dynamic Bonds - 7.49% (31/3/2023 - 7.40%) | | | |
| 3,520,054 | Janus Henderson Strategic Bond Fund | 3,580 | 3.85 |
| 3,986,472 | Schroder Strategic Credit Fund | 3,386 | 3.64 |
| | | 6,966 | 7.49 |
| Non Equity Investment Instruments - 0.00% (31/3/2023 - 3.79%) | | | |
| ALTERNATIVE - 15.13% (31/3/2023 - 16.11%) | | | |
| 954,126 | AEW UK REIT | 939 | 1.01 |
| 604,474 | BBGI Global Infrastructure | 803 | 0.86 |
| 1,365,000 | FTF Clearbridge Global Infrastructure Income Fund | 1,560 | 1.68 |
| 883,976 | GCP Infrastructure Investments | 598 | 0.64 |
| 621,696 | Hicl Infrastructure | 771 | 0.83 |
| 1,148,965 | Hipgnosis Songs Fund | 921 | 0.99 |
| 593,750 | International Public Partnerships | 735 | 0.79 |
| 6,400 | Invesco Physical Gold ETC | 939 | 1.01 |
| 1,322,502 | LXI REIT | 1,201 | 1.29 |
| 394,200 | Pantheon Infrastructure | 300 | 0.32 |
| 768,021 | Renewables Infrastructure | 819 | 0.88 |
| 1,685,000 | Round Hill Music Royalty | 1,560 | 1.68 |
| 62,100 | Royal Mint Physical Gold ETC | 936 | 1.01 |
| 23,300 | UBS ETF CMCI Composite SF UCITS ETF | 1,987 | 2.14 |
| | | 14,069 | 15.13 |
| | Portfolio of investments | 91,711 | 98.64 |
| | Net other assets | 1,268 | 1.36 |
| | Total net assets | 92,979 | 100.00 |

All securities are approved securities which are listed on an official stock exchange and/or traded on regulated markets, unless otherwise stated.

Financial statements

Statement of total return

for the period ended 30 September 2023

| | GBP £'000 | Period to 30/9/2023 GBP £'000 | GBP £'000 | Period to 30/9/2022 GBP £'000 |
|--|--------------|--|--------------|--|
| Income | | | | |
| Net capital losses | | (2,147) | | (11,797) |
| Revenue | 2,177 | | 2,156 | |
| Expenses | (259) | | (295) | |
| Interest payable and similar charges | – | | – | |
| Net revenue before taxation for the period | 1,918 | | 1,861 | |
| Taxation | (141) | | (111) | |
| Net revenue after taxation for the period | | 1,777 | | 1,750 |
| Total return before distributions | | (370) | | (10,047) |
| Distributions | | (1,984) | | (1,986) |
| Change in net assets attributable to unitholders from investment activities | | (2,354) | | (12,033) |

Statement of change in net assets attributable to unitholders

for the period ended 30 September 2023

| | GBP £'000 | Period to 30/9/2023 GBP £'000 | GBP £'000 | Period to 30/9/2022 GBP £'000 |
|---|--------------|--|--------------|--|
| Opening net assets attributable to unitholders | | 98,508 | | 114,053 |
| Amounts received on creation of units | 2,431 | | 3,139 | |
| Amounts paid on cancellation of units | (7,020) | | (7,202) | |
| | | (4,589) | | (4,063) |
| Dilution adjustment | | 1 | | 1 |
| Change in net assets attributable to unitholders from investment activities | | (2,354) | | (12,033) |
| Retained distribution on accumulation units | | 1,413 | | 1,414 |
| Closing net assets attributable to unitholders | | 92,979 | | 99,372 |

The difference between the current period opening net assets attributable to unitholders and the closing net assets attributable to unitholders at the end of the comparative period is the movement in the second half of the year.

Financial statements

continued

Balance sheet

as at 30 September 2023

| | GBP £'000 | As at 30/9/2023 GBP £'000 | GBP £'000 | As at 31/3/2023 GBP £'000 |
|---|--------------|------------------------------------|--------------|------------------------------------|
| ASSETS | | | | |
| Fixed assets | | | | |
| Investments | | 91,711 | | 96,660 |
| Current assets | | | | |
| Debtors | 505 | | 646 | |
| Cash and bank balances | 1,281 | | 2,055 | |
| Total other assets | | 1,786 | | 2,701 |
| Total assets | | 93,497 | | 99,361 |
| LIABILITIES | | | | |
| Creditors | | | | |
| Distribution payable | (301) | | (292) | |
| Other creditors | (217) | | (561) | |
| Total other liabilities | | (518) | | (853) |
| Total liabilities | | (518) | | (853) |
| Net assets attributable to unitholders | | 92,979 | | 98,508 |

Distribution tables

For the period ended 30 September 2023

2nd Interim dividend distribution in pence per unit

Group 1: units purchased prior to 1 July 2023

Group 2: units purchased between 1 July 2023 and 30 September 2023

| | Net Revenue per Unit | Equalisation per Unit | Distribution Payable per Unit on 30/11/2023 | Distribution Paid per Unit on 30/11/2022 |
|----------------|----------------------|-----------------------|---|--|
| X Income | | | | |
| Group 1 | 1.9167 | – | 1.9167 | 1.8320 |
| Group 2 | 0.6487 | 1.2680 | 1.9167 | 1.8320 |
| X Accumulation | | | | |
| Group 1 | 2.7574 | – | 2.7574 | 2.5370 |
| Group 2 | 0.8935 | 1.8639 | 2.7574 | 2.5370 |

1st Interim dividend distribution in pence per unit

Group 1: units purchased prior to 1 April 2023

Group 2: units purchased between 1 April 2023 and 30 June 2023

| | Net Revenue per Unit | Equalisation per Unit | Distribution Paid per Unit on 31/8/2023 | Distribution Paid per Unit on 31/8/2022 |
|----------------|----------------------|-----------------------|---|---|
| X Income | | | | |
| Group 1 | 1.4894 | – | 1.4894 | 1.3793 |
| Group 2 | 0.5733 | 0.9161 | 1.4894 | 1.3793 |
| X Accumulation | | | | |
| Group 1 | 2.1230 | – | 2.1230 | 1.8948 |
| Group 2 | 0.7109 | 1.4121 | 2.1230 | 1.8948 |

Equalisation

This applies only to units purchased during the distribution period (Group 2 units). It is the average amount of revenue included in the purchase price of all Group 2 units and is refunded to the holders of these units as a return of capital; being capital it is not liable to Income tax but must be deducted from the cost of units for Capital Gains tax purposes.

Close Managed Conservative Fund

For the period ended 30 September 2023

Fund objective and policy

The investment objective of the Close Managed Conservative Fund ("the Managed Conservative Fund") is to deliver some capital growth with some income over the medium term (i.e. more than 5 years).

The Managed Conservative Fund will hold at least 80% of its portfolio in a mixture of equities and fixed interest securities. As part of the "Managed" fund range, this means the Managed Conservative Fund will achieve this exposure through investment in actively and passively managed collective investment schemes (which may include collective investment schemes managed by the Manager or by an affiliate of the Manager), closed ended funds and exchange traded funds.

The Managed Conservative Fund is actively managed, with the Investment Adviser employing a strategic asset allocation model (developed in collaboration with an external provider) that is matched to a specific risk and volatility band. Accordingly, the allocation to particular asset classes may vary over time at the Investment Adviser's discretion as is consistent with a conservative risk and volatility level and in response to changing market conditions. However, the allocation to equities will remain within a 20-60% range, consistent with its risk/return profile.

The underlying equity component of the Managed Conservative Fund may include equities of companies from anywhere in the world, in any sector and of any market capitalisation. This may include shares in smaller companies and companies listed in emerging markets.

The underlying fixed interest component may include government and corporate bonds (which may include emerging market and high yield bonds). These may be investment grade, sub-investment grade or unrated.

The Managed Conservative Fund may also invest in other transferable securities, money market instruments, deposits, cash and near cash. There may be occasions where the Investment Adviser considers that it is prudent, given market conditions, to maintain higher levels of liquidity in the Managed Conservative Fund. In such circumstances, the Investment Adviser may hold up to 20% of the Managed Conservative Fund in cash.

The Managed Conservative Fund may also gain exposure to alternative asset classes, such as commodities, hedge funds, infrastructure, property and convertibles through investment in transferable securities.

The Managed Conservative Fund may use derivatives, including exchange-traded and over the counter derivatives, forward transactions and currency hedges for investment purposes as well as for efficient portfolio management. It is expected that the Managed Conservative Fund use of derivatives will be limited.

Investment Report

Market commentary

Fund performance

In the 6 months to the 30th September 2023 the Close Managed Conservative fund (X Acc) rose 0.5%, whilst the IA Mixed Investment (20%-60% Shares) sector fell -0.5%.

During the reporting period the 'growth' area of the equity market has continued to do well, led by a small number of mainly US companies. Meanwhile the broader market has struggled, as has fixed interest. The reason for this disparity is partly because of the uncertainty regarding the extent to which rising interest rates will slow down economic growth in different regions of the world. There is a view that central banks will be forced to cut interest rates, which the argument goes, will be positive for high growth companies. It's also the case that there is a good deal of enthusiasm around a narrow portion of the market, where advances in AI (artificial intelligence) is suggestive of some companies being able to continue to deliver supernormal levels of growth. Both these factors have helped the 'growth' portion of equity markets to rebound from 2022's lows, but there is also increasing concern that valuations in this portion of the market have once again become stretched.

The regional and asset class picture has been mixed with the UK equity market up 1.9%, behind the US on 6.3%. Japan delivered a healthy 6.1%, while European markets were down -2.0% for the reporting period; with Asia and emerging markets down -3.1% and -0.8% respectively. Gilt markets were again a painful place to be and ended the reporting period down -7.2%. Gold was negative over the 6 months to the tune of -5.1%, but broad commodities were up 3.4%.

There was little cheer from our equity managers over the reporting period. The Brown Advisory US Flexible Equity fund, however, has a very strong 6 months and delivered 10.2%, as did the Man GLG UK Income fund, which we added right at the beginning of April and it returned 3.6%, which was more than the UK index. The JPM UK Equity Plus fund also managed to return 2.7%. This is not to say we did not have positive contribution elsewhere within equities. Our holding in the Lyxor Nasdaq 100 ETF returned 13.4% over the reporting period, and we got positive returns holding the Amundi Japan ETF, before selling it at the end of September in favour of an active manager. Fixed income was also a challenging place to be; especially in funds that back a worsening economic environment and were therefore longer duration in terms of interest rate sensitivity. We did have some strong total return, however, from the TwentyFour Monument Bond fund, which focuses on European mortgage backed securities, and delivered 4.8% for the reporting period. This was in addition to the Schroder Strategic Credit fund, which keeps a low duration and invests into the lower credit quality end of investment grade, and the higher end of high yield. It produced a total return of 3.6% over the 6 months to end of September. There was not too much to celebrate in terms of our alternative exposure, as both gold and infrastructure did poorly. It was better news for our broad commodity tracker (UBS CMCI Composite), however, which beat the index and delivered 5.9%. It's worth mentioning also that following a bid for Roundhill Music Royalty Fund, the share price was up 81.9% over the reporting period.

As already mentioned, we added the Man GLG UK Income fund right at the beginning of the reporting period, replacing the Threadneedle UK Equity Income Alpha fund after the lead manager decided to step down. Following another fund manager departure we switched our long standing holding in the NinetyOne UK Alpha fund, replacing it with the JO Hambro UK Dynamic fund. In Europe we made some significant changes to our allocation by selling the European Opportunities Trust and BlackRock European Dynamic fund. We replaced them with the R&M European fund and the Liontrust European Dynamic fund. The reason for the change was to tilt the allocation away from the growth factor and more towards core and value. In August we also did a similar exercise with our emerging market exposure by selling the Redwheel Global Emerging Markets fund and buying the Pacific North of South Emerging Market All Cap Equity fund. In Japan we began by switching our holding in the Sparx Sustainable Japan fund for a passive tracker following the manager departure; then in September we replaced the tracker with a new core equity holding in the form of the M&G Japan fund. Finally we sold the Invenomic US Equity Long/Short fund from our alternatives allocation following a meeting with the manager that changed our level of conviction in the holding.

Our outlook remains unchanged from the last reporting period. There are still many signals that point to the likelihood of an economic downturn in the developed world over the next year, and yet one has not materialised at this point. Some areas of the stock market continue to outperform, but also appear historically expensive. As a result we favour sticking closely to our long term asset allocation, and relying on good active managers at an individual holding level to deliver outperformance. Our decision to be cautious of China has been positive, and we remain cautious in this area, whilst becoming more positive on Japan; particularly as the market often outperforms in an economic downturn.

Fund Performance

Performance for the Managed Conservative Fund over the last five years.

| | 6 months to 30/9/2023 | Year to 30/9/2023 | Year to 30/9/2022 | Year to 30/9/2021 | Year to 30/9/2020 | Year to 30/9/2019 |
|---|--------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Managed Conservative Fund X Accumulation | 0.5% | 4.8% | (8.1%) | 9.4% | 0.3% | 3.6% |

Investment Report

continued

Fund Performance continued

| | 6 months to 30/9/2023 | Year to 30/9/2023 | Year to 30/9/2022 | Year to 30/9/2021 | Year to 30/9/2020 | Year to 30/9/2019 |
|------------------------------------|--------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| IA Mixed Investments 20-60% Sector | (0.5%) | 4.2% | (10.6%) | 12.2% | (1.2%) | 4.0% |

Source: Produced by CAM (UK) Ltd using Financial Express.

The percentage growth in prices is calculated using the published dealing price of units in the X Accumulation unit class (which may include a dilution adjustment to the mid-market value) in sterling with net revenue re-invested.

Units are priced on a single mid-market basis.

Risk and Reward Profile

The Managed Conservative Fund currently has two types of unit class in issue; X Income and X Accumulation. Each type of unit class has the same risk and reward profile which is as follows:

Synthetic Risk and Reward Indicator ("SRRI")

| | | | | | | |
|-------------------------|---|---|---|--------------------------|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| lower risks/ rewards | | | | higher risks/ rewards | | |

The Managed Conservative Fund is ranked at 4 because funds of this type have experienced average rises and falls in value in the past.

The SRRI table demonstrates where the Managed Conservative Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data (the past 5 years), may change over time and may not be a reliable indication of the future risk profile of the Managed Conservative Fund.

Past performance is not a reliable guide to future performance.

The lowest category does not mean risk free.

The rating does not reflect the possible effects of unusual market conditions or large unpredictable events.

There have been no changes to the risk rating this period.

The SRRI conforms to the ESMA guidelines regarding its calculation.

Investing in the Managed Conservative Fund carries the following risks:

Currency risk: The Managed Conservative Fund invests in overseas assets, denominated in currencies other than Sterling. Changes in exchange rates may have a negative impact on the value of your investment.

Default risk: The Managed Conservative Fund may invest in bonds which provide a fixed or variable return and which are a form of loan, the value of which depends on the issuer being able to make its payments. There is a risk that the issuer will fail to do so. Although the Managed Conservative Fund generally invests in bonds with high ratings, a high rating does not guarantee an issuer's ability to pay.

Emerging Markets risk: The Managed Conservative Fund may invest in emerging markets which can involve a higher element of risk due to less well regulated markets and the potential for political and economic instability.

Focus risk: The Managed Conservative Fund's value may fall where it has concentrated exposure to an issuer or type of security that is heavily affected by an adverse event.

Funds of funds - Liquidity risk: The Managed Conservative Fund invests in other funds and its liquidity depends upon the liquidity of those underlying funds. If underlying funds suspend or defer the payment of redemption proceeds, the Managed Conservative Fund's ability to meet redemption requests may also be affected.

Investment risk: The Managed Conservative Fund invests in equities and bonds globally. Share prices can rise or fall due to a number of factors affecting global stock markets.

Liquidity risk: In extreme market conditions, some securities held by the Managed Conservative Fund may become hard to value or sell. In these circumstances, performance may be affected and redemptions in the Managed Conservative Fund may need to be deferred or the Managed Conservative Fund suspended for a period of time.

Investment Report

continued

Risk and Reward Profile continued

Management risk: Investment management techniques that have worked well in normal market conditions could prove ineffective or detrimental at other times.

A more comprehensive list of the Managed Conservative Fund's risks are contained in the "Risk Factors" section of the Prospectus.

Collective Investment Schemes

Collective Investment Schemes

The Managed Conservative Fund invests a proportion of its assets in other Collective Investment Schemes. Please refer to the portfolio statement for details of the Collective Investment Schemes that are held at the balance sheet date.

The charges incurred by the Managed Conservative Fund as a result of its investments in other Collective Investment Schemes as expressed as a percentage of net assets at the balance sheet date are 0.75% (31/3/2023 - 0.59%).

Following changes to disclosure requirements; Closed-Ended funds are now included in the calculation of the synthetic element of the operating charge.

Performance record

Net asset value

| Accounting Date | Total Net Asset Value £'000 | Net Asset Value per Unit (p) | Number of Units in issue |
|-----------------|--------------------------------|---------------------------------|-----------------------------|
| 30/9/2023 | | | |
| X Income | 2,468 | 196.20 | 1,258,017 |
| X Accumulation | 214,507 | 239.49 | 89,566,581 |
| 31/3/2023 | | | |
| X Income | 2,406 | 196.66 | 1,223,405 |
| X Accumulation | 218,977 | 237.71 | 92,117,810 |
| 31/3/2022 | | | |
| X Income | 1,998 | 209.08 | 955,559 |
| X Accumulation | 231,826 | 247.66 | 93,607,165 |
| 31/3/2021 | | | |
| X Income | 2,256 | 203.14 | 1,110,381 |
| X Accumulation | 218,472 | 237.36 | 92,043,743 |

Operating charges figure

| Period to 30/9/2023 | | Year to 31/3/2023 | |
|---------------------|-------|-------------------|-------|
| X Income | 1.28% | X Income | 1.12% |
| X Accumulation | 1.28% | X Accumulation | 1.12% |

The operating charges figure (OCF) represents the annual operating expenses of the Fund, the Fund Management Fee ("FMF"), expressed as a percentage of average net assets for the period/year - it does not include initial charges or performance fees.

Portfolio statement

as at 30 September 2023

| Holding | Investment | Market Value GBP £'000 | Percentage of Net Assets % |
|--|--|------------------------------|-------------------------------------|
| EQUITIES - 47.71% (31/3/2023 - 48.16%) | | | |
| United Kingdom - 25.08% (31/3/2023 - 19.11%) | | | |
| 1,550,000 | ES River & Mercantile Funds ICVC-ES River & Mercantile European Fund | 4,094 | 1.89 |
| 1,451,564 | iShares Core FTSE 100 UCITS ETF | 10,773 | 4.96 |
| 8,600,000 | JO Hambro Capital Management UK Umbrella Fund - UK Dynamic Fund | 8,910 | 4.11 |
| 6,310,000 | JPM UK Equity Plus Fund | 8,544 | 3.94 |
| 4,500,000 | Liontrust European Dynamic Fund | 4,470 | 2.06 |
| 2,100,000 | M&G Investment Funds 1 - Japan Class PP GBP Acc | 3,152 | 1.45 |
| 6,600,000 | Man GLG Income Fund | 7,993 | 3.68 |
| 8,630,000 | Schroder Income Fund | 6,484 | 2.99 |
| | | 54,420 | 25.08 |
| Europe - 1.94% (31/3/2023 - 5.18%) | | | |
| 3,250,000 | ES Alliancebernstein Europe Ex UK Equity Fund | 4,206 | 1.94 |
| Asia Pacific (ex Japan) - 3.03% (31/3/2023 - 3.04%) | | | |
| 16,615 | Schroder ISF Asian Total Return | 6,576 | 3.03 |
| Japan - 0.00% (31/3/2023 - 1.32%) | | | |
| North America - 12.73% (31/3/2023 - 14.47%) | | | |
| 475,000 | Brown Advisory US Flexible Equity Fund | 10,523 | 4.85 |
| 2,260,531 | JPMorgan Fund ICVC - JPM US Equity Income Fund | 9,564 | 4.41 |
| 155,000 | Lyxor Nasdaq-100 UCITS ETF | 7,540 | 3.47 |
| | | 27,627 | 12.73 |
| Emerging Markets - 1.77% (31/3/2023 - 1.95%) | | | |
| 280,000 | Pacific Capital UCITS Funds-Pacific North of South EM All Cap Equity | 3,835 | 1.77 |
| Global - 3.16% (31/3/2023 - 3.09%) | | | |
| 1,150,000 | ES River and Mercantile Global Recovery Fund | 3,310 | 1.53 |
| 1,594,790 | Fidelity Investment Funds ICVC - Global Dividend Fund | 3,548 | 1.63 |
| | | 6,858 | 3.16 |
| FIXED INTEREST - 36.15% (31/3/2023 - 32.87%) | | | |
| Dynamic Bonds - 10.17% (31/3/2023 - 10.36%) | | | |
| 6,754,435 | Janus Henderson Strategic Bond Fund | 6,869 | 3.17 |

Portfolio statement

continued

| Holding | Investment | Market Value GBP £'000 | Percentage of Net Assets % |
|---|---|------------------------------|-------------------------------------|
| Dynamic Bonds continued | | | |
| 82,838 | Nomura Funds Ireland - Global Dynamic Bond Fund | 7,554 | 3.48 |
| 9,002,441 | Schroder Strategic Credit Fund | 7,646 | 3.52 |
| | | 22,069 | 10.17 |
| United Kingdom Gilts & Corporate Bonds - 22.35% (31/3/2023 - 18.41%) | | | |
| 5,620,000 | Allianz Strategic Bond Fund | 4,869 | 2.24 |
| 9,510,000 | Artemis Corporate Bond Fund | 8,216 | 3.79 |
| 5,909,388 | BlackRock Sustainable Sterling Strategic Bond Fund | 5,990 | 2.76 |
| 667,000 | Fidelity Investment Funds - Short Dated Corporate Bond Fund | 5,451 | 2.51 |
| 76,030 | Lyxor Core UK Government Bond DR UCITS ETF | 7,587 | 3.50 |
| 7,631,002 | MI TwentyFour - Monument Bond Fund | 7,896 | 3.64 |
| 9,627,793 | Royal London Short Duration Global High Yield Bond Fund | 7,194 | 3.32 |
| 34,500 | SPDR Bloomberg Barclays 15+ Year Gilt UCITS ETF | 1,283 | 0.59 |
| | | 48,486 | 22.35 |
| Non Equity Investment Instruments - 3.63% (31/3/2023 - 4.10%) | | | |
| 7,883,835 | HSBC Sterling Liquidity Fund | 7,884 | 3.63 |
| ALTERNATIVE - 16.05% (31/3/2023 - 16.10%) | | | |
| 1,352,583 | BBGI Global Infrastructure | 1,796 | 0.83 |
| 2,500,000 | FTF Clearbridge Global Infrastructure Income Fund | 2,858 | 1.32 |
| 1,271,832 | GCP Infrastructure Investments | 861 | 0.40 |
| 1,437,418 | Hicl Infrastructure | 1,782 | 0.82 |
| 2,106,405 | Hipgnosis Songs Fund | 1,689 | 0.78 |
| 1,440,754 | International Public Partnerships | 1,784 | 0.82 |
| 19,659 | Invesco Physical Gold ETC | 2,883 | 1.33 |
| 28,903 | Kepler Liquid Strategies Niederhoffer Smart Alpha UCITS | 2,802 | 1.29 |
| 34,856 | Lumyna - Sandbar Global Equity Market Neutral UCITS Fund | 3,194 | 1.47 |
| 1,904,000 | LXI REIT | 1,729 | 0.80 |
| 788,400 | Pantheon Infrastructure | 601 | 0.28 |
| 1,680,552 | Renewables Infrastructure | 1,791 | 0.82 |
| 3,200,000 | Round Hill Music Royalty | 2,963 | 1.37 |

Portfolio statement

continued

| Holding | Investment | Market Value GBP £'000 | Percentage of Net Assets % |
|---------|-------------------------------------|------------------------------|-------------------------------------|
| | ALTERNATIVE continued | | |
| 187,300 | Royal Mint Physical Gold ETC | 2,823 | 1.30 |
| 61,700 | UBS ETF CMCI Composite SF UCITS ETF | 5,262 | 2.42 |
| | | 34,818 | 16.05 |
| | Portfolio of investments | 216,779 | 99.91 |
| | Net other assets | 196 | 0.09 |
| | Total net assets | 216,975 | 100.00 |

All securities are approved securities which are listed on an official stock exchange and/or traded on regulated markets, unless otherwise stated.

Financial statements

Statement of total return

for the period ended 30 September 2023

| | GBP £'000 | Period to 30/9/2023 GBP £'000 | GBP £'000 | Period to 30/9/2022 GBP £'000 |
|--|--------------|--|--------------|--|
| Income | | | | |
| Net capital losses | | (538) | | (21,786) |
| Revenue | 2,929 | | 2,410 | |
| Expenses | (575) | | (592) | |
| Interest payable and similar charges | (3) | | – | |
| Net revenue before taxation for the period | 2,351 | | 1,818 | |
| Taxation | (210) | | (105) | |
| Net revenue after taxation for the period | | 2,141 | | 1,713 |
| Total return before distributions | | 1,603 | | (20,073) |
| Distributions | | (2,141) | | (1,713) |
| Change in net assets attributable to unitholders from investment activities | | (538) | | (21,786) |

Statement of change in net assets attributable to unitholders

for the period ended 30 September 2023

| | GBP £'000 | Period to 30/9/2023 GBP £'000 | GBP £'000 | Period to 30/9/2022 GBP £'000 |
|---|--------------|--|--------------|--|
| Opening net assets attributable to unitholders | | 221,383 | | 233,824 |
| Amounts received on creation of units | 10,460 | | 11,209 | |
| Amounts paid on cancellation of units | (16,427) | | (14,610) | |
| | | (5,967) | | (3,401) |
| Dilution adjustment | | 1 | | – |
| Change in net assets attributable to unitholders from investment activities | | (538) | | (21,786) |
| Retained distribution on accumulation units | | 2,096 | | 1,689 |
| Closing net assets attributable to unitholders | | 216,975 | | 210,326 |

The difference between the current period opening net assets attributable to unitholders and the closing net assets attributable to unitholders at the end of the comparative period is the movement in the second half of the year.

Financial statements

continued

Balance sheet

as at 30 September 2023

| | GBP £'000 | As at 30/9/2023 GBP £'000 | GBP £'000 | As at 31/3/2023 GBP £'000 |
|---|--------------|------------------------------------|--------------|------------------------------------|
| ASSETS | | | | |
| Fixed assets | | | | |
| Investments | | 216,779 | | 215,021 |
| Current assets | | | | |
| Debtors | 863 | | 1,943 | |
| Cash and bank balances | 1,378 | | 4,900 | |
| Total other assets | | 2,241 | | 6,843 |
| Total assets | | 219,020 | | 221,864 |
| LIABILITIES | | | | |
| Creditors | | | | |
| Distribution payable | (24) | | (29) | |
| Other creditors | (2,021) | | (452) | |
| Total other liabilities | | (2,045) | | (481) |
| Total liabilities | | (2,045) | | (481) |
| Net assets attributable to unitholders | | 216,975 | | 221,383 |

Distribution table

For the period ended 30 September 2023

Interim dividend distribution in pence per unit

Group 1: units purchased prior to 1 April 2023

Group 2: units purchased between 1 April 2023 and 30 September 2023

| | Net Revenue per Unit | Equalisation per Unit | Distribution Payable per Unit on 30/11/2023 | Distribution Paid per Unit on 30/11/2022 |
|----------------|----------------------|-----------------------|---|--|
| X Income | | | | |
| Group 1 | 1.9366 | – | 1.9366 | 1.5476 |
| Group 2 | 1.1682 | 0.7684 | 1.9366 | 1.5476 |
| X Accumulation | | | | |
| Group 1 | 2.3405 | – | 2.3405 | 1.8329 |
| Group 2 | 1.2195 | 1.1210 | 2.3405 | 1.8329 |

Equalisation

This applies only to units purchased during the distribution period (Group 2 units). It is the average amount of revenue included in the purchase price of all Group 2 units and is refunded to the holders of these units as a return of capital; being capital it is not liable to Income tax but must be deducted from the cost of units for Capital Gains tax purposes.

Close Managed Balanced Fund

For the period ended 30 September 2023

Fund objective and policy

The investment objective of the Close Managed Balanced Fund ("the Managed Balanced Fund") is to generate capital growth with some income over the medium term (i.e. more than 5 years).

The Managed Balanced Fund will hold at least 80% of its portfolio in a mixture of equities and fixed interest securities. As part of the "Managed" fund range, this means the Managed Balanced Fund will achieve this exposure through investment in actively and passively managed collective investment schemes (which may include collective investment schemes managed by the Manager or by an affiliate of the Manager), closed ended funds and exchange traded funds.

The Managed Balanced Fund is actively managed, with the Investment Adviser employing a strategic asset allocation model (developed in collaboration with an external provider) that is matched to a specific risk and volatility band. Accordingly, the allocation to particular asset classes may vary over time at the Investment Adviser's discretion as is consistent with a balanced risk and volatility level and in response to changing market conditions. However, the Managed Balanced Fund operates a balanced strategy, meaning that the allocation to equities will remain within a 40%-85% range, consistent with its risk/return profile.

The underlying equity component of the Managed Balanced Fund may include equities of companies from anywhere in the world, in any sector and of any market capitalisation. This may include shares in smaller companies and companies listed in emerging markets.

The underlying fixed interest component may include government and corporate bonds (which may include emerging market and high yield bonds). These may be investment grade, sub-investment grade or unrated.

The Managed Balanced Fund may also invest in other transferable securities money market instruments, deposits, cash and near cash. There may be occasions where the Investment Adviser considers that it is prudent, given market conditions, to maintain higher levels of liquidity in the Managed Balanced Fund. In such circumstances, the Investment Adviser may hold up to 20% of the Managed Balanced Fund in cash.

The Managed Balanced Fund may gain exposure to alternative asset classes, such as commodities, hedge funds, infrastructure, property and convertibles through investment in transferable securities.

The Managed Balanced Fund may use derivatives, including exchange traded and over the counter derivatives, forward transactions and currency hedges for investment purposes as well as for efficient portfolio management. It is expected that the Managed Balanced Fund use of derivatives will be limited.

Investment Report

Market commentary

Fund performance

In the 6 months to the 30th September 2023 the Close Managed Balanced fund (X Acc) rose by 0.8%, whilst the IA Mixed Investment (40%-85% Shares) sector returned 0.0%.

During the reporting period the 'growth' area of the equity market has continued to do well, led by a small number of mainly US companies. Meanwhile the broader market has struggled, as has fixed interest. The reason for this disparity is partly because of the uncertainty regarding the extent to which rising interest rates will slow down economic growth in different regions of the world. There is a view that central banks will be forced to cut interest rates, which the argument goes, will be positive for high growth companies. It's also the case that there is a good deal of enthusiasm around a narrow portion of the market, where advances in AI (artificial intelligence) is suggestive of some companies being able to continue to deliver supernormal levels of growth. Both these factors have helped the 'growth' portion of equity markets to rebound from 2022's lows, but there is also increasing concern that valuations in this portion of the market have once again become stretched.

The regional and asset class picture has been mixed with the UK equity market up 1.9%, behind the US on 6.3%. Japan delivered a healthy 6.1%, while European markets were down -2.0% for the reporting period; with Asia and emerging markets down -3.1% and -0.8% respectively. Gilt markets were again a painful place to be and ended the reporting period down -7.2%. Gold was negative over the 6 months to the tune of -5.1%, but broad commodities were up 3.4%.

There were some good returns from our active managers in the US as the Brown Advisory US Flexible Equity fund delivered a very strong 6 months and returned 10.2%. This was complemented by the Baillie Gifford American fund, which returned 8.6%, while the Premier Miton US Opportunities fund bounced back after a tough March with a return of 8.7% for the reporting period. It was more mixed elsewhere for active managers, although the JPM UK Equity Plus fund outperformed the market with 2.7%. Within passives our holding in the Lyxor Nasdaq 100 ETF returned 13.4% over the reporting period, and we got positive returns holding the Amundi Japan ETF, before selling it at the end of September in favour of an active manager. Fixed income was a challenging place to be; especially in funds that back a worsening economic environment and were therefore longer duration in terms of interest rate sensitivity. We did have the Schroder Strategic Credit fund, which keeps a low duration and invests into the lower credit quality end of investment grade, and the higher end of high yield. It produced a total return of 3.6% over the 6 months to end of September. There was also not too much to celebrate in terms of our alternative exposure, as both gold and infrastructure did poorly. It was better news for our broad commodity tracker (UBS CMCI Composite), however, which beat the index and delivered 5.9%. It's worth mentioning also that following a bid for Roundhill Music Royalty Fund, the share price was up 81.9% over the reporting period.

Following a fund manager departure we switched our long standing holding in the NinetyOne UK Alpha fund, replacing it with the JO Hambro UK Dynamic fund. In Europe we made some significant changes to our allocation by selling the European Opportunities Trust, BlackRock European Dynamic, and Baring Europe Select. We replaced them with the R&M European fund, the Liontrust European Dynamic fund, and the Chelverton European Select fund. The reason for the change was to tilt the allocation away from the growth factor and more towards core and value. In August we also did a similar exercise with our emerging market exposure by selling the Redwheel Global Emerging Markets fund and buying the Pacific North of South Emerging Market All Cap Equity fund. In Japan we began by switching our holding in the Sparx Sustainable Japan fund for a passive tracker following the manager departure; then in September we replaced the tracker with a new core equity holding in the form of the M&G Japan fund. Finally we sold the Invenomic US Equity Long/Short fund from our alternatives allocation following a meeting with the manager that changed our level of conviction in the holding.

Our outlook remains unchanged from the last reporting period. There are still many signals that point to the likelihood of an economic downturn in the developed world over the next year, and yet one has not materialised at this point. Some areas of the stock market continue to outperform, but also appear historically expensive. As a result we favour sticking closely to our long term asset allocation, and relying on good active managers at an individual holding level to deliver outperformance. Our decision to be cautious of China has been positive, and we remain cautious in this area, whilst becoming more positive on Japan; particularly as the market often outperforms in an economic downturn.

Fund Performance

Performance for the Managed Balanced Fund over the last five years.

| | 6 months to 30/9/2023 | Year to 30/9/2023 | Year to 30/9/2022 | Year to 30/9/2021 | Year to 30/9/2020 | Year to 30/9/2019 |
|---|--------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Managed Balanced Fund X Accumulation | 0.8% | 4.9% | (10.9%) | 13.4% | 4.2% | 3.5% |
| IA Mixed Investments 40-85% Sector | (0.0%) | 5.1% | (10.2%) | 16.6% | (0.2%) | 4.2% |

Source: Produced by CAM (UK) Ltd using Financial Express.

Investment Report

continued

Fund Performance continued

The percentage growth in prices is calculated using the published dealing price of units in the X Accumulation unit class (which may include a dilution adjustment to the mid-market value) in sterling with net revenue re-invested.

Units are priced on a single mid-market basis.

Risk and Reward Profile

The Managed Balanced Fund currently has one type of unit class in issue; X Accumulation. The risk and reward profile is as follows:

Synthetic Risk and Reward Indicator ("SRR")

| | | | | | | |
|---|---|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
|---|---|---|---|---|---|---|

lower risks/
rewards

higher risks/
rewards

The Managed Balanced Fund is ranked at 5 because funds of this type have experienced medium to high rises and falls in value in the past.

The SRR table demonstrates where the Managed Balanced Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data (the past 5 years), may change over time and may not be a reliable indication of the future risk profile of the Managed Balanced Fund.

Past performance is not a reliable guide to future performance.

The lowest category does not mean risk free.

The rating does not reflect the possible effects of unusual market conditions or large unpredictable events.

There have been no changes to the risk rating this period.

The SRR conforms to the ESMA guidelines regarding its calculation.

Investing in the Managed Balanced Fund carries the following risks:

Currency risk: The Managed Balanced Fund invests in overseas assets, denominated in currencies other than Sterling. Changes in exchange rates may have a negative impact on the value of your investment.

Default risk: The Managed Balanced Fund may invest in bonds which provide a fixed or variable return and which are a form of loan, the value of which depends on the issuer being able to make its payments. There is a risk that the issuer will fail to do so. Although the Managed Balanced Fund generally invests in bonds with high ratings, a high rating does not guarantee an issuer's ability to pay.

Emerging Markets risk: The Managed Balanced Fund may invest in emerging markets which can involve a higher element of risk due to less well regulated markets and the potential for political and economic instability.

Focus risk: The Managed Balanced Fund's value may fall where it has concentrated exposure to an issuer or type of security that is heavily affected by an adverse event.

Funds of funds - Liquidity risk: The Managed Balanced Fund invests in other funds and its liquidity depends upon the liquidity of those underlying funds. If underlying funds suspend or defer the payment of redemption proceeds, the Managed Balanced Fund's ability to meet redemption requests may also be affected.

Investment risk: The Managed Balanced Fund invests in equities and bonds globally. Share prices can rise or fall due to a number of factors affecting global stock markets.

Liquidity risk: In extreme market conditions, some securities held by the Managed Balanced Fund may become hard to value or sell. In these circumstances, performance may be affected and redemptions in the fund may need to be deferred or the fund suspended for a period of time.

Management risk: Investment management techniques that have worked well in normal market conditions could prove ineffective or detrimental at other times.

A more comprehensive list of the Managed Balanced Fund's risks are contained in the "Risk Factors" section of the Prospectus.

Collective Investment Schemes

Collective Investment Schemes

The Managed Balanced Fund invests a proportion of its assets in other Collective Investment Schemes. Please refer to the portfolio statement for details of the Collective Investment Schemes that are held at the balance sheet date.

The charges incurred by the Managed Balanced Fund as a result of its investments in other Collective Investment Schemes as expressed as a percentage of net assets at the balance sheet date are 0.57% (31/3/2023 - 0.58%).

Following changes to disclosure requirements; Closed-Ended funds are now included in the calculation of the synthetic element of the operating charge.

Performance record

Net asset value

| Accounting Date | Total Net Asset Value £'000 | Net Asset Value per Unit (p) | Number of Units in issue |
|-----------------------------|--------------------------------|---------------------------------|-----------------------------|
| 30/9/2023 X Accumulation | 424,511 | 280.11 | 151,552,756 |
| 31/3/2023 X Accumulation | 416,635 | 277.02 | 150,401,488 |
| 31/3/2022 X Accumulation | 386,909 | 290.38 | 133,243,466 |
| 31/3/2021 X Accumulation | 345,657 | 281.17 | 122,935,758 |

Operating charges figure

| Period to 30/9/2023 | Year to 31/3/2023 |
|----------------------|----------------------|
| X Accumulation 1.09% | X Accumulation 1.08% |

The operating charges figure (OCF) represents the annual operating expenses of the Fund, the Fund Management Fee ("FMF"), expressed as a percentage of average net assets for the period/year - it does not include initial charges or performance fees.

Portfolio statement

as at 30 September 2023

| Holding | Investment | Market Value GBP £'000 | Percentage of Net Assets % |
|--|--|------------------------------|-------------------------------------|
| EQUITIES - 63.08% (31/3/2023 - 62.41%) | | | |
| United Kingdom - 20.42% (31/3/2023 - 20.65%) | | | |
| 1,048,000 | Baillie Gifford UK & Balanced Funds ICVC - UK Equity Alpha Fund | 6,619 | 1.56 |
| 2,305,851 | iShares Core FTSE 100 UCITS ETF | 17,114 | 4.03 |
| 16,000,000 | JO Hambro Capital Management UK Umbrella Fund - UK Dynamic Fund | 16,576 | 3.91 |
| 9,320,000 | JPM UK Equity Plus Fund | 12,620 | 2.97 |
| 3,433,966 | Liontrust Special Situations Fund | 15,578 | 3.67 |
| 18,560,000 | Schroder Income Fund | 13,944 | 3.28 |
| 3,690,000 | Thesis - TM Tellworth UK Smaller Companies Fund | 4,243 | 1.00 |
| | | 86,694 | 20.42 |
| Europe - 7.96% (31/3/2023 - 6.97%) | | | |
| 8,900,000 | ES Alliancebernstein Europe Ex UK Equity Fund | 11,516 | 2.71 |
| 3,000,000 | ES River & Mercantile Funds ICVC-ES River & Mercantile European Fund | 7,925 | 1.87 |
| 8,700,000 | Liontrust European Dynamic Fund | 8,642 | 2.04 |
| 5,849,880 | MI Chelverton Equity Fund-MI Chelverton European Select Fund | 5,708 | 1.34 |
| | | 33,791 | 7.96 |
| Asia Pacific (ex Japan) - 4.31% (31/3/2023 - 5.38%) | | | |
| 4,000,000 | Ninety One Asia Pacific Franchise Fund J Acc GBP | 3,830 | 0.90 |
| 36,627 | Schroder ISF Asian Total Return | 14,497 | 3.41 |
| | | 18,327 | 4.31 |
| Japan - 2.43% (31/3/2023 - 1.56%) | | | |
| 6,875,000 | M&G Investment Funds 1 - Japan Class PP GBP Acc | 10,319 | 2.43 |
| North America - 19.91% (31/3/2023 - 20.02%) | | | |
| 1,027,919 | Baillie Gifford Overseas Growth Funds ICVC - American Fund | 11,389 | 2.68 |
| 911,093 | Brown Advisory US Flexible Equity Fund | 20,184 | 4.75 |
| 236,900 | Lyxor Nasdaq-100 UCITS ETF | 11,524 | 2.72 |
| 2,860,000 | Premier Miton US Opportunities Fund | 10,820 | 2.55 |
| 755,070 | Threadneedle Lux - US Disciplined Core Equities | 11,038 | 2.60 |
| 292,171 | Vanguard S&P 500 UCITS ETF | 19,554 | 4.61 |
| | | 84,509 | 19.91 |
| Emerging Markets - 2.39% (31/3/2023 - 2.24%) | | | |
| 740,000 | Pacific Capital UCITS Funds-Pacific North of South EM All Cap Equity | 10,134 | 2.39 |

Portfolio statement

continued

| Holding | Investment | Market Value GBP £'000 | Percentage of Net Assets % |
|------------|---|------------------------------|-------------------------------------|
| | Global - 5.66% (31/3/2023 - 5.59%) | | |
| 834,468 | Brown Advisory Global Leaders Fund | 14,787 | 3.48 |
| 3,210,000 | ES River and Mercantile Global Recovery Fund | 9,238 | 2.18 |
| | | 24,025 | 5.66 |
| | FIXED INTEREST - 24.94% (31/3/2023 - 22.40%) | | |
| | Dynamic Bonds - 7.48% (31/3/2023 - 7.43%) | | |
| 9,588,980 | Janus Henderson Strategic Bond Fund | 9,752 | 2.30 |
| 123,012 | Nomura Funds Ireland - Global Dynamic Bond Fund | 11,218 | 2.64 |
| 12,720,000 | Schroder Strategic Credit Fund | 10,803 | 2.54 |
| | | 31,773 | 7.48 |
| | United Kingdom Gilts & Corporate Bonds - 11.95% (31/3/2023 - 12.32%) | | |
| 8,394,000 | Allianz Strategic Bond Fund | 7,272 | 1.71 |
| 13,986,000 | Artemis Corporate Bond Fund | 12,083 | 2.85 |
| 7,898,622 | BlackRock Sustainable Sterling Strategic Bond Fund | 8,006 | 1.88 |
| 1,187,000 | Fidelity Investment Funds - Short Dated Corporate Bond Fund | 9,701 | 2.28 |
| 119,800 | Lyxor Core UK Government Bond DR UCITS ETF | 11,955 | 2.82 |
| 46,400 | SPDR Bloomberg Barclays 15+ Year Gilt UCITS ETF | 1,725 | 0.41 |
| | | 50,742 | 11.95 |
| | Non Equity Investment Instruments - 5.51% (31/3/2023 - 2.65%) | | |
| 23,372,442 | HSBC Sterling Liquidity Fund | 23,372 | 5.51 |
| | ALTERNATIVE - 13.13% (31/3/2023 - 12.72%) | | |
| 1,805,432 | BBGI Global Infrastructure | 2,398 | 0.57 |
| 5,150,000 | FTF Clearbridge Global Infrastructure Income Fund | 5,886 | 1.39 |
| 2,038,779 | GCP Infrastructure Investments | 1,380 | 0.33 |
| 1,919,237 | Hicl Infrastructure | 2,380 | 0.56 |
| 2,050,000 | Hipgnosis Songs Fund | 1,644 | 0.39 |
| 1,892,995 | International Public Partnerships | 2,344 | 0.55 |
| 36,507 | Invesco Physical Gold ETC | 5,354 | 1.26 |
| 45,116 | Kepler Liquid Strategies Niederhoffer Smart Alpha UCITS | 4,374 | 1.03 |
| 49,454 | Lumyna - Sandbar Global Equity Market Neutral UCITS Fund | 4,532 | 1.07 |
| 1,296,000 | Pantheon Infrastructure | 988 | 0.23 |
| 2,408,458 | Renewables Infrastructure | 2,567 | 0.60 |
| 6,050,000 | Round Hill Music Royalty | 5,601 | 1.32 |

Portfolio statement

continued

| Holding | Investment | Market Value GBP £'000 | Percentage of Net Assets % |
|---------|-------------------------------------|------------------------------|-------------------------------------|
| | ALTERNATIVE continued | | |
| 352,500 | Royal Mint Physical Gold ETC | 5,312 | 1.25 |
| 128,500 | UBS ETF CMCI Composite SF UCITS ETF | 10,960 | 2.58 |
| | | 55,720 | 13.13 |
| | Portfolio of investments | 429,406 | 101.15 |
| | Net other liabilities | (4,895) | (1.15) |
| | Total net assets | 424,511 | 100.00 |

All securities are approved securities which are listed on an official stock exchange and/or traded on regulated markets, unless otherwise stated.

Financial statements

Statement of total return

for the period ended 30 September 2023

| | GBP £'000 | Period to 30/9/2023 GBP £'000 | GBP £'000 | Period to 30/9/2022 GBP £'000 |
|--|--------------|--|--------------|--|
| Income | | | | |
| Net capital gains/(losses) | | 1,745 | | (39,606) |
| Revenue | 4,065 | | 3,341 | |
| Expenses | (1,089) | | (986) | |
| Interest payable and similar charges | – | | – | |
| Net revenue before taxation for the period | 2,976 | | 2,355 | |
| Taxation | (52) | | – | |
| Net revenue after taxation for the period | | 2,924 | | 2,355 |
| Total return before distributions | | 4,669 | | (37,251) |
| Distributions | | (2,924) | | (2,355) |
| Change in net assets attributable to unitholders from investment activities | | 1,745 | | (39,606) |

Statement of change in net assets attributable to unitholders

for the period ended 30 September 2023

| | GBP £'000 | Period to 30/9/2023 GBP £'000 | GBP £'000 | Period to 30/9/2022 GBP £'000 |
|---|--------------|--|--------------|--|
| Opening net assets attributable to unitholders | | 416,635 | | 386,909 |
| Amounts received on creation of units | 29,368 | | 39,706 | |
| Amounts paid on cancellation of units | (26,171) | | (15,180) | |
| | | 3,197 | | 24,526 |
| Dilution adjustment | | (1) | | (4) |
| Change in net assets attributable to unitholders from investment activities | | 1,745 | | (39,606) |
| Retained distribution on accumulation units | | 2,935 | | 2,418 |
| Closing net assets attributable to unitholders | | 424,511 | | 374,243 |

The difference between the current period opening net assets attributable to unitholders and the closing net assets attributable to unitholders at the end of the comparative period is the movement in the second half of the year.

Financial statements

continued

Balance sheet

as at 30 September 2023

| | GBP £'000 | As at 30/9/2023 GBP £'000 | GBP £'000 | As at 31/3/2023 GBP £'000 |
|---|--------------|------------------------------------|--------------|------------------------------------|
| ASSETS | | | | |
| Fixed assets | | | | |
| Investments | | 429,406 | | 406,342 |
| Current assets | | | | |
| Debtors | 1,671 | | 6,537 | |
| Cash and bank balances | 64 | | 7,057 | |
| Total other assets | | 1,735 | | 13,594 |
| Total assets | | 431,141 | | 419,936 |
| LIABILITIES | | | | |
| Creditors | | | | |
| Bank overdrafts | (1,316) | | – | |
| Other creditors | (5,314) | | (3,301) | |
| Total other liabilities | | (6,630) | | (3,301) |
| Total liabilities | | (6,630) | | (3,301) |
| Net assets attributable to unitholders | | 424,511 | | 416,635 |

Distribution table

For the period ended 30 September 2023

Interim dividend distribution in pence per unit

Group 1: units purchased prior to 1 April 2023

Group 2: units purchased between 1 April 2023 and 30 September 2023

| | Net Revenue per Unit | Equalisation per Unit | Distribution Payable per Unit on 30/11/2023 | Distribution Paid per Unit on 30/11/2022 |
|----------------|----------------------|-----------------------|---|--|
| X Accumulation | | | | |
| Group 1 | 1.9358 | – | 1.9358 | 1.7016 |
| Group 2 | 1.0921 | 0.8437 | 1.9358 | 1.7016 |

Equalisation

This applies only to units purchased during the distribution period (Group 2 units). It is the average amount of revenue included in the purchase price of all Group 2 units and is refunded to the holders of these units as a return of capital; being capital it is not liable to Income tax but must be deducted from the cost of units for Capital Gains tax purposes.

Close Managed Growth Fund

For the period ended 30 September 2023

Fund objective and policy

The investment objective of the Close Managed Growth Fund ("the Managed Growth Fund") is to generate capital growth over the medium term (i.e. more than 5 years).

The Managed Growth Fund will hold at least 80% of its portfolio in a mixture of equities and fixed interest securities. As part of the "Managed" fund range, this means the Managed Growth Fund will achieve this exposure through investment in actively and passively managed collective investment schemes (which may include collective investment schemes managed by the Manager or by an affiliate of the Manager), closed ended funds and exchange traded funds.

The Managed Growth Fund is actively managed, with the Investment Adviser employing a strategic asset allocation model (developed in collaboration with an external provider) that is matched to a specific risk and volatility band (which is consistent with a growth objective). Accordingly, the allocation to particular asset classes may vary over time at the Investment Adviser's discretion as is consistent with a growth risk and volatility level and in response to changing market conditions. However, the allocation to equities will not normally fall below 60%, consistent with its risk/return profile.

The underlying equity component of the Managed Growth Fund may include equities of companies from anywhere in the world, in any sector and of any market capitalisation. This may include shares in smaller companies and companies listed in emerging markets.

The underlying fixed interest component may include government and corporate bonds (which may include emerging market and high yield bonds). These may be investment grade, sub-investment grade or unrated.

The Managed Growth Fund may also invest in other transferable securities, money market instruments, deposits, cash and near cash. There may be occasions where the Investment Adviser considers that it is prudent, given market conditions, to maintain higher levels of liquidity in the Managed Growth Fund. In such circumstances, the Investment Adviser may hold up to 20% of the Managed Growth Fund in cash.

The Managed Growth Fund may also gain exposure to alternative asset classes such as commodities, hedge funds, infrastructure, property and convertibles through transferable securities.

The Managed Growth Fund may use derivatives, including exchange-traded and over the counter derivatives, forward transactions and currency hedges for investment purposes as well as for efficient portfolio management. It is expected that the Managed Growth Fund use of derivatives will be limited.

Investment Report

Market commentary

Fund performance

In the 6 months to the 30th September 2023 the Close Managed Growth fund (X Acc) rose 1.1%, whilst the IA Flexible Investment sector rose 0.1%.

During the reporting period the 'growth' area of the equity market has continued to do well, led by a small number of mainly US companies. Meanwhile the broader market has struggled, as has fixed interest. The reason for this disparity is partly because of the uncertainty regarding the extent to which rising interest rates will slow down economic growth in different regions of the world. There is a view that central banks will be forced to cut interest rates, which the argument goes, will be positive for high growth companies. It's also the case that there is a good deal of enthusiasm around a narrow portion of the market, where advances in AI (artificial intelligence) is suggestive of some companies being able to continue to deliver supernormal levels of growth. Both these factors have helped the 'growth' portion of equity markets to rebound from 2022's lows, but there is also increasing concern that valuations in this portion of the market have once again become stretched.

The regional and asset class picture has been mixed with the UK equity market up 1.9%, behind the US on 6.3%. Japan delivered a healthy 6.1%, while European markets were down -2.0% for the reporting period; with Asia and emerging markets down -3.1% and -0.8% respectively. Gilt markets were again a painful place to be and ended the reporting period down -7.2%. Gold was negative over the 6 months to the tune of -5.1%, but broad commodities were up 3.4%.

There were some good returns from our active managers in the US as the Brown Advisory US Flexible Equity fund delivered a very strong 6 months and returned 10.2%. This was complemented by the Baillie Gifford American fund, which returned 8.6%, while the Premier Miton US Opportunities fund bounced back after a tough March with a return of 8.7% for the reporting period. It was more mixed elsewhere for active managers, although the JPM UK Equity Plus fund outperformed the market with 2.7%. Within passives our holding in the Lyxor Nasdaq 100 ETF returned 13.4% over the reporting period, and we got positive returns holding the Amundi Japan ETF, before selling it at the end of September in favour of an active manager. Fixed income was a challenging place to be; especially in funds that back a worsening economic environment and were therefore longer duration in terms of interest rate sensitivity. We did have the Schroder Strategic Credit fund, which keeps a low duration and invests into the lower credit quality end of investment grade, and the higher end of high yield. It produced a total return of 3.6% over the 6 months to end of September. There was also not too much to celebrate in terms of our alternative exposure, as both gold and infrastructure did poorly. It was better news for our broad commodity tracker (UBS CMCI Composite), however, which beat the index and delivered 5.9%. It's worth mentioning also that following a bid for Roundhill Music Royalty Fund, the share price was up 81.9% over the reporting period.

Following a fund manager departure we switched our long standing holding in the NinetyOne UK Alpha fund, replacing it with the JO Hambro UK Dynamic fund. In Europe we made some significant changes to our allocation by selling the European Opportunities Trust, BlackRock European Dynamic, and Baring Europe Select. We replaced them with the R&M European fund, the Liontrust European Dynamic fund, and the Chelverton European Select fund. The reason for the change was to tilt the allocation away from the growth factor and more towards core and value. In August we also did a similar exercise with our emerging market exposure by selling the Redwheel Global Emerging Markets fund and buying the Pacific North of South Emerging Market All Cap Equity fund. In Japan we began by switching our holding in the Sparx Sustainable Japan fund for a passive tracker following the manager departure; then in September we replaced the tracker with a new core equity holding in the form of the M&G Japan fund. Finally we sold the Invenomic US Equity Long/Short fund from our alternatives allocation following a meeting with the manager that changed our level of conviction in the holding.

Our outlook remains unchanged from the last reporting period. There are still many signals that point to the likelihood of an economic downturn in the developed world over the next year, and yet one has not materialised at this point. Some areas of the stock market continue to outperform, but also appear historically expensive. As a result we favour sticking closely to our long term asset allocation, and relying on good active managers at an individual holding level to deliver outperformance. Our decision to be cautious of China has been positive, and we remain cautious in this area, whilst becoming more positive on Japan; particularly as the market often outperforms in an economic downturn.

Fund Performance

Performance for the Managed Growth Fund over the last five years.

| | 6 months to 30/9/2023 | Year to 30/9/2023 | Year to 30/9/2022 | Year to 30/9/2021 | Year to 30/9/2020 | Year to 30/9/2019 |
|------------------------------------|--------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Managed Growth Fund X Accumulation | 1.1% | 5.0% | (13.4%) | 17.8% | 7.5% | 2.5% |
| IA Flexible Investment Sector | 0.1% | 4.3% | (9.2%) | 18.3% | 0.9% | 3.2% |

Source: Produced by CAM (UK) Ltd using Financial Express.

The percentage growth in prices is calculated using the published dealing price of units in the X Accumulation unit class (which may include a dilution adjustment to the mid-market value) in sterling with net revenue re-invested.

Investment Report

continued

Fund Performance continued

Units are priced on a single mid-market basis.

Risk and Reward Profile

The Managed Growth Fund currently has one type of unit class in issue; X Accumulation. The risk and reward profile is as follows:

Synthetic Risk and Reward Indicator ("SRRI")

| | | | | | | |
|---|---|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
|---|---|---|---|---|---|---|

lower risks/
rewards

higher risks/
rewards

The Managed Growth Fund is ranked at 5 because funds of this type have experienced medium to high rises and falls in value in the past.

The SRRI table demonstrates where the Managed Growth Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data (the past 5 years), may change over time and may not be a reliable indication of the future risk profile of the Managed Growth Fund.

Past performance is not a reliable guide to future performance.

The lowest category does not mean risk free.

The rating does not reflect the possible effects of unusual market conditions or large unpredictable events.

There have been no changes to the risk rating this period.

Investing in the Managed Growth Fund carries the following risks:

Currency risk: The Managed Growth Fund invests in overseas assets, denominated in currencies other than Sterling. Changes in exchange rates may have a negative impact on the value of your investment.

Default risk: The Managed Growth Fund may invest in bonds which provide a fixed or variable return and which are a form of loan, the value of which depends on the issuer being able to make its payments. There is a risk that the issuer will fail to do so. Although the Managed Growth Fund generally invests in bonds with high ratings, a high rating does not guarantee an issuer's ability to pay.

Emerging Markets risk: The Managed Growth Fund may invest in emerging markets which can involve a higher element of risk due to less well regulated markets and the potential for political and economic instability.

Focus risk: The Managed Growth Fund's value may fall where it has concentrated exposure to an issuer or type of security that is heavily affected by an adverse event.

Funds of funds - Liquidity risk: The Managed Growth Fund invests in other funds and its liquidity depends upon the liquidity of those underlying funds. If underlying funds suspend or defer the payment of redemption proceeds, the Managed Growth Fund's ability to meet redemption requests may also be affected.

Investment risk: The Managed Growth Fund invests in equities and bonds globally. Share prices can rise or fall due to a number of factors affecting global stock markets.

Liquidity risk: In extreme market conditions, some securities held by the Managed Growth Fund may become hard to value or sell. In these circumstances, performance may be affected and redemptions in the fund may need to be deferred or the fund suspended for a period of time.

Management risk: Investment management techniques that have worked well in normal market conditions could prove ineffective or detrimental at other times.

A more comprehensive list of the Managed Growth Fund's risks are contained in the "Risk Factors" section of the Prospectus.

Collective Investment Schemes

Collective Investment Schemes

The Managed Growth Fund invests a proportion of its assets in other Collective Investment Schemes. Please refer to the portfolio statement for details of the Collective Investment Schemes that are held at the balance sheet date.

The charges incurred by the Managed Growth Fund as a result of its investments in other Collective Investment Schemes as expressed as a percentage of net assets at the balance sheet date are 0.58% (31/3/2023 - 0.58%).

Following changes to disclosure requirements; Closed-Ended funds are now included in the calculation of the synthetic element of the operating charge.

Performance record

Net asset value

| Accounting Date | Total Net Asset Value £'000 | Net Asset Value per Unit (p) | Number of Units in issue |
|-----------------------------|--------------------------------|---------------------------------|-----------------------------|
| 30/9/2023 X Accumulation | 102,403 | 311.97 | 32,825,017 |
| 31/3/2023 X Accumulation | 101,373 | 307.58 | 32,958,481 |
| 31/3/2022 X Accumulation | 98,600 | 326.30 | 30,217,947 |
| 31/3/2021 X Accumulation | 84,211 | 318.36 | 26,451,458 |

Operating charges figure

| Period to 30/9/2023 | Year to 31/3/2023 |
|----------------------|----------------------|
| X Accumulation 1.08% | X Accumulation 1.08% |

The operating charges figure (OCF) represents the annual operating expenses of the Fund, the Fund Management Fee ("FMF"), expressed as a percentage of average net assets for the period/year - it does not include initial charges or performance fees.

Portfolio statement

as at 30 September 2023

| Holding | Investment | Market Value GBP £'000 | Percentage of Net Assets % |
|--|--|------------------------------|-------------------------------------|
| EQUITIES - 83.03% (31/3/2023 - 77.01%) | | | |
| United Kingdom - 19.47% (31/3/2023 - 19.53%) | | | |
| 373,500 | Baillie Gifford UK & Balanced Funds ICVC - UK Equity Alpha Fund | 2,359 | 2.30 |
| 589,689 | iShares Core FTSE 100 UCITS ETF | 4,377 | 4.28 |
| 4,000,000 | JO Hambro Capital Management UK Umbrella Fund - UK Dynamic Fund | 4,144 | 4.05 |
| 790,852 | Liontrust Special Situations Fund | 3,588 | 3.50 |
| 3,986,000 | Schroder Recovery Fund | 3,541 | 3.46 |
| 570,000 | Seraphim Space Investment Trust | 245 | 0.24 |
| 1,464,000 | Thesis - TM Tellworth UK Smaller Companies Fund | 1,683 | 1.64 |
| | | 19,937 | 19.47 |
| Europe - 16.95% (31/3/2023 - 10.90%) | | | |
| 19,500 | Berenberg Europe EX UK Focus Fund | 1,368 | 1.33 |
| 658,000 | Chrysalis Investments | 409 | 0.40 |
| 3,217,800 | ES Alliancebernstein Europe Ex UK Equity Fund | 4,164 | 4.07 |
| 795,000 | ES River & Mercantile Funds ICVC-ES River & Mercantile European Fund | 2,100 | 2.05 |
| 4,779,716 | HSBC Sterling Liquidity Fund | 4,780 | 4.67 |
| 2,360,000 | Liontrust European Dynamic Fund | 2,344 | 2.29 |
| 2,247,210 | MI Chelverton Equity Fund-MI Chelverton European Select Fund | 2,193 | 2.14 |
| | | 17,358 | 16.95 |
| Asia Pacific (ex Japan) - 7.52% (31/3/2023 - 8.79%) | | | |
| 1,574,896 | Invesco Far Eastern Investments - Invesco Asian Fund UK | 3,095 | 3.02 |
| 1,250,000 | Ninety One Asia Pacific Franchise Fund J Acc GBP | 1,197 | 1.17 |
| 8,603 | Schroder ISF Asian Total Return | 3,405 | 3.33 |
| | | 7,697 | 7.52 |
| Japan - 2.93% (31/3/2023 - 2.38%) | | | |
| 2,000,000 | M&G Investment Funds 1 - Japan Class PP GBP Acc | 3,002 | 2.93 |
| North America - 24.98% (31/3/2023 - 24.47%) | | | |
| 294,680 | Baillie Gifford Overseas Growth Funds ICVC - American Fund | 3,265 | 3.19 |
| 245,649 | Brown Advisory US Flexible Equity Fund | 5,442 | 5.31 |
| 82,940 | Lyxor Nasdaq-100 UCITS ETF | 4,034 | 3.94 |
| 979,000 | Premier Miton US Opportunities Fund | 3,704 | 3.62 |

Portfolio statement

continued

| Holding | Investment | Market Value GBP £'000 | Percentage of Net Assets % |
|---|--|------------------------------|-------------------------------------|
| North America continued | | | |
| 287,297 | Threadneedle Lux - US Disciplined Core Equities | 4,200 | 4.10 |
| 73,758 | Vanguard S&P 500 UCITS ETF | 4,937 | 4.82 |
| | | 25,582 | 24.98 |
| Emerging Markets - 3.07% (31/3/2023 - 2.57%) | | | |
| 230,000 | Pacific Capital UCITS Funds-Pacific North of South EM All Cap Equity | 3,150 | 3.07 |
| Global - 8.11% (31/3/2023 - 8.37%) | | | |
| 185,342 | Brown Advisory Global Leaders Fund | 3,284 | 3.21 |
| 1,221,000 | ES River and Mercantile Global Recovery Fund | 3,514 | 3.43 |
| 224,914 | Scottish Mortgage Investment Trust | 1,505 | 1.47 |
| | | 8,303 | 8.11 |
| FIXED INTEREST - 7.50% (31/3/2023 - 10.04%) | | | |
| United Kingdom Gilts & Corporate Bonds - 5.99% (31/3/2023 - 5.77%) | | | |
| 2,025,000 | Artemis Corporate Bond Fund | 1,749 | 1.71 |
| 1,001,522 | BlackRock Sustainable Sterling Strategic Bond Fund | 1,015 | 0.99 |
| 140,819 | Fidelity Investment Funds - Short Dated Corporate Bond Fund | 1,151 | 1.12 |
| 19,800 | Lyxor Core UK Government Bond DR UCITS ETF | 1,976 | 1.93 |
| 6,500 | SPDR Bloomberg Barclays 15+ Year Gilt UCITS ETF | 242 | 0.24 |
| | | 6,133 | 5.99 |
| Dynamic Bonds - 1.51% (31/3/2023 - 1.67%) | | | |
| 1,517,377 | Janus Henderson Strategic Bond Fund | 1,543 | 1.51 |
| Non Equity Investment Instruments - 0.00% (31/3/2023 - 2.60%) | | | |
| ALTERNATIVE - 11.12% (31/3/2023 - 10.55%) | | | |
| 367,591 | BBGI Global Infrastructure | 488 | 0.48 |
| 1,580,000 | FTF Clearbridge Global Infrastructure Income Fund | 1,806 | 1.77 |
| 391,927 | GCP Infrastructure Investments | 265 | 0.26 |
| 397,749 | Hicl Infrastructure | 493 | 0.48 |
| 380,000 | International Public Partnerships | 471 | 0.46 |
| 7,418 | Invesco Physical Gold ETC | 1,088 | 1.06 |
| 8,230 | Kepler Liquid Strategies Niederhoffer Smart Alpha UCITS | 798 | 0.78 |
| 7,187 | Lumyna - Sandbar Global Equity Market Neutral UCITS Fund | 659 | 0.64 |
| 334,800 | Pantheon Infrastructure | 255 | 0.25 |
| 510,230 | Renewables Infrastructure | 544 | 0.53 |

Portfolio statement

continued

| Holding | Investment | Market Value GBP £'000 | Percentage of Net Assets % |
|-----------|-------------------------------------|------------------------------|-------------------------------------|
| | ALTERNATIVE continued | | |
| 1,350,000 | Round Hill Music Royalty | 1,250 | 1.22 |
| 72,000 | Royal Mint Physical Gold ETC | 1,085 | 1.06 |
| 25,600 | UBS ETF CMCI Composite SF UCITS ETF | 2,183 | 2.13 |
| | | 11,385 | 11.12 |
| | Portfolio of investments | 104,090 | 101.65 |
| | Net other liabilities | (1,687) | (1.65) |
| | Total net assets | 102,403 | 100.00 |

All securities are approved securities which are listed on an official stock exchange and/or traded on regulated markets, unless otherwise stated.

Financial statements

Statement of total return

for the period ended 30 September 2023

| | GBP £'000 | Period to 30/9/2023 GBP £'000 | GBP £'000 | Period to 30/9/2022 GBP £'000 |
|--|--------------|--|--------------|--|
| Income | | | | |
| Net capital gains/(losses) | | 869 | | (10,907) |
| Revenue | 810 | | 712 | |
| Expenses | (254) | | (234) | |
| Interest payable and similar charges | – | | – | |
| Net revenue before taxation for the period | 556 | | 478 | |
| Taxation | – | | – | |
| Net revenue after taxation for the period | | 556 | | 478 |
| Total return before distributions | | 1,425 | | (10,429) |
| Distributions | | (556) | | (478) |
| Change in net assets attributable to unitholders from investment activities | | 869 | | (10,907) |

Statement of change in net assets attributable to unitholders

for the period ended 30 September 2023

| | GBP £'000 | Period to 30/9/2023 GBP £'000 | GBP £'000 | Period to 30/9/2022 GBP £'000 |
|---|--------------|--|--------------|--|
| Opening net assets attributable to unitholders | | 101,373 | | 98,600 |
| Amounts received on creation of units | 9,177 | | 6,399 | |
| Amounts paid on cancellation of units | (9,572) | | (4,312) | |
| | | (395) | | 2,087 |
| Change in net assets attributable to unitholders from investment activities | | 869 | | (10,907) |
| Retained distribution on accumulation units | | 556 | | 486 |
| Closing net assets attributable to unitholders | | 102,403 | | 90,266 |

The difference between the current period opening net assets attributable to unitholders and the closing net assets attributable to unitholders at the end of the comparative period is the movement in the second half of the year.

Financial statements

continued

Balance sheet

as at 30 September 2023

| | GBP £'000 | As at 30/9/2023 GBP £'000 | GBP £'000 | As at 31/3/2023 GBP £'000 |
|---|--------------|------------------------------------|--------------|------------------------------------|
| ASSETS | | | | |
| Fixed assets | | | | |
| Investments | | 104,090 | | 98,943 |
| Current assets | | | | |
| Debtors | 300 | | 777 | |
| Cash and bank balances | 16 | | 1,896 | |
| Total other assets | | 316 | | 2,673 |
| Total assets | | 104,406 | | 101,616 |
| LIABILITIES | | | | |
| Creditors | | | | |
| Bank overdrafts | (532) | | – | |
| Other creditors | (1,471) | | (243) | |
| Total other liabilities | | (2,003) | | (243) |
| Total liabilities | | (2,003) | | (243) |
| Net assets attributable to unitholders | | 102,403 | | 101,373 |

Distribution table

For the period ended 30 September 2023

Interim dividend distribution in pence per unit

Group 1: units purchased prior to 1 April 2023

Group 2: units purchased between 1 April 2023 and 30 September 2023

| | Net Revenue per Unit | Equalisation per Unit | Distribution Payable per Unit on 30/11/2023 | Distribution Paid per Unit on 30/11/2022 |
|----------------|----------------------|-----------------------|---|--|
| X Accumulation | | | | |
| Group 1 | 1.6947 | – | 1.6947 | 1.5714 |
| Group 2 | 0.7480 | 0.9467 | 1.6947 | 1.5714 |

Equalisation

This applies only to units purchased during the distribution period (Group 2 units). It is the average amount of revenue included in the purchase price of all Group 2 units and is refunded to the holders of these units as a return of capital; being capital it is not liable to Income tax but must be deducted from the cost of units for Capital Gains tax purposes.

Close Sustainable Select Fixed Income Fund (Formerly Close Select Fixed Income Fund)

For the period ended 30 September 2023

Fund objective and policy

The investment objective of the Close Sustainable Select Fixed Income Fund (Formerly Close Select Fixed Income Fund) ("the Sustainable Select Fund") is to generate income while maintaining its capital value over the medium term (i.e. more than 5 years). The Fund also seeks to maintain a weighted average carbon intensity (tonnes of Scope 1 and 2 CO₂e per US\$m of revenue) below a benchmark of the ICE Bofa Global Corporate Index, targeting a level 50% below this benchmark by 2030 from 2019 baseline, and net zero by emissions by 2050.

The Sustainable Select Fund has a focus on income producing assets and will hold at least 80% of its portfolio in sterling denominated (or hedged back to sterling) fixed interest securities (mainly corporate bonds, although the Fund may also hold government bonds) and deposits (including money market instruments).

The Investment Adviser operates a selective strategy meaning that it has discretion to pick the most appropriate holdings from a wide range of fixed income securities across different sectors, rather than being constrained by sector. Consequently, the Sustainable Select Fund may at any one time hold a relatively small number of stocks as chosen by the Manager from a wide range of fixed income securities across different sectors.

The fixed interest securities in which the Sustainable Select Fund invests may be investment grade, sub-investment grade or unrated. Investment grade securities for the purposes of this Sustainable Select Fund are those which are rated at least BBB- (or equivalent) by a single rating agency at the time of purchase.

The Fund uses a sustainable investment process to ensure that it is invested in a way that contributes to reducing greenhouse gas emissions. The investment universe is identified by the Investment Adviser using both quantitative and qualitative assessments.

Firstly, the Investment Adviser applies a quantitative screening process to exclude companies that derive more than 10% of their annual revenues from activities related to thermal coal. The Investment Adviser then applies its qualitative assessment in order to identify and select companies considered by the Investment Adviser as having operations and/or business models that aim to minimise their harmful effects on society and the environment. As part of this assessment, the Investment Adviser also considers whether companies follow good governance practices (e.g. with respect to sound management and company board, corporate culture, capital allocation and remuneration policies).

There may be occasions where the Investment Adviser considers that it is prudent, given market conditions, to maintain higher levels of liquidity in the Sustainable Select Fund. In such circumstances, the Investment Adviser may hold up to 20% of the Sustainable Select Fund in cash.

In order to gain indirect exposure to fixed interest securities and deposits (including money market instruments), the Sustainable Select Fund may also invest in collective investment schemes (which may include schemes managed by the Manager or an affiliate of the Manager) and closed-ended funds. The Sustainable Select Fund may also invest in international non-Sterling fixed income securities.

The Sustainable Select Fund may use derivatives for efficient portfolio management.

Investment Report

Market commentary

Fund Performance

The Sustainable Select Fixed Income fund (X Accumulation share class) returned +1.9% in the 6 months to 30th September 2023. Over the same time period, the IA Strategic Bond sector returned -0.6%.

The Sustainable Select Fixed Income Fund has therefore outperformed the IA sector by +2.5% over the last 6 months, and is a 1st or 2nd Quartile fund on a year to date, 1yr, 3yr and 5yr basis (versus the IA sector).

Macro Backdrop

Newsflow in September was dominated by concerns over rising oil prices; the narrowly-averted US Government shutdown; and Central Bank meetings.

The Bank of England held the policy rate at 5.25% on 21st September, and increased the Quantitative Tightening programme ("QT") to GBP 100bn / year (from GBP 80bn). Futures markets do not expect any rate hikes or cuts over the next 12 months, but remain volatile on a day-to-day basis.

The Federal Reserve held the policy rate at 5.50% on 20th September, and maintained the QT programme at USD 95bn / month. Futures markets expect 1 - 2 rate cuts over the next 12-months, though again remain volatile.

The European Central Bank raised rates by +0.25% on 14th September, and maintained the QT programme at EUR 25bn / month. The Depo Rate increased to 4.00% (from 3.75%); and the Refi Rate increased to 4.50% (from 4.25%). Futures markets expect 1-2 rate cuts over the next 12 months.

In the UK, the Composite Purchasing Managers Index (PMI) data weakened to 46.8 (Aug-23 = 48.6), while consensus 2023 GDP growth forecasts improved to +0.4% (Aug-23 = +0.3%). CPI inflation declined to +6.7% in Aug-23 (Jul-23 = +6.8%), as core inflation (i.e. excluding volatile energy and food prices) declined to +6.2%. Forecasts indicate inflation will continue to decline to c. +2.8% in Q2 2024. Unemployment increased for the third consecutive month to 4.3%.

In the US, Composite PMI data weakened to 50.1 (Aug-23 = 50.2), while consensus 2023 GDP growth forecasts improved to +2.1% (Aug-23 = +2.0%). US CPI inflation increased to +3.7% in Aug-23 (Jul-23 = 3.2%) – though forecasts indicate inflation will decline to c. +2.7% in Q2 2024. Unemployment remained stable at 3.8%.

In the Eurozone, Composite PMI data improved slightly to 47.1 (Aug-23 = 46.7), while consensus 2023 GDP growth forecasts weakened to +0.5% (Aug-23 = +0.6%). Eurozone inflation declined to +4.3% (Aug-23 = +5.2%), and forecasts indicate inflation will decline to +2.9% by Q2 2024, albeit forecasts are volatile given ongoing concerns over Russian gas supplies. Unemployment was stable at 6.4%.

Portfolio Activity

On the portfolio construction side, the yield-to-call is 8.0%; duration is 4.8 years; the average rating of the fund is BBB+; cash levels are 2%; and the unrated portion of the fund is 4%.

Outlook & Strategy

Sovereign bond yields are volatile and reactive to macro data – and offer fair value in the UK, US and Eurozone.

Sterling Investment Grade bonds are Fair Value versus all historical timeframes, with sterling 'BBB' credit spreads at 197bps, versus their 5yr average of 190bps; 10yr average of 186bps; and 20yr average of 217bps.

Sterling High Yield spreads are Fair Value versus all historical timeframes, with 'BB' spreads at 383bps (5yr average = 379bps; 10yr average = 348bps; 20yr average = 429bps).

In order to ensure capital preservation and deliver a good level of monthly income, we continue to seek out the best risk/reward ideas across investment grade, high yield and unrated sectors. We maintain our focus on stock selection reinforced by in-depth credit research.

Fund Performance

Performance for the Sustainable Select Fund over the last five years.

| | 6 months to 30/9/2023 | Year to 30/9/2023 | Year to 30/9/2022 | Year to 30/9/2021 | Year to 30/9/2020 | Year to 30/9/2019 |
|-----------------------------------|--------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Sustainable Select Fund X Income* | 1.9% | 9.5% | (14.2%) | 8.7% | 2.8% | 5.3% |

Investment Report

continued

Fund Performance continued

| | 6 months to 30/9/2023 | Year to 30/9/2023 | Year to 30/9/2022 | Year to 30/9/2021 | Year to 30/9/2020 | Year to 30/9/2019 |
|-------------------------------------|--------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| IA Sterling Strategic Bond Sector** | (0.6%) | 4.9% | (14.5%) | 4.6% | 3.6% | 7.1% |

Source: Produced by CAM (UK) Ltd using Financial Express.

*The above performance data relates to the X Accumulation unit class as there is now 5 year's full history. Previously, performance was referenced to the X Income class. Over the period now under review the performance differences between these two unit classes were negligible.

**The Fund became a constituent of the sector on 16 November 2017.

The percentage growth in prices is calculated using the published dealing price of units in the X Income unit class (which may include a dilution adjustment to the mid-market value) in sterling with net revenue re-invested.

Units are priced on a single mid-market basis.

Risk and Reward Profile

The Sustainable Select Fund currently has three types of unit class in issue; I Income, X Income, and X Accumulation. Each type of unit class has the same risk and reward profile which is as follows:

Synthetic Risk and Reward Indicator ("SRRI")

| | | | | | | |
|-------------------------|---|---|---|--------------------------|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| lower risks/ rewards | | | | higher risks/ rewards | | |

The Sustainable Select Fund is ranked at 4 because funds of this type have experienced average rises and falls in value in the past.

The SRRI table demonstrates where the Sustainable Select Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data (the past 5 years), may change over time and may not be a reliable indication of the future risk profile of the Sustainable Select Fund.

Past performance is not a reliable guide to future performance.

The lowest category does not mean risk free.

The rating does not reflect the possible effects of unusual market conditions or large unpredictable events.

There have been no changes to the risk rating this period.

The SRRI conforms to the ESMA guidelines regarding its calculation.

Investing in the Sustainable Select Fund carries the following risks:

Counterparty risk: The Sustainable Select Fund could lose money if a counterparty with which it transacts becomes unwilling or unable to meet its obligations to the Sustainable Select Fund.

Currency risk: The Sustainable Select Fund invests in overseas assets, denominated in currencies other than Sterling. The Manager aims to remove some of the impact of changes in some exchange rates by hedging, a currency transaction which may protect against such movements. While the Sustainable Select Fund operates portfolio hedging to reduce this risk, it may not always be fully effective.

Default risk: The Sustainable Select Fund may invest in bonds which provide a fixed or variable return and which are a form of loan, the value of which depends on the issuer being able to make its payments. There is a risk that the issuer will fail to do so. Although the Sustainable Select Fund generally invests in bonds with high ratings, a high rating does not guarantee an issuer's ability to pay.

Derivatives risk: The Sustainable Select Fund uses derivatives for efficient portfolio management purposes only (currency hedging). Using derivatives can involve a higher level of risk. A small movement in the price of an underlying investment may result in disproportionately large movements in the price of the derivative instrument.

Focus risk: The Sustainable Select Fund's value may fall where it has concentrated exposure to an issuer or type of security that is heavily affected by an adverse event.

Investment risk: The Sustainable Select Fund invests in equities and bonds globally. Share prices can rise or fall due to a number of factors affecting global stock markets.

Liquidity risk: In extreme market conditions, some securities held by the Fund may become hard to value or sell. In these circumstances, performance may be affected and redemptions in the fund may need to be deferred or the fund suspended for a period of time.

Investment Report

continued

Risk and Reward Profile continued

Management risk: Investment management techniques that have worked well in normal market conditions could prove ineffective or detrimental at other times.

A more comprehensive list of the Sustainable Select Fund's risks are contained in the "Risk Factors" section of the Prospectus.

Performance record

Net asset value

| Accounting Date | Total Net Asset Value £'000 | Net Asset Value per Unit (p) | Number of Units in issue |
|-----------------|--------------------------------|---------------------------------|-----------------------------|
| 30/9/2023 | | | |
| I Income | 130,853 | 90.49 | 144,608,506 |
| X Income | 184,150 | 90.43 | 203,633,965 |
| X Accumulation | 162,144 | 109.98 | 147,426,232 |
| 31/3/2023 | | | |
| I Income | 114,153 | 91.24 | 125,114,312 |
| X Income | 165,322 | 91.18 | 181,308,512 |
| X Accumulation | 125,144 | 108.12 | 115,747,885 |
| 31/3/2022 | | | |
| I Income | 52,243 | 99.62 | 52,440,388 |
| X Income | 82,559 | 99.56 | 82,922,137 |
| X Accumulation | 26,951 | 112.50 | 23,956,603 |
| 31/3/2021 | | | |
| I Income | 76,790 | 104.55 | 73,446,738 |
| X Income | 70,317 | 104.48 | 67,299,664 |
| X Accumulation | 18,723 | 113.79 | 16,454,027 |

Operating charges figure

| Period to 30/9/2023 | | Year to 31/3/2023 | |
|---------------------|--------|-------------------|-------|
| I Income | 0.13% | I Income | 0.13% |
| X Income | 0.45%* | X Income | 0.48% |
| X Accumulation | 0.48% | X Accumulation | 0.48% |

*Effective 31/01/2023 the fund management fee has been reduced from 0.48% to 0.45% for X Inc share class.

The operating charges figure (OCF) represents the annual operating expenses of the Fund, the Fund Management Fee ("FMF"), expressed as a percentage of average net assets for the period/year - it does not include initial charges or performance fees.

Portfolio statement

as at 30 September 2023

| Holding/ Nominal Value | Investment | Market Value GBP £'000 | Percentage of Net Assets % |
|--|---|---------------------------------|-------------------------------------|
| BONDS - 98.30% (31/3/2023 - 97.34%) | | | |
| Sterling Denominated Fixed Rate Corporate Bonds - 37.58% (31/3/2023 - 49.97%) | | | |
| £7,470,000 | abrdrn 5.25% Perpetual | 6,088 | 1.28 |
| £500,000 | Admiral 5.5% 25/7/2024 | 496 | 0.10 |
| £2,500,000 | Admiral 8.5% 6/1/2034 | 2,531 | 0.53 |
| £6,000,000 | Barclays 8.407% 14/11/2032 | 6,109 | 1.28 |
| £5,000,000 | Barclays 8.875% Perpetual | 4,625 | 0.97 |
| £10,906,000 | Bupa Finance 4% Perpetual | 6,625 | 1.39 |
| £5,820,000 | Bupa Finance 4.125% 14/6/2035 | 4,285 | 0.90 |
| £8,800,000 | Co-operative 7.5% 8/7/2026 | 8,379 | 1.76 |
| £3,800,750 | Co-operative 11% 22/12/2025 | 4,006 | 0.84 |
| £20,000,000 | Ford Motor Credit 6.86% 5/6/2026 | 19,664 | 4.12 |
| £5,379,000 | Hiscox 6.125% 24/11/2045 | 5,195 | 1.09 |
| £13,400,000 | HSBC 8.201% 16/11/2034 | 13,831 | 2.90 |
| £2,000,000 | Jupiter Fund Management 8.875% 27/7/2030 | 1,981 | 0.41 |
| £12,438,000 | Just 5% Perpetual | 7,962 | 1.67 |
| £5,059,000 | Just 9% 26/10/2026 | 5,310 | 1.11 |
| £11,000,000 | Lloyds Banking 6.625% 2/6/2033 | 10,650 | 2.23 |
| £1,700,000 | Nationwide Building Society 5.75% Perpetual | 1,445 | 0.30 |
| £14,500,000 | NatWest 7.416% 6/6/2033 | 14,377 | 3.01 |
| £10,754,000 | Paragon Banking 4.375% 25/9/2031 | 8,761 | 1.84 |
| £3,300,000 | Pension Insurance 4.625% 7/5/2031 | 2,725 | 0.57 |
| £4,200,000 | Pension Insurance 7.375% Perpetual | 3,659 | 0.77 |
| £5,186,000 | Phoenix 5.625% 28/4/2031 | 4,559 | 0.96 |
| £1,500,000 | Phoenix 5.75% Perpetual | 1,173 | 0.25 |
| £1,500,000 | Phoenix 5.867% 13/6/2029 | 1,386 | 0.29 |
| £6,150,000 | Rothesay Life 6.875% Perpetual | 5,124 | 1.07 |
| £7,000,000 | Rothesay Life 7.734% 16/5/2033 | 6,795 | 1.42 |
| £4,200,000 | Society of Lloyd's 4.875% 7/2/2047 | 3,905 | 0.82 |
| £7,200,000 | Travis Perkins 3.75% 17/2/2026 | 6,547 | 1.37 |
| £11,850,000 | Virgin Money UK 5.125% 11/12/2030 | 11,133 | 2.33 |
| | | 179,326 | 37.58 |

Portfolio statement

continued

| Holding/ Nominal Value | Investment | Market Value GBP £'000 | Percentage of Net Assets % |
|---|---|---------------------------------|-------------------------------------|
| Sterling Denominated Fixed Rate Government Bonds - 11.25% (31/3/2023 - 4.13%) | | | |
| £46,000,000 | United Kingdom Gilt 1.125% 31/1/2039 | 27,999 | 5.87 |
| £36,500,000 | United Kingdom Gilt 1.75% 7/9/2037 | 25,651 | 5.38 |
| | | 53,650 | 11.25 |
| Sterling Denominated Floating Rate Corporate Bonds - 1.21% (31/3/2023 - 1.15%) | | | |
| £6,200,000 | Nationwide Building Society 5.875% FRN Perpetual | 5,805 | 1.21 |
| Euro Denominated Fixed Rate Corporate Bonds - 32.68% (31/3/2023 - 27.60%) | | | |
| €9,600,000 | Bank of Ireland 6.75% 1/3/2033 | 8,530 | 1.79 |
| €6,400,000 | Cooperatieve Rabobank UA 3.1% Perpetual | 4,178 | 0.88 |
| €22,700,000 | EDP - Energias de Portugal 1.5% 14/3/2082 | 16,664 | 3.49 |
| €23,200,000 | Enel 1.375% Perpetual | 16,515 | 3.46 |
| €16,400,000 | Engie 1.5% Perpetual | 11,665 | 2.45 |
| €11,000,000 | Iberdrola International 1.45% Perpetual | 8,254 | 1.73 |
| €9,700,000 | Iberdrola International 1.825% Perpetual | 6,500 | 1.36 |
| €12,000,000 | International Personal Finance 9.75% 12/11/2025 | 9,660 | 2.02 |
| €5,000,000 | Merck 1.625% 25/6/2079 | 4,147 | 0.87 |
| €19,500,000 | Orange 1.375% Perpetual | 13,490 | 2.83 |
| €19,500,000 | Pershing Square 1.375% 1/10/2027 | 14,321 | 3.00 |
| €6,300,000 | Swiss Re Finance UK 2.714% 4/6/2052 | 4,360 | 0.91 |
| €12,500,000 | Trafigura Pte 7.5% Perpetual | 10,916 | 2.29 |
| €16,000,000 | Vodafone 2.625% 27/8/2080 | 12,630 | 2.65 |
| €19,700,000 | Volkswagen International Finance 3.875% Perpetual | 14,077 | 2.95 |
| | | 155,907 | 32.68 |
| United States Dollar Denominated Fixed Rate Corporate Bonds - 11.64% (31/3/2023 - 9.00%) | | | |
| \$10,550,000 | Beazley Insurance DAC 5.5% 10/9/2029 | 7,606 | 1.59 |
| \$2,650,000 | Beazley Insurance DAC 5.875% 4/11/2026 | 2,072 | 0.44 |
| \$16,750,000 | Perenti Finance Pty 6.5% 7/10/2025 | 13,415 | 2.81 |
| \$2,400,000 | Pershing Square 3.25% 15/11/2030 | 1,494 | 0.31 |
| \$17,174,000 | Phoenix 5.625% Perpetual | 12,593 | 2.64 |
| \$12,716,000 | Trafigura Pte 5.875% Perpetual | 9,130 | 1.91 |
| \$13,800,000 | UBS 3.875% Perpetual | 9,234 | 1.94 |
| | | 55,544 | 11.64 |
| United States Dollar Denominated Fixed Rate Government Bonds - 3.75% (31/3/2023 - 4.13%) | | | |
| \$38,000,000 | United States Treasury Note 1.125% 15/5/2040 | 17,878 | 3.75 |

Portfolio statement

continued

| Holding/ Nominal Value | Investment | Market Value GBP £'000 | Percentage of Net Assets % |
|------------------------------|---|---------------------------------|-------------------------------------|
| | United States Dollar Denominated Floating Rate Corporate Bonds - 0.19% (31/3/2023 - 1.36%) | | |
| \$1,500,000 | Zurich Finance Ireland Designated Activity 3% FRN 19/4/2051 | 937 | 0.19 |
| | DERIVATIVES* - (0.72%) (31/3/2023 - 0.73%) | | |
| | Open Forward Currency Contracts - (0.72%) (31/3/2023 - 0.73%) | | |
| £150,384,433 | Bought GBP 150,384,433 : Sold EUR 175,149,309 | (1,603) | (0.34) |
| £69,793,064 | Bought GBP 69,793,064 : Sold USD 87,432,295 | (1,836) | (0.38) |
| | | (3,439) | (0.72) |
| | Portfolio of investments | 465,608 | 97.58 |
| | Net other assets | 11,539 | 2.42 |
| | Total net assets | 477,147 | 100.00 |

All securities are approved securities which are listed on an official stock exchange and/or traded on regulated markets, unless otherwise stated.

*The costs associated with derivatives for the year were £41,514.

Financial statements

Statement of total return

for the period ended 30 September 2023

| | GBP £'000 | Period to 30/9/2023 GBP £'000 | GBP £'000 | Period to 30/9/2022 GBP £'000 |
|--|--------------|--|--------------|--|
| Income | | | | |
| Net capital losses | | (4,318) | | (23,134) |
| Revenue | 12,507 | | 4,164 | |
| Expenses | (838) | | (295) | |
| Interest payable and similar charges | (1) | | (2) | |
| Net revenue before taxation for the period | 11,668 | | 3,867 | |
| Taxation | (25) | | (20) | |
| Net revenue after taxation for the period | | 11,643 | | 3,847 |
| Total return before distributions | | 7,325 | | (19,287) |
| Distributions | | (11,643) | | (3,847) |
| Change in net assets attributable to unitholders from investment activities | | (4,318) | | (23,134) |

Statement of change in net assets attributable to unitholders

for the period ended 30 September 2023

| | GBP £'000 | Period to 30/9/2023 GBP £'000 | GBP £'000 | Period to 30/9/2022 GBP £'000 |
|---|--------------|--|--------------|--|
| Opening net assets attributable to unitholders | | 404,619 | | 161,753 |
| Amounts received on creation of units | 111,362 | | 40,787 | |
| Amounts paid on cancellation of units | (38,436) | | (14,715) | |
| | | 72,926 | | 26,072 |
| Dilution adjustment | | 99 | | 53 |
| Change in net assets attributable to unitholders from investment activities | | (4,318) | | (23,134) |
| Retained distribution on accumulation units | | 3,821 | | 657 |
| Closing net assets attributable to unitholders | | 477,147 | | 165,401 |

The difference between the current period opening net assets attributable to unitholders and the closing net assets attributable to unitholders at the end of the comparative period is the movement in the second half of the year.

Financial statements

continued

Balance sheet

as at 30 September 2023

| | GBP £'000 | As at 30/9/2023 GBP £'000 | GBP £'000 | As at 31/3/2023 GBP £'000 |
|---|--------------|------------------------------------|--------------|------------------------------------|
| ASSETS | | | | |
| Fixed assets | | | | |
| Investments | | 469,047 | | 396,847 |
| Current assets | | | | |
| Debtors | 10,062 | | 41,598 | |
| Cash and bank balances | 4,076 | | 5,081 | |
| Total other assets | | 14,138 | | 46,679 |
| Total assets | | 483,185 | | 443,526 |
| LIABILITIES | | | | |
| Investment liabilities | | (3,439) | | (32) |
| Creditors | | | | |
| Distribution payable | (1,399) | | (1,296) | |
| Other creditors | (1,200) | | (37,579) | |
| Total other liabilities | | (2,599) | | (38,875) |
| Total liabilities | | (6,038) | | (38,907) |
| Net assets attributable to unitholders | | 477,147 | | 404,619 |

Distribution tables

For the period ended 30 September 2023

6th Interim interest distribution in pence per unit

Group 1: units purchased prior to 1 September 2023

Group 2: units purchased between 1 September 2023 and 30 September 2023

| | Net Revenue per Unit | Equalisation per Unit | Distribution Payable per Unit on 31/10/2023 | Distribution Paid per Unit on 31/10/2022 |
|----------------|----------------------|-----------------------|---|--|
| I Income | | | | |
| Group 1 | 0.4158 | – | 0.4158 | 0.4062 |
| Group 2 | 0.2054 | 0.2104 | 0.4158 | 0.4062 |
| X Income | | | | |
| Group 1 | 0.3916 | – | 0.3916 | 0.3796 |
| Group 2 | 0.1959 | 0.1957 | 0.3916 | 0.3796 |
| X Accumulation | | | | |
| Group 1 | 0.4714 | – | 0.4714 | 0.4371 |
| Group 2 | 0.2478 | 0.2236 | 0.4714 | 0.4371 |

5th Interim interest distribution in pence per unit

Group 1: units purchased prior to 1 August 2023

Group 2: units purchased between 1 August 2023 and 31 August 2023

| | Net Revenue per Unit | Equalisation per Unit | Distribution Paid per Unit on 30/9/2023 | Distribution Paid per Unit on 30/9/2022 |
|----------------|----------------------|-----------------------|---|---|
| I Income | | | | |
| Group 1 | 0.4140 | – | 0.4140 | 0.4196 |
| Group 2 | 0.2354 | 0.1786 | 0.4140 | 0.4196 |
| X Income | | | | |
| Group 1 | 0.3889 | – | 0.3889 | 0.3915 |
| Group 2 | 0.2168 | 0.1721 | 0.3889 | 0.3915 |
| X Accumulation | | | | |
| Group 1 | 0.4662 | – | 0.4662 | 0.4486 |
| Group 2 | 0.3106 | 0.1556 | 0.4662 | 0.4486 |

Distribution tables

continued

4th Interim interest distribution in pence per unit

Group 1: units purchased prior to 1 July 2023

Group 2: units purchased between 1 July 2023 and 31 July 2023

| | Net Revenue per Unit | Equalisation per Unit | Distribution Paid per Unit on 31/8/2023 | Distribution Paid per Unit on 31/8/2022 |
|----------------|----------------------|-----------------------|---|---|
| I Income | | | | |
| Group 1 | 0.4173 | – | 0.4173 | 0.3728 |
| Group 2 | 0.2350 | 0.1823 | 0.4173 | 0.3728 |
| X Income | | | | |
| Group 1 | 0.3922 | – | 0.3922 | 0.3447 |
| Group 2 | 0.1556 | 0.2366 | 0.3922 | 0.3447 |
| X Accumulation | | | | |
| Group 1 | 0.4681 | – | 0.4681 | 0.3937 |
| Group 2 | 0.3642 | 0.1039 | 0.4681 | 0.3937 |

3rd Interim interest distribution in pence per unit

Group 1: units purchased prior to 1 June 2023

Group 2: units purchased between 1 June 2023 and 30 June 2023

| | Net Revenue per Unit | Equalisation per Unit | Distribution Paid per Unit on 31/7/2023 | Distribution Paid per Unit on 31/7/2022 |
|----------------|----------------------|-----------------------|---|---|
| I Income | | | | |
| Group 1 | 0.4064 | – | 0.4064 | 0.4049 |
| Group 2 | 0.1902 | 0.2162 | 0.4064 | 0.4049 |
| X Income | | | | |
| Group 1 | 0.3822 | – | 0.3822 | 0.3772 |
| Group 2 | 0.2137 | 0.1685 | 0.3822 | 0.3772 |
| X Accumulation | | | | |
| Group 1 | 0.4542 | – | 0.4542 | 0.4292 |
| Group 2 | 0.2447 | 0.2095 | 0.4542 | 0.4292 |

Distribution tables

continued

2nd Interim interest distribution in pence per unit

Group 1: units purchased prior to 1 May 2023

Group 2: units purchased between 1 May 2023 and 31 May 2023

| | Net Revenue per Unit | Equalisation per Unit | Distribution Paid per Unit on 30/6/2023 | Distribution Paid per Unit on 30/6/2022 |
|----------------|----------------------|-----------------------|---|---|
| I Income | | | | |
| Group 1 | 0.4200 | – | 0.4200 | 0.3722 |
| Group 2 | 0.2360 | 0.1840 | 0.4200 | 0.3722 |
| X Income | | | | |
| Group 1 | 0.3948 | – | 0.3948 | 0.3429 |
| Group 2 | 0.2684 | 0.1264 | 0.3948 | 0.3429 |
| X Accumulation | | | | |
| Group 1 | 0.4671 | – | 0.4671 | 0.3888 |
| Group 2 | 0.2026 | 0.2645 | 0.4671 | 0.3888 |

1st Interim interest distribution in pence per unit

Group 1: units purchased prior to 1 April 2023

Group 2: units purchased between 1 April 2023 and 30 April 2023

| | Net Revenue per Unit | Equalisation per Unit | Distribution Paid per Unit on 31/5/2023 | Distribution Paid per Unit on 31/5/2022 |
|----------------|----------------------|-----------------------|---|---|
| I Income | | | | |
| Group 1 | 0.4123 | – | 0.4123 | 0.3887 |
| Group 2 | 0.1964 | 0.2159 | 0.4123 | 0.3887 |
| X Income | | | | |
| Group 1 | 0.3879 | – | 0.3879 | 0.3597 |
| Group 2 | 0.0894 | 0.2985 | 0.3879 | 0.3597 |
| X Accumulation | | | | |
| Group 1 | 0.4571 | – | 0.4571 | 0.4066 |
| Group 2 | 0.0805 | 0.3766 | 0.4571 | 0.4066 |

Equalisation

This applies only to units purchased during the distribution period (Group 2 units). It is the average amount of revenue included in the purchase price of all Group 2 units and is refunded to the holders of these units as a return of capital; being capital it is not liable to Income tax but must be deducted from the cost of units for Capital Gains tax purposes.

Close Tactical Select Passive Conservative Fund

For the period ended 30 September 2023

Fund objective and policy

The investment objective of the Close Tactical Select Passive Conservative Fund ("the Tactical Conservative Fund") is to deliver some capital growth with some income over the medium term (i.e. more than 5 years).

The Tactical Conservative Fund will hold at least 80% of its portfolio in a mixture of equities and fixed interest securities. As part of the "Tactical Select Passive" fund range, this means the Tactical Conservative Fund will achieve this exposure almost exclusively through a disciplined investment process and investment in passively managed collective investment schemes (which may include collective investment schemes managed by the Manager or by an affiliate of the Manager) and exchange traded funds.

The Tactical Conservative Fund is actively managed, with the Investment Adviser employing a strategic asset allocation model (developed in collaboration with an external provider) that is matched to a specific risk and volatility band. In addition to this, the Investment Adviser uses a disciplined investment process whereby it seeks to add value through its tactical asset allocation decisions, meaning short term adjustments to the asset mix to take advantage of market opportunities or reduce risk during periods of volatility. Accordingly, the allocation to particular asset classes may vary over time at the Investment Adviser's discretion as is consistent with a conservative risk and volatility level and in response to changing market conditions. However, the allocation to equities will remain within a 20-60% range, consistent with its risk/return profile.

The underlying equity component of the Tactical Conservative Fund may include equities of companies from anywhere in the world, in any sector and of any market capitalisation. This may include shares in smaller companies and companies listed in emerging markets.

The underlying fixed interest component may include government and corporate bonds (which may include emerging market and high yield bonds). These may be investment grade, sub-investment grade or unrated.

The Tactical Conservative Fund may also invest in other transferable securities (including closed ended funds), collective investment schemes managed by the Manager or an affiliate of the Manager, money market instruments, deposits, cash and near cash. There may be occasions where the Investment Adviser considers that it is prudent, given market conditions, to maintain higher levels of liquidity in the Tactical Conservative Fund. In such circumstances, the Investment Adviser may hold up to 20% of the Tactical Conservative Fund in cash.

The Tactical Conservative Fund may gain exposure to alternative asset classes, such as commodities, hedge funds, infrastructure, property and convertibles through investment in transferable securities.

The Tactical Conservative Fund may use derivatives, including exchange-traded and over the counter derivatives, forward transactions and currency hedges for investment purposes as well as for efficient portfolio management. It is expected that the Tactical Conservative Fund's use of derivatives will be limited.

Investment Report

Market commentary

Fund performance

Since the launch of Tactical Select Conservative Fund in October 2011, we have been applying an asset allocation using both index funds and exchange traded products, including exchange-traded funds (ETFs).

The performance of the Fund year to date has been positive despite the uncertain economic environment. The story for the year remains the same with central banks continuing to raise interest rates in an attempt to combat high inflation. The consequent of slowdown in the rate increase has led to a degree of stabilisation in the markets (in that equities and fixed income do no longer correlate, and are diversifying asset classes once more). As such, for the 6-month period to end September 2023, the Fund's performance has been very good with positive returns of +0.40% for the period - while the IA peer group 20-60 was down -0.53% - meaning that we outperformed the peer group by +0.93%. The positive performance came despite our poor Q2 2023 performance when the fund was down -0.96%, underperforming the IA 20-60 peer group (-0.41%) by -0.55%. It was really in Q3 that we caught up strongly, mainly with the help of a strong commodities performance. In the quarter to end September, the Fund achieved +1.37% whereas the IA peer group was down -0.12%, meaning that we outperformed the peer group by +1.49%.

Clear winner for year 2023 has been the tech companies, which was a total reversal of 2022, when energy companies were all in vogue and tech companies suffered. This reversal was mainly lead by a few tech companies who were involved heavily in developments in AI or the release of ChatGPT earlier in the year. However, as strong inflation continues to weigh on the economic environment and the unstable geopolitical landscape remains, we have been keeping our allocations steady, as we believe uncertain times require a steady hand rather than unnecessary tinkering.

Fund Performance

Performance for the Tactical Conservative Fund over the last five years.

| | 6 months to 30/9/2023 | Year to 30/9/2023 | Year to 30/9/2022 | Year to 30/9/2021 | Year to 30/9/2020 | Year to 30/9/2019 |
|--|--------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Tactical Conservative Fund X Accumulation | 0.4% | 5.9% | (11.0%) | 9.4% | (2.5%) | 6.3% |
| IA Mixed Investments 20-60% Sector | (0.5%) | 4.2% | (10.6%) | 12.2% | (1.2%) | 4.0% |

Source: Produced by CAM (UK) Ltd using Financial Express.

The percentage growth in prices is calculated using the published dealing price of units in the X Accumulation unit class (which may include a dilution adjustment to the mid-market value) in sterling with net revenue re-invested.

Units are priced on a single mid-market basis.

Risk and Reward Profile

The Tactical Conservative Fund currently has two types of unit class in issue; X Income and X Accumulation. Each type of unit class has the same risk and reward profile which is as follows:

Synthetic Risk and Reward Indicator ("SRRRI")

| | | | | | | |
|-------------------------|---|---|---|--------------------------|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| lower risks/ rewards | | | | higher risks/ rewards | | |

The Tactical Conservative Fund is ranked at 4 because funds of this type have experienced average rises and falls in value in the past.

The SRRRI table demonstrates where the Tactical Conservative Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data (the past 5 years), may change over time and may not be a reliable indication of the future risk profile of the Tactical Conservative Fund.

Past performance is not a reliable guide to future performance.

The lowest category does not mean risk free.

The rating does not reflect the possible effects of unusual market conditions or large unpredictable events.

There have been no changes to the risk rating this period.

The SRRRI conforms to the ESMA guidelines regarding its calculation.

Investment Report

continued

Risk and Reward Profile continued

Investing in the Tactical Conservative Fund carries the following risks:

Currency risk: The Tactical Conservative Fund invests in overseas assets, denominated in currencies other than Sterling. Changes in exchange rates may have a negative impact on the value of your investment.

Emerging Markets risk: The Tactical Conservative Fund may invest in emerging markets which can involve a higher element of risk due to less well regulated markets and the potential for political and economic instability.

Focus risk: The Tactical Conservative Fund's value may fall where it has concentrated exposure to an issuer or type of security that is heavily affected by an adverse event.

Funds of funds - Liquidity risk: The Tactical Conservative Fund invests in other funds and its liquidity depends upon the liquidity of those underlying funds. If underlying funds suspend or defer the payment of redemption proceeds, the Tactical Conservative Fund's ability to meet redemption requests may also be affected.

Investment risk: The Tactical Conservative Fund invests in equities and bonds globally. Share prices can rise or fall due to a number of factors affecting global stock markets.

Liquidity risk: In extreme market conditions, some securities held by the Tactical Conservative Fund may become hard to value or sell. In these circumstances, performance may be affected and redemptions in the fund may need to be deferred or the fund suspended for a period of time.

Management risk: Investment management techniques that have worked well in normal market conditions could prove ineffective or detrimental at other times.

A more comprehensive list of the Tactical Conservative Fund's risks are contained in the "Risk Factors" section of the Prospectus.

Collective Investment Schemes

Collective Investment Schemes

The Tactical Conservative Fund invests a proportion of its assets in other Collective Investment Schemes. Please refer to the portfolio statement for details of the Collective Investment Schemes that are held at the balance sheet date.

The charges incurred by the Tactical Conservative Fund as a result of its investments in other Collective Investment Schemes as expressed as a percentage of net assets at the balance sheet date are 0.17% (31/3/2023 - 0.17%).

Following changes to disclosure requirements; Closed-Ended funds are now included in the calculation of the synthetic element of the operating charge.

Performance record

Net asset value

| Accounting Date | Total Net Asset Value £'000 | Net Asset Value per Unit (p) | Number of Units in issue |
|-----------------|--------------------------------|---------------------------------|-----------------------------|
| 30/9/2023 | | | |
| X Income | 7,334 | 223.25 | 3,285,108 |
| X Accumulation | 226,219 | 272.99 | 82,867,037 |
| 31/3/2023 | | | |
| X Income | 7,788 | 225.57 | 3,452,456 |
| X Accumulation | 222,991 | 272.56 | 81,813,123 |
| 31/3/2022 | | | |
| X Income | 7,087 | 241.90 | 2,929,650 |
| X Accumulation | 218,713 | 286.75 | 76,274,376 |
| 31/3/2021 | | | |
| X Income | 6,703 | 237.62 | 2,820,738 |
| X Accumulation | 213,635 | 277.65 | 76,942,904 |

Operating charges figure

| Period to 30/9/2023 | | Year to 31/3/2023 | |
|---------------------|-------|-------------------|-------|
| X Income | 0.49% | X Income | 0.48% |
| X Accumulation | 0.49% | X Accumulation | 0.48% |

The operating charges figure (OCF) represents the annual operating expenses of the Fund, the Fund Management Fee ("FMF"), expressed as a percentage of average net assets for the period/year - it does not include initial charges or performance fees.

Portfolio statement

as at 30 September 2023

| Holding | Investment | Market Value GBP £'000 | Percentage of Net Assets % |
|--|---|------------------------------|-------------------------------------|
| EQUITIES - 42.96% (31/3/2023 - 44.43%) | | | |
| United Kingdom - 17.31% (31/3/2023 - 17.84%) | | | |
| 8,108,705 | HSBC Index Tracker Investment Funds - FTSE 250 Index Fund | 13,453 | 5.76 |
| 1,540,710 | iShares Core FTSE 100 UCITS ETF | 11,435 | 4.90 |
| 151,165 | Vanguard FTSE 100 UCITS ETF | 5,007 | 2.14 |
| 76,805 | Vanguard FTSE 250 UCITS ETF | 2,167 | 0.93 |
| 34,195 | Vanguard FTSE UK All Share Index Unit Trust | 8,372 | 3.58 |
| | | 40,434 | 17.31 |
| Europe - 6.13% (31/3/2023 - 8.34%) | | | |
| 289,215 | UBS Lux Fund Solutions - MSCI EMU UCITS ETF | 3,359 | 1.44 |
| 128,845 | Vanguard FTSE Developed Europe ex UK UCITS ETF | 3,895 | 1.67 |
| 187,920 | Xtrackers Euro Stoxx 50 UCITS ETF | 7,052 | 3.02 |
| | | 14,306 | 6.13 |
| Asia Pacific (ex Japan) - 2.80% (31/3/2023 - 3.03%) | | | |
| 2,212,435 | HSBC Index Tracker Investment Funds - Pacific Index Fund | 6,535 | 2.80 |
| Japan - 0.89% (31/3/2023 - 0.86%) | | | |
| 47,000 | Amundi Prime Japan UCITS ETF DR (D) | 1,019 | 0.43 |
| 934,310 | HSBC Index Tracker Investment Funds - Japan Index Fund | 1,071 | 0.46 |
| | | 2,090 | 0.89 |
| North America - 11.66% (31/3/2023 - 10.06%) | | | |
| 202,320 | First Trust US Equity Income UCITS ETF | 4,774 | 2.04 |
| 9,550 | Invesco Technology S&P US Select Sector UCITS ETF | 3,287 | 1.41 |
| 59,790 | Lyxor Nasdaq-100 UCITS ETF | 2,909 | 1.24 |
| 87,630 | SPDR S&P U.S. Financials Select Sector UCITS ETF | 2,755 | 1.18 |
| 67,530 | SPDR S&P U.S. Health Care Select Sector UCITS ETF | 2,147 | 0.92 |
| 79,790 | Vanguard S&P 500 UCITS ETF | 5,340 | 2.29 |
| 9,345 | Vanguard US Equity Index Fund | 6,018 | 2.58 |
| | | 27,230 | 11.66 |
| Emerging Markets - 2.60% (31/3/2023 - 2.68%) | | | |
| 1,602,700 | Amundi MSCI Emerging Markets UCITS ETF | 6,075 | 2.60 |
| Global - 1.57% (31/3/2023 - 1.62%) | | | |
| 137,675 | VanEck Video Gaming and eSports UCITS ETF | 3,660 | 1.57 |

Portfolio statement

continued

| Holding | Investment | Market Value GBP £'000 | Percentage of Net Assets % |
|---|--|------------------------------|-------------------------------------|
| FIXED INTEREST - 43.92% (31/3/2023 - 39.79%) | | | |
| United Kingdom Gilts & Corporate Bonds - 41.38% (31/3/2023 - 39.79%) | | | |
| 4,499,461 | Close Sustainable Select Fixed Income Fund ⁺ | 4,106 | 1.76 |
| 18,327,390 | Hsbc Index Tracker Investment Funds - Sterling Corporate Bond Index Fund | 14,526 | 6.22 |
| 100,985 | Invesco UK Gilt 1-5 Year UCITS ETF | 3,687 | 1.58 |
| 50,695 | iShares Core GBP Bond UCITS ETF | 5,908 | 2.53 |
| 120,895 | iShares GBP Bond 0-5yr UCITS ETF | 11,686 | 5.00 |
| 90,545 | JPMorgan BetaBuilders UK Gilt 1-5 YR UCITS ETF | 8,364 | 3.58 |
| 1,063,155 | L&G ESG GBP Corporate Bond 0-5 Year UCITS ETF | 9,795 | 4.19 |
| 77,105 | Lyxor Core UK Government Bond DR UCITS ETF | 7,694 | 3.29 |
| 40,910 | Lyxor Core UK Government Inflation-Linked Bond DR UCITS ETF | 5,548 | 2.38 |
| 808,580 | Lyxor UK Government Bond 0-5Y DR UCITS ETF | 13,447 | 5.76 |
| 425,670 | SPDR Bloomberg 0-5 Year Sterling Corporate Bond UCITS ETF | 11,897 | 5.09 |
| | | 96,658 | 41.38 |
| Global - 2.54% (31/3/2023 - 0.00%) | | | |
| 59,015 | JPMorgan GBP Ultra-Short Income UCITS ETF | 5,932 | 2.54 |
| ALTERNATIVE - 9.97% (31/3/2023 - 10.12%) | | | |
| 24,240 | Invesco Physical Gold ETC | 3,555 | 1.52 |
| 217,240 | iShares Global Infrastructure UCITS ETF | 4,917 | 2.11 |
| 255,630 | L&G Cyber Security UCITS ETF | 4,379 | 1.87 |
| 235,890 | Royal Mint Physical Gold ETC | 3,555 | 1.52 |
| 80,660 | UBS ETF CMCI Composite SF UCITS ETF | 6,880 | 2.95 |
| | | 23,286 | 9.97 |
| | Portfolio of investments | 226,206 | 96.85 |
| | Net other assets | 7,347 | 3.15 |
| | Total net assets | 233,553 | 100.00 |

All securities are approved securities which are listed on an official stock exchange and/or traded on regulated markets, unless otherwise stated.

⁺Related party investment.

Financial statements

Statement of total return

for the period ended 30 September 2023

| | GBP £'000 | Period to 30/9/2023 GBP £'000 | GBP £'000 | Period to 30/9/2022 GBP £'000 |
|--|--------------|--|--------------|--|
| Income | | | | |
| Net capital losses | | (2,420) | | (26,133) |
| Revenue | 3,400 | | 2,748 | |
| Expenses | (369) | | (351) | |
| Interest payable and similar charges | – | | – | |
| Net revenue before taxation for the period | 3,031 | | 2,397 | |
| Taxation | (261) | | (110) | |
| Net revenue after taxation for the period | | 2,770 | | 2,287 |
| Total return before distributions | | 350 | | (23,846) |
| Distributions | | (2,770) | | (2,287) |
| Change in net assets attributable to unitholders from investment activities | | (2,420) | | (26,133) |

Statement of change in net assets attributable to unitholders

for the period ended 30 September 2023

| | GBP £'000 | Period to 30/9/2023 GBP £'000 | GBP £'000 | Period to 30/9/2022 GBP £'000 |
|---|--------------|--|--------------|--|
| Opening net assets attributable to unitholders | | 230,779 | | 225,800 |
| Amounts received on creation of units | 18,706 | | 22,784 | |
| Amounts paid on cancellation of units | (16,196) | | (14,540) | |
| | | 2,510 | | 8,244 |
| Change in net assets attributable to unitholders from investment activities | | (2,420) | | (26,133) |
| Retained distribution on accumulation units | | 2,684 | | 2,281 |
| Closing net assets attributable to unitholders | | 233,553 | | 210,192 |

The difference between the current period opening net assets attributable to unitholders and the closing net assets attributable to unitholders at the end of the comparative period is the movement in the second half of the year.

Financial statements

continued

Balance sheet

as at 30 September 2023

| | GBP £'000 | As at 30/9/2023 GBP £'000 | GBP £'000 | As at 31/3/2023 GBP £'000 |
|---|--------------|------------------------------------|--------------|------------------------------------|
| ASSETS | | | | |
| Fixed assets | | | | |
| Investments | | 226,206 | | 217,706 |
| Current assets | | | | |
| Debtors | 362 | | 853 | |
| Cash and bank balances | 8,375 | | 12,690 | |
| Total other assets | | 8,737 | | 13,543 |
| Total assets | | 234,943 | | 231,249 |
| LIABILITIES | | | | |
| Creditors | | | | |
| Distribution payable | (88) | | (62) | |
| Other creditors | (1,302) | | (408) | |
| Total other liabilities | | (1,390) | | (470) |
| Total liabilities | | (1,390) | | (470) |
| Net assets attributable to unitholders | | 233,553 | | 230,779 |

Distribution table

For the period ended 30 September 2023

Interim dividend distribution in pence per unit

Group 1: units purchased prior to 1 April 2023

Group 2: units purchased between 1 April 2023 and 30 September 2023

| | Net Revenue per Unit | Equalisation per Unit | Distribution Payable per Unit on 30/11/2023 | Distribution Paid per Unit on 30/11/2022 |
|----------------|----------------------|-----------------------|---|--|
| X Income | | | | |
| Group 1 | 2.6802 | – | 2.6802 | 2.4277 |
| Group 2 | 1.3416 | 1.3386 | 2.6802 | 2.4277 |
| X Accumulation | | | | |
| Group 1 | 3.2384 | – | 3.2384 | 2.8777 |
| Group 2 | 1.8858 | 1.3526 | 3.2384 | 2.8777 |

Equalisation

This applies only to units purchased during the distribution period (Group 2 units). It is the average amount of revenue included in the purchase price of all Group 2 units and is refunded to the holders of these units as a return of capital; being capital it is not liable to Income tax but must be deducted from the cost of units for Capital Gains tax purposes.

Close Tactical Select Passive Balanced Fund

For the period ended 30 September 2023

Fund objective and policy

The investment objective of the Close Tactical Select Passive Balanced Fund ("the Tactical Balanced Fund") is to generate capital growth with some income over the medium term (i.e. more than 5 years).

The Tactical Balanced Fund will hold at least 80% of its portfolio in a mixture of equities and fixed interest securities. As part of the "Tactical Select Passive" fund range, this means the Tactical Balanced Fund will achieve this exposure almost exclusively through a disciplined investment process and investment in passively managed collective investment schemes (which may include collective investment schemes managed by the Manager or by an affiliate of the Manager) and exchange traded funds.

The Tactical Balanced Fund is actively managed, with the Investment Adviser employing a strategic asset allocation model (developed in collaboration with an external provider) that is matched to a specific risk and volatility band. In addition to this, the Investment Adviser uses a disciplined investment process whereby it seeks to add value through its tactical asset allocation decisions, meaning short term adjustments to the asset mix to take advantage of market opportunities or reduce risk during periods of volatility. Accordingly, the allocation to particular asset classes may vary over time at the Investment Adviser's discretion as is consistent with a balanced risk and volatility level and in response to changing market conditions. However, the Tactical Balanced Fund operates a balanced strategy, meaning that the allocation to equities will remain within a 40%-85% range, consistent with its risk/return profile.

The underlying equity component of the Tactical Balanced Fund may include equities of companies from anywhere in the world, in any sector and of any market capitalisation. This may include shares in smaller companies and companies listed in emerging markets.

The underlying fixed interest component may include government and corporate bonds (which may include emerging market and high yield bonds). These may be investment grade, sub-investment grade or unrated.

The Tactical Balanced Fund may also invest in other transferable securities (including closed ended funds), collective investment schemes managed by the Manager or an affiliate of the Manager, money market instruments, deposits, cash and near cash. There may be occasions where the Investment Adviser considers that it is prudent, given market conditions, to maintain higher levels of liquidity in the Tactical Balanced Fund. In such circumstances, the Investment Adviser may hold up to 20% of the Tactical Balanced Fund in cash.

The Tactical Balanced Fund may also gain exposure to alternative asset classes, such as commodities, hedge funds, infrastructure, property and convertibles through investment in transferable securities.

The Tactical Balanced Fund may use derivatives, including exchange-traded and over the counter derivatives, forward transactions and currency hedges for investment purposes as well as for efficient portfolio management. It is expected that the Tactical Balanced Fund's use of derivatives will be limited.

Investment Report

Market commentary

Fund performance

Since the launch of Tactical Select Balanced Fund in October 2011, we have been applying an asset allocation using both index funds and exchange traded products, including exchange-traded funds (ETFs).

The performance of the Fund year to date has been positive despite the uncertain economic environment. The story for the year remains the same with central banks continuing to raise interest rates in an attempt to combat high inflation. The consequent of slowdown in the rate increase has led to a degree of stabilisation in the markets (in that equities and fixed income do no longer correlate, and are diversifying asset classes once more). As such, for the 6-month period to end September 2023, the Fund's performance has been very good with positive returns of +1.16% for the period - while the IA 40-85 peer group was flat -0.02% - meaning that we outperformed the peer group by +1.18%. The positive performance came despite our poor Q2 2023 performance when the fund was flat 0.06%, underperforming the IA 40-85 peer group (+0.16%) by -0.10%. It was really in Q3 that we caught up strongly, mainly with the help of a strong commodities performance. In the quarter to end September the Fund achieved +1.09% whereas the IA 40-85 peer group was down -0.18% meaning that we outperformed the peer group by +1.27%.

Clear winner for year 2023 has been the tech companies, which was a total reversal of 2022, when energy companies were all in vogue and tech companies suffered. This reversal was mainly led by a few tech companies who were involved heavily in developments in AI or the release of ChatGPT earlier in the year. However, as strong inflation continues to weigh on the economic environment and the unstable geopolitical landscape remains, we have been keeping our allocations steady, as we believe certain times require a steady hand rather than unnecessary tinkering.

Fund Performance

Performance for the Tactical Balanced Fund over the last five years.

| | 6 months to 30/9/2023 | Year to 30/9/2023 | Year to 30/9/2022 | Year to 30/9/2021 | Year to 30/9/2020 | Year to 30/9/2019 |
|---------------------------------------|-----------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Tactical Balanced Fund X Accumulation | 1.2% | 7.2% | (9.3%) | 14.7% | (3.5%) | 6.1% |
| IA Mixed Investments 40-85% Sector | (0.0%) | 5.1% | (10.2%) | 16.6% | (0.2%) | 4.2% |

Source: Produced by CAM (UK) Ltd using Financial Express.

The percentage growth in prices is calculated using the published dealing price of units in the X Accumulation unit class (which may include a dilution adjustment to the mid-market value) in sterling with net revenue re-invested.

Units are priced on a single mid-market basis.

Risk and Reward Profile

The Tactical Balanced Fund currently has two types of unit class in issue; I Accumulation and X Accumulation. Each type of unit class has the same risk and reward profile which is as follows:

Synthetic Risk and Reward Indicator ("SRRI")

| | | | | | | |
|-------------------------|---|---|---|--------------------------|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| lower risks/ rewards | | | | higher risks/ rewards | | |

The Tactical Balanced Fund is ranked at 5 because funds of this type have experienced medium to high rises and falls in value in the past.

The SRRI table demonstrates where the Tactical Balanced Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data (the past 5 years), may change over time and may not be a reliable indication of the future risk profile of the Tactical Balanced Fund.

Past performance is not a reliable guide to future performance.

The lowest category does not mean risk free.

The rating does not reflect the possible effects of unusual market conditions or large unpredictable events.

There have been no changes to the risk rating this period.

The SRRI conforms to the ESMA guidelines regarding its calculation.

Investing in the Tactical Balanced Fund carries the following risks:

Investment Report

continued

Risk and Reward Profile continued

Currency risk: The Tactical Balanced Fund invests in overseas assets, denominated in currencies other than Sterling. Changes in exchange rates may have a negative impact on the value of your investment.

Emerging Markets risk: The Tactical Balanced Fund may invest in emerging markets which can involve a higher element of risk due to less well regulated markets and the potential for political and economic instability.

Focus risk: The Tactical Balanced Fund's value may fall where it has concentrated exposure to an issuer or type of security that is heavily affected by an adverse event.

Funds of funds - Liquidity risk: The Tactical Balanced Fund invests in other funds and its liquidity depends upon the liquidity of those underlying funds. If underlying funds suspend or defer the payment of redemption proceeds, the Tactical Balanced Fund's ability to meet redemption requests may also be affected.

Investment risk: The Tactical Balanced Fund invests in equities and bonds globally. Share prices can rise or fall due to a number of factors affecting global stock markets.

Liquidity risk: In extreme market conditions, some securities held by the fund may become hard to value or sell. In these circumstances, performance may be affected and redemptions in the fund may need to be deferred or the fund suspended for a period of time.

Management risk: Investment management techniques that have worked well in normal market conditions could prove ineffective or detrimental at other times.

A more comprehensive list of the Tactical Balanced Fund's risks are contained in the "Risk Factors" section of the Prospectus.

Collective Investment Schemes

Collective Investment Schemes

The Tactical Balanced Fund invests a proportion of its assets in other Collective Investment Schemes. Please refer to the portfolio statement for details of the Collective Investment Schemes that are held at the balance sheet date.

The charges incurred by the Tactical Balanced Fund as a result of its investments in other Collective Investment Schemes as expressed as a percentage of net assets at the balance sheet date are 0.18% (31/3/2023 - 0.17%).

Following changes to disclosure requirements; Closed-Ended funds are now included in the calculation of the synthetic element of the operating charge.

Performance record

Net asset value

| Accounting Date | Total Net Asset Value £'000 | Net Asset Value per Unit (p) | Number of Units in issue |
|------------------|--------------------------------|---------------------------------|-----------------------------|
| 30/9/2023 | | | |
| I Accumulation | 2,633 | 109.82 | 2,397,544 |
| X Accumulation | 432,213 | 323.77 | 133,495,039 |
| 31/3/2023 | | | |
| I Accumulation | 2,084 | 108.82 | 1,915,407 |
| X Accumulation | 396,678 | 321.11 | 123,534,420 |
| 31/3/2022 | | | |
| I Accumulation | 1,603 | 112.34 | 1,426,953 |
| X Accumulation | 321,642 | 332.14 | 96,838,440 |
| 31/3/2021 | | | |
| I Accumulation | 1,803 | 106.33 | 1,695,720 |
| X Accumulation | 283,012 | 315.00 | 89,845,748 |

Operating charges figure

| Period to 30/9/2023 | | Year to 31/3/2023 | |
|---------------------|-------|-------------------|-------|
| I Accumulation | 0.27% | I Accumulation | 0.27% |
| X Accumulation | 0.51% | X Accumulation | 0.51% |

The operating charges figure (OCF) represents the annual operating expenses of the Fund, the Fund Management Fee ("FMF"), expressed as a percentage of average net assets for the period/year - it does not include initial charges or performance fees.

Portfolio statement

as at 30 September 2023

| Holding | Investment | Market Value GBP £'000 | Percentage of Net Assets % |
|--|---|------------------------------|-------------------------------------|
| EQUITIES - 63.36% (31/3/2023 - 64.73%) | | | |
| United Kingdom - 21.63% (31/3/2023 - 23.04%) | | | |
| 197,055 | Amundi Prime UK Mid & Small Cap | 3,960 | 0.91 |
| 8,472,389 | HSBC Index Tracker Investment Funds - FTSE 250 Index Fund | 23,926 | 5.50 |
| 2,998,315 | iShares Core FTSE 100 UCITS ETF | 22,253 | 5.12 |
| 557,705 | Vanguard FTSE 100 UCITS ETF | 18,474 | 4.25 |
| 314,025 | Vanguard FTSE 250 UCITS ETF | 8,860 | 2.04 |
| 67,751 | Vanguard FTSE UK All Share Index Unit Trust | 16,587 | 3.81 |
| | | 94,060 | 21.63 |
| Europe - 11.97% (31/3/2023 - 13.94%) | | | |
| 1,431,908 | UBS Lux Fund Solutions - MSCI EMU UCITS ETF | 16,631 | 3.82 |
| 420,745 | Vanguard FTSE Developed Europe ex UK UCITS ETF | 12,721 | 2.93 |
| 381,775 | Xtrackers Euro Stoxx 50 UCITS ETF | 22,685 | 5.22 |
| | | 52,037 | 11.97 |
| Asia Pacific (ex Japan) - 3.23% (31/3/2023 - 3.64%) | | | |
| 2,823,205 | HSBC Index Tracker Investment Funds - Pacific Index Fund | 14,074 | 3.23 |
| Japan - 1.75% (31/3/2023 - 1.80%) | | | |
| 171,140 | Amundi Prime Japan UCITS ETF DR (D) | 3,711 | 0.85 |
| 2,547,859 | HSBC Index Tracker Investment Funds - Japan Index Fund | 3,904 | 0.90 |
| | | 7,615 | 1.75 |
| North America - 19.57% (31/3/2023 - 17.26%) | | | |
| 691,680 | First Trust US Equity Income UCITS ETF | 16,320 | 3.75 |
| 20,900 | Invesco Technology S&P US Select Sector UCITS ETF | 7,194 | 1.65 |
| 145,005 | Lyxor Nasdaq-100 UCITS ETF | 7,054 | 1.62 |
| 1,479,170 | Schroder US Equity Income Maximiser Fund | 1,350 | 0.31 |
| 273,955 | SPDR S&P U.S. Financials Select Sector UCITS ETF | 8,613 | 1.98 |
| 277,135 | SPDR S&P U.S. Health Care Select Sector UCITS ETF | 8,811 | 2.03 |
| 328,510 | Vanguard S&P 500 UCITS ETF | 21,986 | 5.06 |
| 17,750 | Vanguard US Equity Index Fund | 13,757 | 3.17 |
| | | 85,085 | 19.57 |
| Emerging Markets - 3.54% (31/3/2023 - 3.92%) | | | |
| 4,061,315 | Amundi MSCI Emerging Markets UCITS ETF | 15,394 | 3.54 |

Portfolio statement

continued

| Holding | Investment | Market Value GBP £'000 | Percentage of Net Assets % |
|---|--|------------------------------|-------------------------------------|
| 273,105 | Global - 1.67% (31/3/2023 - 1.13%) VanEck Video Gaming and eSports UCITS ETF | 7,260 | 1.67 |
| FIXED INTEREST - 23.87% (31/3/2023 - 19.87%) | | | |
| United Kingdom Gilts & Corporate Bonds - 22.25% (31/3/2023 - 19.87%) | | | |
| 3,817,445 | Close Sustainable Select Fixed Income Fund ⁺ | 3,483 | 0.80 |
| 19,049,748 | Hsbc Index Tracker Investment Funds - Sterling Corporate Bond Index Fund | 15,099 | 3.47 |
| 229,680 | Invesco UK Gilt 1-5 Year UCITS ETF | 8,386 | 1.93 |
| 106,365 | iShares GBP Bond 0-5yr UCITS ETF | 10,281 | 2.37 |
| 1,332,280 | L&G ESG GBP Corporate Bond 0-5 Year UCITS ETF | 12,274 | 2.82 |
| 90,691 | Lyxor Core UK Government Bond DR UCITS ETF | 9,050 | 2.08 |
| 48,540 | Lyxor Core UK Government Inflation-Linked Bond DR UCITS ETF | 6,583 | 1.51 |
| 940,940 | Lyxor UK Government Bond 0-5Y DR UCITS ETF | 15,648 | 3.60 |
| 570,085 | SPDR Bloomberg 0-5 Year Sterling Corporate Bond UCITS ETF | 15,934 | 3.67 |
| | | 96,738 | 22.25 |
| 70,135 | Global - 1.62% (31/3/2023 - 0.00%) JPMorgan GBP Ultra-Short Income UCITS ETF | 7,049 | 1.62 |
| ALTERNATIVE - 9.77% (31/3/2023 - 9.81%) | | | |
| 48,000 | Invesco Physical Gold ETC | 7,040 | 1.62 |
| 356,260 | iShares Global Infrastructure UCITS ETF | 8,064 | 1.85 |
| 468,665 | L&G Cyber Security UCITS ETF | 8,029 | 1.85 |
| 466,045 | Royal Mint Physical Gold ETC | 7,023 | 1.62 |
| 144,425 | UBS ETF CMCI Composite SF UCITS ETF | 12,318 | 2.83 |
| | | 42,474 | 9.77 |
| Portfolio of investments | | 421,786 | 97.00 |
| Net other assets | | 13,060 | 3.00 |
| Total net assets | | 434,846 | 100.00 |

All securities are approved securities which are listed on an official stock exchange and/or traded on regulated markets, unless otherwise stated.

⁺Related party investment.

Financial statements

Statement of total return

for the period ended 30 September 2023

| | GBP £'000 | Period to 30/9/2023 GBP £'000 | GBP £'000 | Period to 30/9/2022 GBP £'000 |
|--|--------------|--|--------------|--|
| Income | | | | |
| Net capital losses | | (1,598) | | (35,859) |
| Revenue | 5,970 | | 4,389 | |
| Expenses | (708) | | (538) | |
| Interest payable and similar charges | – | | – | |
| Net revenue before taxation for the period | 5,262 | | 3,851 | |
| Taxation | (220) | | (45) | |
| Net revenue after taxation for the period | | 5,042 | | 3,806 |
| Total return before distributions | | 3,444 | | (32,053) |
| Distributions | | (5,042) | | (3,806) |
| Change in net assets attributable to unitholders from investment activities | | (1,598) | | (35,859) |

Statement of change in net assets attributable to unitholders

for the period ended 30 September 2023

| | GBP £'000 | Period to 30/9/2023 GBP £'000 | GBP £'000 | Period to 30/9/2022 GBP £'000 |
|---|--------------|--|--------------|--|
| Opening net assets attributable to unitholders | | 398,762 | | 323,245 |
| Amounts received on creation of units | 58,355 | | 44,644 | |
| Amounts paid on cancellation of units | (25,824) | | (13,833) | |
| | | 32,531 | | 30,811 |
| Dilution adjustment | | (6) | | – |
| Change in net assets attributable to unitholders from investment activities | | (1,598) | | (35,859) |
| Retained distribution on accumulation units | | 5,157 | | 4,042 |
| Closing net assets attributable to unitholders | | 434,846 | | 322,239 |

The difference between the current period opening net assets attributable to unitholders and the closing net assets attributable to unitholders at the end of the comparative period is the movement in the second half of the year.

Financial statements

continued

Balance sheet

as at 30 September 2023

| | GBP £'000 | As at 30/9/2023 GBP £'000 | GBP £'000 | As at 31/3/2023 GBP £'000 |
|---|--------------|------------------------------------|--------------|------------------------------------|
| ASSETS | | | | |
| Fixed assets | | | | |
| Investments | | 421,786 | | 376,465 |
| Current assets | | | | |
| Debtors | 799 | | 4,049 | |
| Cash and bank balances | 12,953 | | 19,462 | |
| Total other assets | | 13,752 | | 23,511 |
| Total assets | | 435,538 | | 399,976 |
| LIABILITIES | | | | |
| Creditors | | | | |
| Other creditors | (692) | | (1,214) | |
| Total other liabilities | | (692) | | (1,214) |
| Total liabilities | | (692) | | (1,214) |
| Net assets attributable to unitholders | | 434,846 | | 398,762 |

Distribution table

For the period ended 30 September 2023

Interim dividend distribution in pence per unit

Group 1: units purchased prior to 1 April 2023

Group 2: units purchased between 1 April 2023 and 30 September 2023

| | Net Revenue per Unit | Equalisation per Unit | Distribution Payable per Unit on 30/11/2023 | Distribution Paid per Unit on 30/11/2022 |
|----------------|----------------------|-----------------------|---|--|
| I Accumulation | | | | |
| Group 1 | 1.4060 | – | 1.4060 | 1.3810 |
| Group 2 | 0.8456 | 0.5604 | 1.4060 | 1.3810 |
| X Accumulation | | | | |
| Group 1 | 3.8377 | – | 3.8377 | 3.7734 |
| Group 2 | 2.4815 | 1.3562 | 3.8377 | 3.7734 |

Equalisation

This applies only to units purchased during the distribution period (Group 2 units). It is the average amount of revenue included in the purchase price of all Group 2 units and is refunded to the holders of these units as a return of capital; being capital it is not liable to Income tax but must be deducted from the cost of units for Capital Gains tax purposes.

Close Tactical Select Passive Growth Fund

For the period ended 30 September 2023

Fund objective and policy

The investment objective of the Close Tactical Select Passive Growth Fund ("the Tactical Growth Fund") is to generate capital growth over the medium term (i.e. more than 5 years).

The Tactical Growth Fund will hold at least 80% of its portfolio in a mixture of equities and fixed interest securities. As part of the "Tactical Select Passive" fund range, this means the Tactical Growth Fund will achieve this exposure almost exclusively through a disciplined investment process and investment in passively managed collective investment schemes (which may include collective investment schemes managed by the Manager or by an affiliate of the Manager) and exchange traded funds.

The Tactical Growth Fund is actively managed, with the Investment Adviser employing a strategic asset allocation model (developed in collaboration with an external provider) that is matched to a specific risk and volatility band (which is consistent with a growth objective). In addition to this, the Investment Adviser uses a disciplined investment process whereby it seeks to add value through its tactical asset allocation decisions, meaning short term adjustments to the asset mix to take advantage of market opportunities or reduce risk during periods of volatility. Accordingly, the allocation to particular asset classes may vary over time at the Investment Adviser's discretion as is consistent with a growth risk and volatility level and in response to changing market conditions. However, the allocation to equities will not normally fall below 60%, consistent with its risk/return profile.

The underlying equity component of the Tactical Growth Fund may include equities of companies from anywhere in the world, in any sector and of any market capitalisation. This may include shares in smaller companies and companies listed in emerging markets.

The underlying fixed interest component may include government and corporate bonds (which may include emerging market and high yield bonds). These may be investment grade, sub-investment grade or unrated.

The Tactical Growth Fund may also invest in other transferable securities (including closed ended funds), collective investment schemes managed by the Manager or an affiliate of the Manager, money market instruments, deposits, cash and near cash. There may be occasions where the Investment Adviser considers that it is prudent, given market conditions, to maintain higher levels of liquidity in the Tactical Growth Fund. In such circumstances, the Investment Adviser may hold up to 20% of the Tactical Growth Fund in cash.

The Tactical Growth Fund may gain exposure to alternative asset classes such as commodities, hedge funds, infrastructure, property and convertibles through transferable securities.

The Tactical Growth Fund may use derivatives, including exchange-traded and over the counter derivatives, forward transactions and currency hedges for investment purposes as well as for efficient portfolio management. It is expected that the Tactical Growth Fund use of derivatives will be limited.

Investment Report

Market commentary

Fund performance

Since the launch of Tactical Select Growth Fund in October 2011, we have been applying an asset allocation using both index funds and exchange traded products, including exchange-traded funds (ETFs).

The performance of the Fund year to date has been positive despite the uncertain economic environment. The story for the year remains the same with central banks continuing to raise interest rates in an attempt to combat high inflation. The consequent of slowdown in the rate increase has led to a degree of stabilisation in the markets (in that equities and fixed income do no longer correlate, and are diversifying asset classes once more). As such, for the 6-month period to end September 2023, the Fund's performance has been very good with positive returns of +1.81% for the period - while the IA flexible investments peer group was flat +0.08% - meaning that we outperformed the peer group by +1.73%. The positive performance was combination of both strong Q2 and Q3 2023 performance. Q2 the fund was up +0.99%, outperforming the IA Flexible investments peer group (+0.17%) by +0.82%. Additionally, in Q3 we kept strong returns (+0.81%) were facilitated by the solid commodities performance, while IA Flexible Investments peer group was just flat -0.08%, meaning that we outperformed the peer group by +0.89%.

Clear winner for year 2023 has been the tech companies, which was a total reversal of 2022, when energy companies were all in vogue and tech companies suffered. This reversal was mainly lead by a few tech companies who were involved heavily in developments in AI or the release of ChatGPT earlier in the year. However, as strong inflation continues to weigh on the economic environment and the unstable geopolitical landscape remains, we have been keeping our allocations steady, as we believe uncertain times require a steady hand rather than tinkering

Fund Performance

Performance for the Tactical Growth Fund over the last five years.

| | 6 months to 30/9/2023 | Year to 30/9/2023 | Year to 30/9/2022 | Year to 30/9/2021 | Year to 30/9/2020 | Year to 30/9/2019 |
|-------------------------------------|--------------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| Tactical Growth Fund X Accumulation | 1.8% | 7.8% | (8.5%) | 18.8% | (3.2%) | 5.9% |
| IA Flexible Investment Sector | 0.1% | 4.2% | (9.2%) | 18.3% | 0.9% | 3.2% |

Source: Produced by CAM (UK) Ltd using Financial Express.

The percentage growth in prices is calculated using the published dealing price of units in the X Accumulation unit class (which may include a dilution adjustment to the mid-market value) in sterling with net revenue re-invested.

Units are priced on a single mid-market basis.

Risk and Reward Profile

The Tactical Growth Fund currently has two types of unit class in issue; I Accumulation and X Accumulation. Each type of unit class has the same risk and reward profile which is as follows:

Synthetic Risk and Reward Indicator ("SRRI")

| | | | | | | |
|-------------------------|---|---|---|--------------------------|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| lower risks/ rewards | | | | higher risks/ rewards | | |

The Tactical Growth Fund is ranked at 5 because funds of this type have experienced medium to high rises and falls in value in the past.

The SRRI table demonstrates where the Tactical Growth Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data (the past 5 years), may change over time and may not be a reliable indication of the future risk profile of the Tactical Growth Fund.

Past performance is not a reliable guide to future performance.

The lowest category does not mean risk free.

The rating does not reflect the possible effects of unusual market conditions or large unpredictable events.

There have been no changes to the risk rating this period.

The SRRI conforms to the ESMA guidelines regarding its calculation.

Investing in the Tactical Growth Fund carries the following risks:

Investment Report

continued

Risk and Reward Profile continued

Currency risk: The Tactical Growth Fund invests in overseas assets, denominated in currencies other than Sterling. Changes in exchange rates may have a negative impact on the value of your investment.

Emerging Markets risk: The Tactical Growth Fund may invest in emerging markets which can involve a higher element of risk due to less well regulated markets and the potential for political and economic instability.

Focus risk: The Tactical Growth Fund's value may fall where it has concentrated exposure to an issuer or type of security that is heavily affected by an adverse event.

Funds of funds - Liquidity risk: The Tactical Growth Fund invests in other funds and its liquidity depends upon the liquidity of those underlying funds. If underlying funds suspend or defer the payment of redemption proceeds, the Tactical Growth Fund's ability to meet redemption requests may also be affected.

Investment risk: The Tactical Growth Fund invests in equities and bonds globally. Share prices can rise or fall due to a number of factors affecting global stock markets.

Liquidity risk: In extreme market conditions, some securities held by the Tactical Growth Fund may become hard to value or sell. In these circumstances, performance may be affected and redemptions in the Tactical Growth Fund may need to be deferred or the Tactical Growth Fund suspended for a period of time.

Management risk: Investment management techniques that have worked well in normal market conditions could prove ineffective or detrimental at other times.

A more comprehensive list of the Tactical Growth Fund's risks are contained in the "Risk Factors" section of the Prospectus.

Collective Investment Schemes

Collective Investment Schemes

The Tactical Growth Fund invests a proportion of its assets in other Collective Investment Schemes. Please refer to the portfolio statement for details of the Collective Investment Schemes that are held at the balance sheet date.

The charges incurred by the Tactical Growth Fund as a result of its investments in other Collective Investment Schemes as expressed as a percentage of net assets at the balance sheet date are 0.18% (31/3/2023 - 0.18%).

Following changes to disclosure requirements; Closed-Ended funds are now included in the calculation of the synthetic element of the operating charge.

Performance record

Net asset value

| Accounting Date | Total Net Asset Value £'000 | Net Asset Value per Unit (p) | Number of Units in issue |
|-----------------|--------------------------------|---------------------------------|-----------------------------|
| 30/9/2023 | | | |
| I Accumulation | 3,753 | 115.67 | 3,244,540 |
| X Accumulation | 118,126 | 359.11 | 32,894,564 |
| 31/3/2023 | | | |
| I Accumulation | 2,542 | 113.87 | 2,232,485 |
| X Accumulation | 100,640 | 353.76 | 28,448,498 |
| 31/3/2022 | | | |
| I Accumulation | 2,233 | 117.12 | 1,906,699 |
| X Accumulation | 72,735 | 364.49 | 19,955,358 |
| 31/3/2021 | | | |
| I Accumulation | 2,608 | 109.07 | 2,391,189 |
| X Accumulation | 63,734 | 340.08 | 18,740,822 |

Operating charges figure

| Period to 30/9/2023 | | Year to 31/3/2023 | |
|---------------------|-------|-------------------|-------|
| I Accumulation | 0.28% | I Accumulation | 0.27% |
| X Accumulation | 0.50% | X Accumulation | 0.49% |

The operating charges figure (OCF) represents the annual operating expenses of the Fund, the Fund Management Fee ("FMF"), expressed as a percentage of average net assets for the period/year - it does not include initial charges or performance fees.

Portfolio statement

as at 30 September 2023

| Holding | Investment | Market Value GBP £'000 | Percentage of Net Assets % |
|--|---|------------------------------|-------------------------------------|
| EQUITIES - 76.78% (31/3/2023 - 75.90%) | | | |
| United Kingdom - 23.42% (31/3/2023 - 23.69%) | | | |
| 73,825 | Amundi Prime UK Mid & Small Cap | 1,484 | 1.22 |
| 2,487,155 | HSBC Index Tracker Investment Funds - FTSE 250 Index Fund | 7,024 | 5.76 |
| 868,145 | iShares Core FTSE 100 UCITS ETF | 6,443 | 5.29 |
| 153,885 | Vanguard FTSE 100 UCITS ETF | 5,097 | 4.18 |
| 123,458 | Vanguard FTSE 250 UCITS ETF | 3,483 | 2.86 |
| 20,446 | Vanguard FTSE UK All Share Index Unit Trust | 5,006 | 4.11 |
| | | 28,537 | 23.42 |
| Europe - 13.19% (31/3/2023 - 14.84%) | | | |
| 426,025 | UBS Lux Fund Solutions - MSCI EMU UCITS ETF | 4,948 | 4.06 |
| 147,360 | Vanguard FTSE Developed Europe ex UK UCITS ETF | 4,455 | 3.66 |
| 112,265 | Xtrackers Euro Stoxx 50 UCITS ETF | 6,671 | 5.47 |
| | | 16,074 | 13.19 |
| Asia Pacific (ex Japan) - 5.72% (31/3/2023 - 5.27%) | | | |
| 1,397,980 | HSBC Index Tracker Investment Funds - Pacific Index Fund | 6,969 | 5.72 |
| Japan - 3.41% (31/3/2023 - 3.47%) | | | |
| 79,675 | Amundi Prime Japan UCITS ETF DR (D) | 1,728 | 1.42 |
| 1,587,184 | HSBC Index Tracker Investment Funds - Japan Index Fund | 2,432 | 1.99 |
| | | 4,160 | 3.41 |
| North America - 24.43% (31/3/2023 - 22.24%) | | | |
| 201,590 | First Trust US Equity Income UCITS ETF | 4,756 | 3.90 |
| 9,930 | Invesco Technology S&P US Select Sector UCITS ETF | 3,418 | 2.81 |
| 126,190 | Lyxor Nasdaq-100 UCITS ETF | 6,139 | 5.04 |
| 1,489,213 | Schroder US Equity Income Maximiser Fund | 1,359 | 1.11 |
| 88,445 | SPDR S&P U.S. Financials Select Sector UCITS ETF | 2,781 | 2.28 |
| 78,110 | SPDR S&P U.S. Health Care Select Sector UCITS ETF | 2,483 | 2.04 |
| 75,800 | Vanguard S&P 500 UCITS ETF | 5,073 | 4.16 |
| 4,860 | Vanguard US Equity Index Fund | 3,767 | 3.09 |
| | | 29,776 | 24.43 |
| Emerging Markets - 4.91% (31/3/2023 - 5.37%) | | | |
| 1,579,735 | Amundi MSCI Emerging Markets UCITS ETF | 5,988 | 4.91 |

Portfolio statement

continued

| Holding | Investment | Market Value GBP £'000 | Percentage of Net Assets % |
|-----------|--|------------------------------|-------------------------------------|
| 78,135 | Global - 1.70% (31/3/2023 - 1.02%) VanEck Video Gaming and eSports UCITS ETF | 2,077 | 1.70 |
| | FIXED INTEREST - 8.96% (31/3/2023 - 7.22%) | | |
| | United Kingdom Gilts & Corporate Bonds - 7.48% (31/3/2023 - 7.22%) | | |
| 1,309,633 | Close Sustainable Select Fixed Income Fund ⁺ | 1,195 | 0.98 |
| 1,697,783 | Hsbc Index Tracker Investment Funds - Sterling Corporate Bond Index Fund | 1,345 | 1.10 |
| 66,470 | Invesco UK Gilt 1-5 Year UCITS ETF | 2,427 | 1.99 |
| 23,240 | Lyxor Core UK Government Bond DR UCITS ETF | 2,319 | 1.90 |
| 13,545 | Lyxor Core UK Government Inflation-Linked Bond DR UCITS ETF | 1,837 | 1.51 |
| | | 9,123 | 7.48 |
| 17,900 | Global - 1.48% (31/3/2023 - 0.00%) JPMorgan GBP Ultra-Short Income UCITS ETF | 1,799 | 1.48 |
| | ALTERNATIVE - 9.77% (31/3/2023 - 10.42%) | | |
| 13,410 | Invesco Physical Gold ETC | 1,967 | 1.62 |
| 95,420 | iShares Global Infrastructure UCITS ETF | 2,160 | 1.77 |
| 158,745 | L&G Cyber Security UCITS ETF | 2,719 | 2.23 |
| 130,120 | Royal Mint Physical Gold ETC | 1,961 | 1.61 |
| 36,265 | UBS ETF CMCI Composite SF UCITS ETF | 3,093 | 2.54 |
| | | 11,900 | 9.77 |
| | Portfolio of investments | 116,403 | 95.51 |
| | Net other assets | 5,476 | 4.49 |
| | Total net assets | 121,879 | 100.00 |

All securities are approved securities which are listed on an official stock exchange and/or traded on regulated markets, unless otherwise stated.

⁺Related party investment.

Financial statements

Statement of total return

for the period ended 30 September 2023

| | GBP £'000 | Period to 30/9/2023 GBP £'000 | GBP £'000 | Period to 30/9/2022 GBP £'000 |
|--|--------------|--|--------------|--|
| Income | | | | |
| Net capital gains/(losses) | | 291 | | (8,155) |
| Revenue | 1,479 | | 1,068 | |
| Expenses | (175) | | (115) | |
| Interest payable and similar charges | – | | – | |
| Net revenue before taxation for the period | 1,304 | | 953 | |
| Taxation | (4) | | – | |
| Net revenue after taxation for the period | | 1,300 | | 953 |
| Total return before distributions | | 1,591 | | (7,202) |
| Distributions | | (1,304) | | (953) |
| Change in net assets attributable to unitholders from investment activities | | 287 | | (8,155) |

Statement of change in net assets attributable to unitholders

for the period ended 30 September 2023

| | GBP £'000 | Period to 30/9/2023 GBP £'000 | GBP £'000 | Period to 30/9/2022 GBP £'000 |
|---|--------------|--|--------------|--|
| Opening net assets attributable to unitholders | | 103,182 | | 74,968 |
| Amounts received on creation of units | 23,775 | | 11,866 | |
| Amounts paid on cancellation of units | (6,773) | | (3,453) | |
| | | 17,002 | | 8,413 |
| Dilution adjustment | | 2 | | 5 |
| Change in net assets attributable to unitholders from investment activities | | 287 | | (8,155) |
| Retained distribution on accumulation units | | 1,406 | | 1,032 |
| Closing net assets attributable to unitholders | | 121,879 | | 76,263 |

The difference between the current period opening net assets attributable to unitholders and the closing net assets attributable to unitholders at the end of the comparative period is the movement in the second half of the year.

Financial statements

continued

Balance sheet

as at 30 September 2023

| | GBP £'000 | As at 30/9/2023 GBP £'000 | GBP £'000 | As at 31/3/2023 GBP £'000 |
|---|--------------|------------------------------------|--------------|------------------------------------|
| ASSETS | | | | |
| Fixed assets | | | | |
| Investments | | 116,403 | | 96,513 |
| Current assets | | | | |
| Debtors | 677 | | 2,186 | |
| Cash and bank balances | 5,016 | | 4,998 | |
| Total other assets | | 5,693 | | 7,184 |
| Total assets | | 122,096 | | 103,697 |
| LIABILITIES | | | | |
| Creditors | | | | |
| Other creditors | (217) | | (515) | |
| Total other liabilities | | (217) | | (515) |
| Total liabilities | | (217) | | (515) |
| Net assets attributable to unitholders | | 121,879 | | 103,182 |

Distribution table

For the period ended 30 September 2023

Interim dividend distribution in pence per unit

Group 1: units purchased prior to 1 April 2023

Group 2: units purchased between 1 April 2023 and 30 September 2023

| | Net Revenue per Unit | Equalisation per Unit | Distribution Payable per Unit on 30/11/2023 | Distribution Paid per Unit on 30/11/2022 |
|----------------|----------------------|-----------------------|---|--|
| I Accumulation | | | | |
| Group 1 | 1.4143 | – | 1.4143 | 1.5458 |
| Group 2 | 0.8621 | 0.5522 | 1.4143 | 1.5458 |
| X Accumulation | | | | |
| Group 1 | 4.1345 | – | 4.1345 | 4.4782 |
| Group 2 | 1.9379 | 2.1966 | 4.1345 | 4.4782 |

Equalisation

This applies only to units purchased during the distribution period (Group 2 units). It is the average amount of revenue included in the purchase price of all Group 2 units and is refunded to the holders of these units as a return of capital; being capital it is not liable to Income tax but must be deducted from the cost of units for Capital Gains tax purposes.

General Information

Close Discretionary Funds ("the Trust") is a unit trust scheme which is constituted by its Trust Deed entered into between the Manager, Close Asset Management (UK) Limited, and the then Trustee, Citibank International Plc.

The Trust was authorised by the Financial Conduct Authority on 25 August 2010. The Trust is a UCITS (Undertakings for Collective Investments in Transferable Securities Directive) scheme.

The Trust is an umbrella unit trust comprising thirteen sub-funds as at 30 September 2023 ("the sub-funds"):

- Close Sustainable Balanced Portfolio Fund****
- Close Diversified Income Portfolio Fund*
- Close Conservative Portfolio Fund*
- Close Balanced Portfolio Fund*
- Close Growth Portfolio Fund*
- Close Managed Income Fund**
- Close Managed Conservative Fund**
- Close Managed Balanced Fund**
- Close Managed Growth Fund**
- Close Sustainable Select Fixed Income Fund (Formerly Close Select Fixed Income Fund)***
- Close Tactical Select Passive Conservative Fund**
- Close Tactical Select Passive Balanced Fund**
- Close Tactical Select Passive Growth Fund**

* Launched 3 September 2010

** Launched 17 October 2011

*** Launched 15 October 2012

**** Launched 2 November 2020

Accounting year end date

31 March

Objectives and Manager's Report

Individual investment objectives and a review of investment activities of each sub-fund during the period under review are included within the Fund Manager's Reviews.

As at 30 September 2023 the following sub-funds invested in the Close Sustainable Select Fixed Income Fund:

| | Number of units held | Market value £'000 |
|---|----------------------|--------------------|
| Close Tactical Select Passive Conservative Fund | 4,499,461 | 4,106 |
| Close Tactical Select Passive Balanced Fund | 3,817,445 | 3,483 |
| Close Tactical Select Passive Growth Fund | 1,309,633 | 1,195 |

No transactions occurred during the period to 30 September 2023.

No other sub-funds invested in another Close Discretionary sub-fund.

Changes to sub-funds

There have been no changes to the sub-funds during the period ended 30 September 2023.

Buying and Selling

Units may be purchased on any business day between 9.00 a.m. and 5.00 p.m. by telephoning our unit trust dealers on 0370 606 6402*. The Manager reserves the right to place deals on receipt of cleared funds only. To sell your units, please send a signed request to repurchase to Close Asset Management (UK) Limited, PO Box 367, Darlington, DL1 9RG or telephone 0370 606 6402* to request a form. Payment will normally be made within five working days of receipt of signed documentation.

Redemption proceeds will be forwarded at the unitholder's risk.

Unit Prices

Units are priced on a single mid-market pricing basis in accordance with the COLL Source book and the Trust Deed. Unit prices are calculated daily at 12 noon and all dealings are currently on a forward price basis. A forward price is the price calculated at the next

General Information

continued

Unit Prices continued

valuation point after the purchase or redemption is deemed to be accepted by the Manager. The Manager, to protect unitholders, reserves the right to revalue in times of currency or market volatility. The price of a unit is the net asset value of a sub-fund attributable to the relevant unit class of that sub-fund divided by the number of units in that class in issue.

Prices for all Close Asset Management (UK) Limited ("Close") range of authorised units trusts and open-ended investment companies ("OEICS") are available on Close's website, www.closebrothersam.com/funds, or the website www.fundlistings.com or by contacting Close on 0370 606 6452*.

*Calls to these numbers may be recorded for monitoring and training purposes.

Prospectus and Key Investor Information Document

Copies of the prospectus and of the Key Investor Information Document for each unit class of each sub-fund of the Trust are available free of charge from the Manager. These set out the initial, annual and administration charges and minimum investments for all thirteen sub-funds of the Trust.

Taxation of the Unitholder

Unitholders who are resident or ordinarily resident in the UK for UK tax purposes may, depending on their circumstances, be liable to UK Capital Gains Tax on the disposal of their units.

An individual's first 12,300 of net gains on disposals in 2023/25 are exempt from UK Capital Gains Tax. Gains in excess of £12,300 are subject to tax at the Capital Gains Tax rate of 10% where total taxable income and gains are £37,500 or below or at 20% on total taxable income and gains above this threshold. Capital Gains and Income Tax rates and reliefs are always subject to change. Special rules apply to institutional investors and trustees.

Cancellation

If you invest in the sub-funds through a financial advisor, or after taking advice from an authorised intermediary, you have the right to cancel the agreement under the Financial Conduct Authority Conduct of Business Sourcebook Chapter 15.2 and you will be sent a cancellation notice. You may exercise your right to cancel by returning it to the Manager within 14 days. If you exercise this right, you will not get a full refund of the money you paid if the value of the investment falls before the cancellation notice is received by the Manager, because an amount equal to that fall in value will be deducted from any refund you would otherwise receive. Such a deduction will not be made from the first instalment paid into a regular savings scheme.

Customers dealing directly with the Manager are deemed to be Execution-only customers and will have no rights of cancellation, as outlined above.

Dilution levy/price swing

The actual cost to the Scheme of purchasing or selling its investments may be higher or lower than the mid-market value used in calculating the unit price, e.g. due to dealing charges or through dealing at prices other than the mid-market price. In normal circumstances these costs are charged to the sub-fund. Under certain circumstances (where the net movement of purchases and redemptions by unitholders is greater than 1% of assets under management) this may have an adverse effect on the interests of unitholders generally. In order to prevent this effect, called 'dilution' the Manager has the power to charge a dilution levy/price swing on the sale and/or redemption of the units. The dilution levy/price swing will be applied at the outset and will be paid into and will become part of the sub-fund. The dilution levy for the sub-fund will be calculated by reference to the costs of dealing in the underlying investments of the sub-fund, including any dealing spreads, commission and transfers. Further details can be found in section 6.4 of the prospectus of the Trust.

Risk Warnings

Unitholders should remember that past performance is not a reliable indicator of future results as the price and value of units, and the income from them, can fall as well as rise. Unitholders may not get back the amount originally invested. This information relating to Close Discretionary Funds is issued by Close Asset Management (UK) Limited, which is authorised and regulated by the Financial Conduct Authority.

Securities Financing Transactions

The European Regulation on Reporting and Transparency of Securities Financing Transactions requires exposure to securities financing transactions ("SFTs") and total return swaps to be disclosed in reports and financial statements. During the period to 30 September 2023 and at the balance sheet date, the sub-funds did not use SFTs or total return swaps.

General Information

continued

Initial and Annual charges

Information about charges including preliminary and annual charge can be found in the Fund's Prospectus, <https://www.closebrothersam.com/funds>.

Distributions

Where possible the sub-funds will declare an annual dividend in relation to the year ending 31 March each year. In addition and where possible, further dividend/s may also be declared. Information on distributions including dates can be found in Fund's Prospectus, www.closebrothersam.com/funds.

Minimum investment and Individual Savings Account (ISA)

Information about minimum investment into sub-funds can be found in the Prospectus, <https://www.closebrothersam.com/funds>. All sub-funds are qualifying investments for stock and shares ISA's.

Directory

ACD

CAM (UK) Ltd*

(Authorised and regulated by the Financial Conduct Authority)

Registered office: 10 Crown Place, London EC2A 4FT

Business address: 10 Crown Place, London EC2A 4FT

Correspondence address: PO Box 367, Darlington DL1 9RG

Telephone: Dealing only 0370 606 6402**

Directors

S.H. Forrest

C.J. Parry

E. Reynolds

A.J. Sippetts

R.C.S. Smith

I.P. Wallace

Investment Advisor

Close Asset Management Limited*

(Authorised and regulated by the Financial Conduct Authority)

10 Crown Place, London EC2A 4FT

Trustee

The Bank of New York Mellon (International) Limited

(Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority)

160 Queen Victoria Street, London EC4V 4LA

Administrator & Registrar

The Bank of New York Mellon (International) Limited

(Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority)

Capital House, 2 Festival Square, Edinburgh EH3 9SU

Independent Auditor

Deloitte LLP

Statutory Auditor

9 Haymarket Square, Edinburgh EH3 8RY

Useful information

The information in this report is designed to enable unitholders to make an informed judgement on the activities of the Trust during the period and the results of those activities at the period end.

For more information about the activities and performance of the Trust during this and previous years, please contact the Manager at the address above.

Copies of the report and financial statements are available free of charge on request at www.closebrothersam.com or by calling 0370 606 6452**.

*The Manager (CAM (UK) Ltd) and the Investment Advisor (Close Asset Management Limited) are both subsidiaries of Close Brothers Group Plc. Authorised and regulated by the Financial Conduct Authority.

**Calls to these numbers may be recorded for monitoring and training purposes.

Close Brothers Asset Management

10 Crown Place
London
EC2A 4FT

www.closebrothersam.com

Close Brothers Asset Management is a trading name of Close Asset Management Limited (Registered number: 01644127) and CAM (UK) Ltd (Registered number: 02998803). Both companies are part of Close Brothers Group plc, are registered in England and Wales and are authorised and regulated by the Financial Conduct Authority. Registered office: 10 Crown Place, London EC2A 4FT.

VAT Registration No 245 5013 86.

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