

SVM Funds ICVC

Annual Report

31 December 2023

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SVM Funds ICVC

The Company

SVM Funds ICVC

Head Office:

7 Castle Street

Edinburgh

EH2 3AH

Authorised and regulated by the Financial Conduct Authority and a member of the Investment Association.

Authorised Corporate Director (ACD) and Investment Manager

SVM Asset Management Limited

Head Office:

7 Castle Street

Edinburgh

EH2 3AH

Incorporated in the United Kingdom under registered number SC125817.

Authorised and regulated by the Financial Conduct Authority and a member of the Investment Association.

On 1 December 2023 SVM appointed River Global Investors LLP as Investment Manager to the Company.

Custodian

State Street Bank and Trust Company

Registered Office:

20 Churchill Place

Canary Wharf

London

E14 5HJ

Correspondence Address:

Quartermile 3, 10 Nightingale Way

Edinburgh

EH3 9EG

Authorised and regulated by the Financial Conduct Authority and a member of the Investment Association.

Depositary

State Street Trustees Limited

Registered Office:

20 Churchill Place

Canary Wharf

London

E14 5HJ

Correspondence Address:

Quartermile 3, 10 Nightingale Way

Edinburgh

EH3 9EG

Authorised and regulated by the Financial Conduct Authority and a member of the Investment Association.

Registrar

SS&C Financial Services International Limited

Registered Office:

SS&C House

St. Nicholas Lane

Basildon, SS15 5FS

United Kingdom

Authorised and regulated by the Financial Conduct Authority and a member of the Investment Association.

Independent Auditor

Azets Audit Services

Exchange Place 3

Semple Street

Edinburgh

EH3 8BL

Authorised Corporate Director's Report

We present our Annual Report for the SVM Funds ICVC ('the ICVC' or the 'Funds') for the year ended 31 December 2023.

2023 was a challenging year for active managers. Inflation proved more enduring than anticipated and in response central banks raised interest rates aggressively. This surge in rates led to fears that a tightening in financial conditions would increase downside risk for the economic outlook and heighten the possibility of financial market breakdowns. Later in the year Inflationary pressures receded and markets began to anticipate a turn in the interest rate cycle. The outlook for inflation will remain the key determinant of equity market direction.

Percentage share price growth for 12 months to	31/12/19 %	31/12/20 %	31/12/21 %	31/12/22 %	31/12/23 %
All Europe SRI Fund	23.6	1.0	25.2	(22.9)	10.3
Continental Europe Fund	18.3	36.7	22.4	(10.4)	3.7
UK Growth Fund	26.1	6.2	14.7	(35.4)	3.7
UK Opportunities Fund	30.4	(8.8)	23.4	(21.2)	7.8
World Equity Fund	29.6	13.3	25.8	(25.6)	5.0

Source: FE fundinfo, mid to mid, UK net, to 31 December 2023. Figures are for the A share class.

Information on share prices and monthly factsheets for each of the sub-funds giving stock, performance and market information can be found at www.svmonline.co.uk

Authorised Status

The ICVC is an investment company with variable capital incorporated in United Kingdom and registered under the OEIC Regulations with the Financial Conduct Authority ("FCA") and has its head office at 7 Castle Street, Edinburgh EH2 3AH. It has an umbrella structure and each sub-fund is invested as a Securities Scheme which complies with the FCA's Collective Investment Schemes Sourcebook ("the COLL") Rules.

The Instrument of Incorporation of the ICVC permits the scheme to operate as a UCITS scheme which complies with the COLL. The Prospectus is dated 1 December 2023.

Shareholders are not liable for the debts of the ICVC.

This report covers the year ending 31 December 2023 including the financial statements which show the financial position of each of the sub-funds.

About the ICVC

The ICVC is valued on a daily basis and currently has five active Funds, all of which have two share classes. The share classes are subject to different charging structures and subscription limits. All shares are single priced. Details of the Funds and the share classes are contained in the Prospectus. Copies of the Prospectus, Supplementary Information Document, Key Investor Information Document and Instrument of Incorporation can be obtained from the Authorised Corporate Director (ACD).

On 1 December 2023 SVM appointed and transferred all of its Investment Management activities to River Global Investors LLP. All SVM investment managers transferred their employment and services to the River Global Group at this date.

Remuneration

SVM Asset Management ('the Manager') is the Investment Manager and the Authorised Corporate Director of the Company. Staff providing services to the Manager are subject to the SVM Remuneration Policy which reflects the remuneration requirements of the UCITS V Directive. It is available through the website www.svmonline.co.uk and is updated periodically to reflect changes to the policy.

Following the implementation of UCITS V in the UK on 18 March 2016, all authorised UCITS Managers are required to comply with the UCITS V Remuneration Code. Under the UCITS V Directive, the Manager is required to disclosure information relating to the remuneration paid to its staff for the financial year (2023), split into fixed and variable remuneration as set out in the table below. The average number of staff during the year was 20.

	Total Remuneration £000
Total staff of the Manager	2,174
Of which:	
Fixed remuneration	1,472
Variable remuneration	702
Identified code staff of the Manager ⁽¹⁾	1,401
Of which:	
Senior management	927
Other identified staff	474

(1) Identified code staff are those whose activities have a material impact on the risk profile of the Company or the Manager.

Share Class Information and Expenses Cap

Each fund has Class A Shares (retail) and Class B Shares (institutional) available for subscription. The annual management fees of the ACD borne by, and the level at which the ACD has agreed to cap the expenses for the year ended 31 December 2023 of, the share classes are given in the following table:

Percentage charge per share class	Annual Fee		Expense Cap	
	A	B	A	B
All Europe SRI Fund	1.50	0.75	1.98	1.23
Continental Europe Fund	1.50	0.75	1.98	1.23
UK Growth Fund	1.50	0.75	1.98	1.23
UK Opportunities Fund	1.50	0.75	1.98	1.23
World Equity Fund	1.50	0.75	1.98	1.23

Rights on Winding Up

All classes of shares have the same rights on winding up.

Prospectus Changes

A copy of the Prospectus is available on request from the ACD.

Risks

If you invest in the ICVC you should be aware that there are certain risks involved:

- Your investment can be affected by changing conditions on the stock markets in which the ICVC invests. Both the value of your investment and any revenue the ICVC may pay, may go down as well as up.
- You are not certain to make a profit and you may make a loss.
- Past performance should not be seen as an indication of future performance.
- If the ICVC invests in overseas securities it may be affected by currency fluctuations. These can have a negative or positive impact on the value of your investment.
- The effect of the initial charge means that, even in the absence of a fall in the share price, if you sell your shares after a short period you may not get back the amount originally invested. You should therefore regard your investment as medium to long term.
- Tax rates, as well as the tax treatment of the ICVC, could change at any time in the future.

Further information on the risks associated with investing in the ICVC can be found in the Prospectus.

The ACD has expressed its own views and opinions in this Report and these may change. None of the views expressed in this Report should be construed as advice to buy or sell a particular investment.

Subsequent Events

On 9 February 2024 there was a Scheme of Arrangement to merge the SVM UK Growth Fund into the SVM UK Opportunities Fund. This was approved by the FCA on 20 December 2023. Subsequently the SVM UK Growth Fund will be terminated. The Instrument of Incorporation and the Prospectus will be updated to reflect this change.

On 19 March 2024 we received approval from the FCA to receive assets of the ES River and Mercantile UK Dynamic Equity Fund, a sub-fund of ES River and Mercantile Funds, an investment company with variable capital into the UK Opportunities Fund, a sub-fund of the SVM Funds ICVC Scheme via a Scheme of Arrangement, this will not affect the ongoing authorisation of the scheme.

On 22 March 2024 the S share class was launched for the UK Opportunities Fund.

On 19 April 2024 the Z share class was launched for the UK Opportunities Fund.

Assessment of Value

Effective from 30 September 2019 the FCA requires Authorised Fund Managers to conduct an Assessment of Value on each fund they manage.

Following the change of ownership of the ACD in October 2022 and the change of Investment Manager in December 2023, the end date of the current and future reference periods for this ICVC's Assessment of Value has been changed to 31 March each year, to align with reporting for other products within the ACD and Investment Manager's group of companies. The Assessment of Value for the extended reference period of 1 January 2023 to 31 March 2024 will be published on our website www.svmonline.co.uk by 31 July 2024.

SVM Asset Management Limited
26 April 2024

Statement of the Authorised Corporate Director's Responsibilities

The FCA Collective Investment Schemes rules (COLL) require the ACD to prepare Financial Statements for each annual and interim accounting period, which give a true and fair view of the financial position of the ICVC and of its net revenue/expense and the net capital gains/losses for the period/year.

In preparing the Financial Statements the ACD is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- comply with the disclosure requirements of the Statement of Recommended Practice relating to the Financial Statements of Authorised Funds;
- keep proper accounting records which enable it to demonstrate that the financial statements comply with the above requirements;
- take reasonable steps for the prevention and detection of fraud and irregularities; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in operation.

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

Report of the Authorised Corporate Director

The Annual Report and Financial Statements have been approved and signed on behalf of the ACD by :



Susan Dorward
Director

SVM Asset Management Limited
Authorised Corporate Director
26 April 2024

Statement of Depositary's Responsibilities in respect of the Scheme and Report of the Depositary to the Shareholders of the SVM Funds ICVC

for the year ended 31 December 2023

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

The Depositary must in the context of its role act honestly, fairly, professionally, independently and in the interests of the Company and its investors. The Depositary is responsible for the safekeeping of all custodial assets and maintaining a record of all other assets of the Company in accordance with the Regulations.

The Depositary must ensure that:

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

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

Report of the Depositary

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

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

State Street Trustees Limited

26 April 2024

Independent Auditor's Report to the Members of SVM Funds ICVC

for the year ended 31 December 2023

Opinion

We have audited the financial statements of SVM Funds ICVC (the 'Company') for the year ended 31 December 2023 which comprise the Statement of Total Return, the Statement of Change in Net Assets Attributable to Shareholders, the Balance Sheet, the related notes, and the Distribution Table for each sub-fund. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice), Statement of Recommended Practice: "Financial Statements of Authorised Funds" issued by the Investment Management Association in May 2014, updated in June 2017, the FCA COLL and the Instrument of Incorporation.

In our opinion the financial statements:

- give a true and fair view of the financial position of each sub-fund at 31 December 2023 and the net revenue and the net capital gains and losses of the scheme property of each sub-fund for the year ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, the Statement of Recommended Practice: "Financial Statements of Authorised Funds", the COLL and the Instrument of Incorporation.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the rules of the FCA COLL

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

- the information given in the ACD's report for the financial year for which the financial statements are prepared is consistent with the financial statements;
- there is nothing to indicate that proper accounting records have not been kept or that the financial statements are not in agreement with those records; and
- we have received all the information and explanation which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the ACD's report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the ACD and Depositary

As explained more fully in the Depositary's Responsibilities Statement on page 6 and ACD's Responsibilities Statement set out on page 5, the Depositary is responsible for safeguarding the property of the Company and the ACD is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Auditor's responsibilities for the audit of the financial statements

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

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

The extent to which the audit was considered capable of detecting irregularities including fraud

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with the ACD and other management, and from our commercial knowledge and experience of the financial sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation and data protection, anti-bribery, employment, financial conduct authority specific regulation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 3 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators including the Health and Safety Executive, and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.



Nick Bennett

For and on behalf of Azets Audit services, Statutory Auditor

Exchange Place 3

Semple Street

Edinburgh

EH3 8BL

26 April 2024

Notes to the Financial Statements

as at 31 December 2023

1. Accounting and distribution policies

The accounting policies are applicable to the aggregated and individual sub-fund financial statements.

- (a) The financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments, and in accordance with the revised Statement of Recommended Practice ("SORP") for Authorised Funds issued by the Investment Association (IA) in May 2014, updated in June 2017, in compliance with FRS 102 and United Kingdom Generally Accepted Accounting Practice.

The financial statements have been prepared on a going concern basis.

- (b) Dividends receivable from equity and non equity shares are credited to revenue, net of attributable tax credits, when the security is quoted ex-dividend. Dividends on unquoted stocks are credited to revenue when the dividend is received. Interest on debt securities is recognised on an effective interest basis. Bank interest is recognised on an accrual basis. Distributions receivable from onshore Collective Investment Schemes are recognised when the security is quoted ex-dividend. Distributions from Offshore Collective Investment Schemes are recognised at its ex-dividend date and any additional reported income is recognised on the underlying funds reporting date. Equalisation on accumulations do not form part of the distribution.
- (c) Dividends from the UK Real Estate Investment Trusts ("REITs") are recognised as distributable revenue when the securities are quoted ex-dividend.
- (d) Special dividends and the proceeds from share buy-backs are reviewed on a case by case basis in determining whether the amount is capital or revenue in nature.
- (e) Underwriting commission is recognised when the issue takes place. Where the sub-fund is required to take up some or all of the shares underwritten, an appropriate proportion of the commission earned is deducted from the cost of those shares.
- (f) All expenses, including management expenses, are dealt with on an accruals basis and charged against revenue except for dealing costs which are charged against capital.
- (g) All listed investments have been valued at bid market prices at 12 noon on 29 December 2023. Collective Investment Schemes have been valued at the last sale price available at the valuation point. Unlisted investments are valued at fair value by the ACD, based on the latest available information, principally net asset value, and with reference to the Institutional Private Equity and Venture Capital Valuation Guidelines.
- (h) The ACD has agreed to cap the expenses of the sub-funds as described on page 3. Any reimbursement due back to the Funds is calculated and accrued on a daily basis and is shown as a deduction to expenses in note 4.
- (i) All transactions in foreign currencies are converted into sterling at the rates of exchange ruling at the dates of such transactions. Foreign currency assets and liabilities at the end of the accounting period are translated at the exchange rates ruling on that date.
- (j) The charge for taxation is 20% of revenue less expenses, and is based on the results for the year. In general, the tax accounting treatment follows that of the principal amount. Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay less or receive more tax. Deferred tax assets are recognised only to the extent that the ACD considers it will be more likely than not that there will be taxable profits from which underlying timing differences can be deducted.
- (k) Where appropriate, certain permitted transactions such as derivatives or forward foreign currency transactions are used for efficient portfolio management and investment purposes. Revenue and expenses derived from the derivative instruments such as Contracts for Difference ("CFDs") are included in the statement of total return. Returns on derivative instruments are recognised as either revenue or capital depending on the nature and circumstances of each particular case. Any CFD positions open at the year end are reflected in the balance sheet at their marked to market value.
- (l) The distribution policy of the sub-funds is to accumulate all available revenue, after deduction of expenses properly chargeable against revenue. Gains and losses on investments and currencies, whether realised or unrealised, are taken to capital and are not available for distribution.
- (m) The allocation of revenue and expenses (including taxation) to each share class is based on the proportion of a Fund's assets attributable to each share class on the day the revenue is earned or the expense is incurred. The ACD's periodic charge is allocated on a share class specific basis.
- (n) Dividends received as shares (scrip/stock dividends), to the extent that the value of such dividends is equal to the cash dividends, are treated as revenue. This revenue forms part of any distribution. In the case of enhanced scrip dividends, the amount by which such dividends exceed the cash dividends is treated as capital and does not form part of the distribution.
- (o) Equalisation applies only to shares purchased during the distribution period (group 2 shares). It is the average amount of income included in the purchase of group 2 shares and is refunded to the shareholders of these shares as a return of capital. Being capital it is not liable to income tax but must be deducted from the cost of shares for capital gains tax purposes.

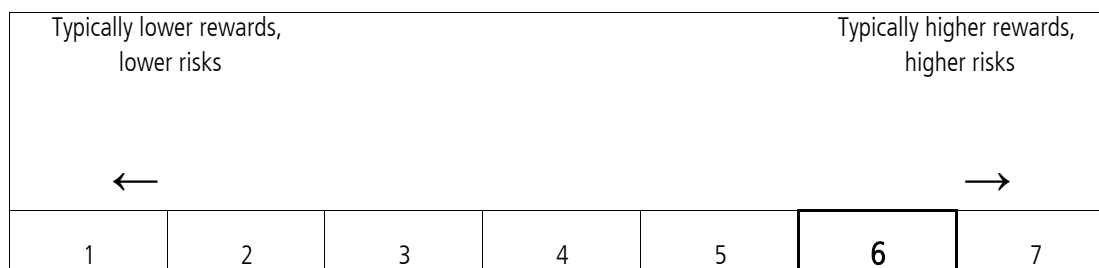
Authorised Fund Manager's Report

for the year ended 31 December 2023

Investment Objective and Policy

The objective of this Fund is to achieve capital growth over the long term (5 years or more) and it aims to outperform the MSCI Europe Index. The Fund will invest at least 80% in equities and equity related instruments which are dealt in or traded on all European Eligible Securities Markets. The Fund may enter into derivative contracts for efficient portfolio management purposes. The use of derivatives is intended to be limited. From time to time, when particular opportunities are identified, or the ACD considers it appropriate, the Fund may invest in transferrable securities which are dealt in or traded on other Eligible Securities Markets or which are otherwise permitted for the Fund.

Synthetic Risk and Reward Indicator



The Synthetic Risk & Reward Indicator ('SRRI') may be a guide to the level of risk of the Fund compared with other funds. The SRRI is calculated based on the historical volatility of the Fund over the last 5 years and it may not be a reliable indication of the future risk and reward profile of the Fund. The Fund's volatility is impacted by various factors including exposure to European stock markets.

- This Fund has been classed as 6 because it has experienced high volatility historically.
- The SRRI category shown is not guaranteed and may change over time.
- The lowest category (1) does not mean risk free and extreme adverse market circumstances can mean you suffer losses in all cases.

The following risks are relevant for this Fund:

- There is no guarantee that the Fund will achieve its objective. The price of shares in the Fund can go down as well as up and is not guaranteed.
- Stock market volatility may impact the Fund's ability to trade in, or obtain accurate valuations for, securities held in the Fund's portfolio. There can be no assurance that any appreciation in value of investments will occur.
- The effect of currency movements can be significant where investments are denominated in currencies other than Sterling and may adversely affect the value of your investment.
- The Fund may enter into derivative contracts for efficient portfolio management (EPM) purposes. There is no guarantee that the Fund will achieve the objective for which it entered into a transaction in relation to EPM, this may result in losses for Shareholders. Full details on EPM can be found in Appendix B of the Prospectus.
- The Fund is exposed to credit and settlement risk through its dealings with Counter Parties. If a Counter Party business fails, the Fund may incur losses.

More detail on the risk factors that affect this Fund are set out in Section 9 of the Prospectus.

Investment Review

Performance	31/12/18 to 31/12/19 %	31/12/19 to 31/12/20 %	31/12/20 to 31/12/21 %	31/12/21 to 31/12/22 %	31/12/22 to 31/12/23 %
All Europe SRI Fund	23.6	1.0	25.2	(22.9)	10.3

Source: FE fundinfo, mid to mid, UK net to 29 December 2023.

Past performance is not a reliable indicator of future results. The value of an investment and any revenue from it is not guaranteed and can go down as well as up depending on investment performance and currency exchange rates.

Market Review

The last year was a challenging one for active managers. Inflation proved more enduring than anticipated and, in response, central banks raised interest rates aggressively. This surge in rates led to fears that a tightening in financial conditions would increase downside risk for the economic outlook and heighten the possibility of financial market breakdowns. The failure of Silicon Valley Bank (SVB) early in the year did nothing to assuage these fears.

Later in the year the co-ordinated attacks launched by Hamas into Israel from the Gaza Strip negatively impacted sentiment further. The tragic events in the Middle East gave rise to concerns that additional countries would be drawn in, resulting in a wider regional war. However, the outlook for inflation remained the key determinant of equity market direction. Inflationary pressures began to ebb later in the year spurring a rally in risk assets.

Portfolio Review

The Fund returned 10.3% and finished behind the MSCI Europe Index that returned 13.85%. Asset allocation was a negative with the Fund's overweight in the UK detrimental to returns. Stock selection, however, was strong in the industrial and consumer-cyclical sectors. CRH rose sharply as it moved its primary listing to the New York Stock Exchange (NYSE). IMI gained as earnings forecasts were revised higher. Consumer-exposed stocks such as M&S, JD Sports Fashion and Tesco benefitted from the resilience of the UK economy. M&S was the largest positive contributor to returns as its impressive operational turnaround continued to gather steam. Holdings in the technology sector boosted returns with Capgemini, Softwareone, AIXTRON and Temenos all performing strongly. Synthomer, Prudential and Alpha Financial Markets Consulting were amongst the major detractors.

The holdings in JD Sports Fashion, Softwareone, Verallia and Temenos were exited after meeting their price targets. New holdings were taken in cyclical recovery stocks such as RS Group, KION Group and Brenntag.

Outlook

Despite the lagging impact of higher interest rates the UK economy continues to defy expectations. We expect a similar pattern to play out over 2024, with consensus expectations of 0.4% growth likely to be revised higher through the year. This in contrast with the European economy where we expect growth to disappoint.

The global economic outlook for 2024 has weakened and earnings in cyclical sectors may come under pressure, but financial markets are a discounting mechanism. Small and mid-cap stocks have been in a bear market since 2021 in anticipation of weaker economic growth. However, as investors begin to anticipate the turn in the interest rate cycle, and better economic times ahead, the outlook becomes much brighter. Cyclical stocks consistently return significantly more than defensives in the twelve months after a recession is declared.

SVM Asset Management Limited

January 2024

Investment markets and conditions can change rapidly and as such the views expressed should not be taken as statements of fact nor should reliance be placed on these views when making investment decisions.

All Europe SRI Fund

Portfolio Statement

as at 31 December 2023

	Holdings	Market Value £000	Total Net Assets %
BASIC MATERIALS (2.27%*)		571	3.71
Brenntag	7,000	505	3.28
Synthomer	35,070	66	0.43
CONSUMER DISCRETIONARY (7.29%*)		1,688	10.97
Dalata Hotel	110,000	440	2.86
Marks & Spencer	242,000	658	4.28
Puma	6,956	304	1.97
TI Fluid Systems	187,007	286	1.86
CONSUMER STAPLES (7.50%*)		994	6.46
Tesco	148,947	432	2.81
Uniphar	240,000	562	3.65
FINANCIALS (24.82%*)		3,113	20.23
AXA	13,000	333	2.16
Legal & General	175,000	440	2.86
Lloyds Banking	1,670,000	796	5.17
NatWest	225,000	493	3.20
OSB	96,235	441	2.87
Prudential	69,000	610	3.97
HEALTH CARE (8.75%*)		1,296	8.42
Creo Medical	925,895	416	2.70
Lunglife AI	218,750	92	0.60
Roche	1,800	411	2.67
Smith & Nephew	35,000	377	2.45
INDUSTRIALS (34.05%*)		5,979	38.86
Alpha Financial Markets Consulting	122,740	479	3.11
Cie de Saint-Gobain	4,000	232	1.51
CRH	18,000	974	6.33
DCC	10,000	579	3.76
Forterra	237,496	419	2.72
Grafton	34,300	314	2.04
IMI	40,000	677	4.40
KION	8,000	270	1.76
Norcros	480,016	876	5.69
RS	42,000	346	2.25
Smurfit Kappa	26,080	813	5.29
REAL ESTATE (1.82%*)		-	-
TECHNOLOGY (8.84%*)		1,193	7.75
ActiveOps	119,118	107	0.70
AIXTRON	10,273	344	2.23
Capgemini	4,500	742	4.82
TELECOMMUNICATIONS (0.63%*)		147	0.96
Spirent Communications	120,000	147	0.96
Portfolio of investments		14,981	97.36
Net other assets (4.03%*)		407	2.64
Total net assets		15,388	100.00

All investments held are listed on Regulated Exchanges, unless otherwise stated.

* Comparative figures shown in brackets relate to 31 December 2022.

All Europe SRI Fund

Material Portfolio Changes

for the year ended 31 December 2023

	Cost £000		Proceeds £000
Major purchases		Major sales	
NatWest	596	AXA	665
Puma	431	Softwareone	593
Brenntag	427	JD Sports Fashion	407
RS	371	Verallia	375
Grafton	327	OSB	239
Synthomer	281	Alpha Financial Markets Consulting	224
AIXTRON	277	Synthomer	222
KION	236	Temenos	193
Spirent Communications	222	Vonovia	183
Cie de Saint-Gobain	203	Tesco	137

All Europe SRI Fund

Comparative table

as at 31 December 2023

Net Asset Value and Ongoing Charges Figure

	Final 31/12/23 (p)	Final 31/12/22 (p)	Final 31/12/21 (p)
Share Class A - Accumulation			
Change in net assets per share			
Opening net asset value per share	301.19	385.23	307.64
Return before operating charges*	37.35	(77.48)	84.83
Operating charges	(6.27)	(6.56)	(7.24)
Return after operating charges*	31.08	(84.04)	77.59
Distributions on accumulation shares	(4.03)	(2.56)	(1.71)
Retained distributions on accumulation shares	4.03	2.56	1.71
Closing net asset value per share	332.27	301.19	385.23
*after direct transaction costs of:	0.39	0.47	0.29
Performance			
Return after charges	10.32%	(21.82%)	25.22%
Other information			
Closing net asset value (£'000)	373	769	1,120
Closing number of shares	112,262	255,414	290,830
Operating charges (ongoing charges figure)	1.98%	1.98%	1.98%
Direct transaction costs	0.12%	0.14%	0.08%
Prices			
Highest share price	343.12	397.52	398.90
Lowest share price	281.44	275.31	308.70
Price at year end	333.49	302.29	392.10

All Europe SRI Fund

Comparative table

(continued)

as at 31 December 2023

	Final 31/12/23 (p)	Final 31/12/22 (p)	Final 31/12/21 (p)
Share Class B - Accumulation			
Change in net assets per share			
Opening net asset value per share	340.37	438.41	347.95
Return before operating charges*	42.25	(93.46)	95.49
Operating charges	(4.37)	(4.58)	(5.03)
Return after operating charges*	37.88	(98.04)	90.46
Distributions on accumulation shares	(7.28)	(5.66)	(4.99)
Retained distributions on accumulation shares	7.28	5.66	4.99
Closing net asset value per share	378.25	340.37	438.41
*after direct transaction costs of:	0.43	0.53	0.33
Performance			
Return after charges	11.13%	(22.36%)	26.00%
Other information			
Closing net asset value (£'000)	15,015	13,833	19,072
Closing number of shares	3,969,604	4,063,903	4,350,207
Operating charges (ongoing charges figure)	1.23%	1.23%	1.23%
Direct transaction costs	0.12%	0.14%	0.08%
Prices			
Highest share price	388.03	445.92	446.40
Lowest share price	319.97	310.62	343.90
Price at year end	379.64	341.61	439.90

All Europe SRI Fund

Statement of Total Return

for the year ended 31 December 2023

	Notes	Year Ended 31 December 2023		Year Ended 31 December 2022	
		£000	£000	£000	£000
Income					
Net capital gains/(losses)	2		1,287		(4,587)
Revenue	3	516		486	
Expenses	4	(187)		(207)	
Interest payable and similar charges		-		(3)	
Net revenue before taxation		329		276	
Taxation	5	(30)		(34)	
Net revenue after taxation			299		242
Total return before distribution			1,586		(4,345)
Distribution	6		(299)		(242)
Change in net assets attributable to shareholders from investment activities			1,287		(4,587)

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31 December 2023

	Year Ended 31 December 2023		Year Ended 31 December 2022	
	£000	£000	£000	£000
Opening net assets attributable to shareholders		14,602		20,192
Amounts receivable on creation of shares	1,879		1,901	
Less: Amounts payable on cancellation of shares	(2,673)		(3,141)	
		(794)		(1,240)
Change in net assets attributable to shareholders from investment activities		1,287		(4,587)
Retained distribution on accumulation shares		293		237
Closing net assets attributable to shareholders		15,388		14,602

Notes to the Financial Statements are on pages 19 to 24.

All Europe SRI Fund

Balance Sheet

as at 31 December 2023

	Notes	31/12/2023 £000	31/12/2022 £000
Fixed Assets			
Investments		<u>14,981</u>	<u>14,014</u>
Current assets:			
Debtors	7	168	88
Cash and bank balances		<u>301</u>	<u>571</u>
Total assets		<u>15,450</u>	<u>14,673</u>
Liabilities:			
Creditors:			
Other creditors	8	<u>(62)</u>	<u>(71)</u>
Total liabilities		<u>(62)</u>	<u>(71)</u>
Net assets attributable to shareholders		<u>15,388</u>	<u>14,602</u>

Notes to the Financial Statements are on pages 19 to 24.

All Europe SRI Fund

Notes to the Financial Statements

as at 31 December 2023

1. Accounting basis and policies

Please see page 10 for accounting basis and policies

2. Net capital gains/(losses)

The net capital gains/(losses) during the year comprise:

	Year Ended 31 December 2023 £000	Year Ended 31 December 2022 £000
Non-derivative securities	1,315	(4,568)
Currency losses	(28)	(19)
Net capital gains/(losses)	<u>1,287</u>	<u>(4,587)</u>

3. Revenue

	Year Ended 31 December 2023 £000	Year Ended 31 December 2022 £000
UK dividends	328	336
Overseas non-taxable revenue	185	150
Bank interest	3	-
Total revenue	<u>516</u>	<u>486</u>

4. Expenses

	Year Ended 31 December 2023 £000	Year Ended 31 December 2022 £000
Payable to the ACD, associates of the ACD, and agents of either of them:		
ACD's periodic charge	116	129
Registration fees	25	28
	<u>141</u>	<u>157</u>
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary's fees	18	18
Safe custody fees	1	1
	<u>19</u>	<u>19</u>
Other expenses:		
Administration fee	32	32
Audit fee	11	10
Other expenses	3	2
	<u>46</u>	<u>44</u>
Expenses rebate *	(19)	(13)
	<u>187</u>	<u>207</u>

*The ACD has agreed to cap the expenses as described in the ACD's report (see page 3).

as at 31 December 2023

5. Taxation

	Year Ended 31 December 2023 £000	Year Ended 31 December 2022 £000
(a) Analysis of charge in year:		
Irrecoverable overseas tax	30	34
(b) Factors affecting current tax charge for the year:		
The tax assessed for the year is lower than (2022: lower than) the standard rate of corporation tax in the UK for an Open-Ended Investment Company of 20% (2022: 20%). The differences are explained below:		
Net revenue before taxation	329	276
Corporation tax of 20% (2022: 20%)	66	55
Effects of:		
UK dividends*	(66)	(67)
Overseas non-taxable revenue*	(37)	(30)
Movement in excess management expenses	37	42
Irrecoverable overseas tax	30	34
Current tax charge for year (note 5a)	30	34

*As an authorised OEIC these items are not subject to corporation tax.

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

(c) Deferred taxation:

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

(d) Factors that may affect future tax charges:

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £660,333 (31/12/22: £623,587) relating to surplus management expenses. No deferred tax asset was recognised in the prior year as it was considered unlikely the Fund would generate sufficient taxable profits in the future to utilise these amounts.

6. Distributions

The distribution takes account of revenue received on the creation of shares and revenue deducted on the cancellation of shares, and comprises:

	Year Ended 31 December 2023 £000	Year Ended 31 December 2022 £000
Final	293	237
Add: Revenue deducted on cancellation of shares	31	22
Deduct: Revenue received on creation of shares	(25)	(17)
Net distribution for the year	299	242

Details of the distribution per share is set out in the Distribution Tables on page 25

as at 31 December 2023

7. Debtors

	Year Ended 31 December 2023 £000	Year Ended 31 December 2022 £000
Sales awaiting settlement	87	-
Amounts receivable for issue of shares	12	27
Accrued revenue	38	17
Accrued expenses rebate due from ACD*	3	2
Overseas tax recoverable	28	42
Total debtors	<u>168</u>	<u>88</u>

*This is a related party (see note 9).

8. Creditors

	Year Ended 31 December 2023 £000	Year Ended 31 December 2022 £000
Amounts payable for cancellation of shares	17	34
Accrued ACD's periodic charge*	18	10
Accrued depositary fee*	6	9
Accrued other expenses	21	18
Total creditors	<u>62</u>	<u>71</u>

*This is a related party (see note 9).

9. Related party transactions

SVM Asset Management Limited, ("the ACD") is a related party and is regarded as a controlling party by virtue of having the ability to act in respect of the operations of the Fund.

The ACD acts as principal on all the transactions of shares in the Fund. The aggregate monies received through sales and repurchases of shares are disclosed in the Statement of Change in Net Assets Attributable to Shareholders, with £(4,789) (31/12/22: £(7,132)) due in respect of share transactions at the year end. Details of the ACD's periodic charge and the expense rebate paid to the ACD, or its associates are shown in note 4. Amounts due to the ACD in respect of these transactions at the year end are included in the Balance Sheet.

Amounts paid to SVM Asset Management Limited in respect of ACD fees and ACD rebates are disclosed in note 4, with £21,122 (31/12/22: £11,181) due at the year end.

Amounts paid to SVM Asset Management Limited in respect of the Depositary are disclosed in note 4, with £5,968 (31/12/22: £9,026) due at the year end.

At the balance sheet date the following shareholders held more than 20% of the shares in the fund:

	Year Ended 31 December 2023	Year Ended 31 December 2022
Transact Nominees Ltd	29.73%	28.30%

as at 31 December 2023

10. Share classes

The Fund has two share classes in issue.

The ACD's periodic charge on each share class is as follows:

	%
Share Class A - Accumulation	1.50
Share Class B - Accumulation	0.75

The net asset value of each share class, the net asset value per share and the number of shares in each class are given in the Comparative Table on pages 15 to 16.

The distribution per share class is given in the Distribution Tables on page 25.

All share classes have the same rights on winding up.

Reconciliation of the share movement in the year:

	31/12/2022	01/01/23 to 31/12/23		31/12/2023
	Opening shares in issue	Creations	Cancellations	Shares converted Closing shares in issue
Share Class A - Accumulation	255,414	5,966	(149,118)	- 112,262
Share Class B - Accumulation	4,063,903	532,867	(627,166)	- 3,969,604
Total	<u>4,319,317</u>	<u>538,833</u>	<u>(776,284)</u>	<u>-</u> <u>4,081,866</u>

11. Capital commitments and contingent liabilities

On 31 December 2023, the Fund had no capital commitments (31/12/22: £nil) and no contingent liabilities (31/12/22: £nil).

12. Financial instruments

A statement of the sub-fund's objective and the policy for achieving it has been included on page 11. The risks inherent in the sub-fund's investment portfolio are as follows:

(a) Currency risk

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

As at 31 December the sub-fund had the following net currency exposure (excluding sterling):

	Currency exposure Year Ended 31 December 2023	Currency exposure Year Ended 31 December 2022
Currency	£000	£000
Euro	4,682	4,906
Swedish krona	-	60
Swiss franc	414	1,055
US dollar	15	-
Total	<u>5,111</u>	<u>6,021</u>

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

Interest rate risk is the risk that the value of the sub-fund's investment holdings will fluctuate as a result of changes in interest rates.

The sub-fund's net cash holding of £300,948 (31/12/22: holding £570,876) is held in a floating rate deposit account whose rate is determined by reference to rates supplied by the Depository.

The possible effects on fair value and cash flows that could arise as a result of changes in currencies are taken into account when making investment decisions.

as at 31 December 2023

(c) Liquidity risk

Liquidity risk is the risk of low market liquidity, through reduced trading volumes, affecting the ability of the sub-fund to trade financial instruments at values previously indicated by financial brokers.

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

Applying the FCA's definition of liquid assets, the ACD monitors the liquidity composition of the sub-funds on a real-time basis to ensure liquidity remains within management limits. This is further reviewed by the Compliance department on a regular basis and reported to the fund managers weekly.

(d) Market price risk and fair value of financial assets and liabilities

Market price risk is the risk that the value of the sub-fund's investment holdings will fluctuate as a result of changes in market prices caused by factors other than interest rate or foreign currency movement. Market price risk arises mainly from uncertainty about future prices of financial instruments the sub-funds hold. It represents the potential loss the sub-fund might suffer through holding market positions in the face of price movements. The sub-fund's investment portfolio is exposed to market price fluctuations which are monitored by the authorised corporate director in pursuance of the investment objective and policy as set out in the Prospectus.

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

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

(e) Counterparty risk

Counterparty risk is the risk that a party to a financial instrument will fail to discharge an obligation or commitment it has entered into.

The largest counterparty risk is with State Steet Bank and Trust Company, the ICVC's custodian and banker, who holds the sub-fund's investments and maintains the bank accounts. Bankruptcy or insolvency of State Steet Bank and Trust Company may cause the sub-fund's rights with respect to securities and cash held by the custodian to be delayed or limited.

The Depository receives and reviews an annual report on the internal controls in place at State Steet Bank and Trust Company.

13. Portfolio transaction costs

Analysis of total trade costs.

	Purchases		Sales	
	Year Ended 31 December 2023 £000	Year Ended 31 December 2022 £000	Year Ended 31 December 2023 £000	Year Ended 31 December 2022 £000
Equities	3,613	4,484	3,980	4,479
Commissions				
Equities	3	4	(4)	(5)
Taxes				
Equities	11	14	-	-
Total costs	14	18	(4)	(5)
Total net trades in the year after transaction costs	3,627	4,502	3,976	4,474

Total transaction cost expressed as a percentage of asset type cost.

	Purchases		Sales	
	Year Ended 31 December 2023 %	Year Ended 31 December 2022 %	Year Ended 31 December 2023 %	Year Ended 31 December 2022 %
Commissions				
Equities	0.08	0.09	0.10	0.11
Taxes				
Equities	0.30	0.31	-	-

as at 31 December 2023

Total transaction cost expressed as a percentage of average net asset value.

	Year Ended 31 December 2023 %	Year Ended 31 December 2022 %
Commissions	0.05	0.06
Taxes	0.07	0.08
Total costs	<u>0.12</u>	<u>0.14</u>

Average portfolio dealing spread

The average portfolio dealing spread at the balance sheet date was 0.75% (31/12/2022: 0.75%).

Where the authorised fund manager believes the spread on the balance sheet date is not representative of the typical spread throughout the year, this fact should be disclosed.

14. Fair value

Valuation technique	Year Ended 31 December 2023		Year Ended 31 December 2022	
	Assets £000	Liabilities £000	Assets £000	Liabilities £000
	Level 1	14,981	-	14,014
Level 2	-	-	-	-
Level 3	-	-	-	-
Total fair value	<u>14,981</u>	<u>-</u>	<u>14,014</u>	<u>-</u>

Level 1: The unadjusted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

Level 3: Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

All Europe SRI Fund

Distribution Tables

for the year ended 31 December 2023

Distribution in pence per share

Group 1 Final Shares purchased prior to 1 January 2023

Group 2 Final Shares purchased on or between 1 January 2023 and 31 December 2023

Share Class A - Accumulation

	Net revenue	Equalisation	Distribution payable on 30/04/24	Distribution paid on 30/04/23
Group 1	(p)	(p)	(p)	(p)
Final	4.0339	-	4.0339	2.5601
Group 2	(p)	(p)	(p)	(p)
Final	3.2696	0.7643	4.0339	2.5601

Share Class B - Accumulation

	Net revenue	Equalisation	Distribution payable on 30/04/24	Distribution paid on 30/04/23
Group 1	(p)	(p)	(p)	(p)
Final	7.2760	-	7.2760	5.6621
Group 2	(p)	(p)	(p)	(p)
Final	2.9709	4.3051	7.2760	5.6621

A shareholder receives this distribution, excluding equalisation, as follows:

Final - 100% of the distribution is a dividend distribution.

Final - 0.00% of the distribution is an interest distribution.

Corporate Tax

A shareholder liable to corporation tax receives this distribution, excluding equalisation, as follows:

Final - 100.00% of the dividend, is received as franked investment income.

Final - 0.00% of the dividend is received as an annual payment (non foreign element) received after the deduction of income tax at the lower rate and is liable to corporation tax. The tax deemed to be deducted is treated as income tax.

Final - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of income tax at the lower rate and is liable to corporation tax. It is treated as foreign income in the hands of the corporate investor and is liable to corporation tax. The associated deemed tax is treated as foreign tax in the hands of the investor who may be able to claim double tax relief. Investors cannot reclaim any of this deemed tax on the foreign element from HM Revenue & Customs.

Continental Europe Fund

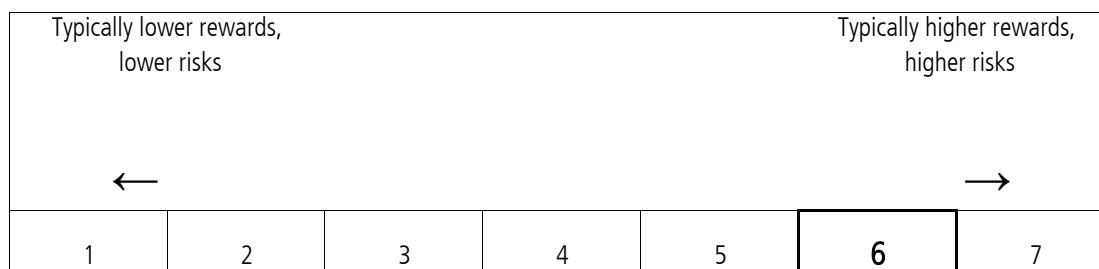
Authorised Fund Manager's Report

for the year ended 31 December 2023

Investment Objective and Policy

The objective of this Fund is to achieve capital growth over the long term (5 years or more) and it aims to outperform the MSCI Europe ex UK Index. The Fund will invest at least 80% in equities and equity related instruments which are dealt in or traded on European Eligible Securities Markets. The Fund may enter into derivative contracts for efficient portfolio management purposes. The use of derivatives is intended to be limited. The Fund may be invested in any industry sector. From time to time, when particular opportunities are identified, or the ACD considers it appropriate, this Fund may invest in transferable securities which are dealt in or traded on other Eligible Securities Markets or which are otherwise permitted for this Fund.

Synthetic Risk and Reward Indicator



The Synthetic Risk & Reward Indicator ('SRRI') may be a guide to the level of risk of the Fund compared with other funds. The SRRI is calculated based on the historical volatility of the Fund over the last 5 years and it may not be a reliable indication of the future risk and reward profile of the Fund. The Fund's volatility is impacted by various factors including exposure to European stock markets.

- This Fund has been classed as 6 because it has experienced high volatility historically.
- The SRRI category shown is not guaranteed and may change over time.
- The lowest category (1) does not mean risk free and extreme adverse market circumstances can mean you suffer losses in all cases.

The following risks are relevant for this Fund:

- There is no guarantee that the Fund will achieve its objective. The price of shares in the Fund can go down as well as up and is not guaranteed.
- Stock market volatility may impact the Fund's ability to trade in, or obtain accurate valuations for, securities held in the Fund's portfolio. There can be no assurance that any appreciation in value of investments will occur.
- The effect of currency movements can be significant where investments are denominated in currencies other than Sterling and may adversely affect the value of your investment.
- The Fund may enter into derivative contracts for efficient portfolio management (EPM) purposes. There is no guarantee that the Fund will achieve the objective for which it entered into a transaction in relation to EPM, this may result in losses for Shareholders. Full details on EPM can be found in Appendix B of the Prospectus.
- The Fund is exposed to credit and settlement risk through its dealings with Counter Parties. If a Counter Party business fails, the Fund may incur losses.

More detail on the risk factors that affect this Fund are set out in Section 9 of the Prospectus.

Investment Review

Performance	31/12/18 to 31/12/19 %	31/12/19 to 31/12/20 %	31/12/20 to 31/12/21 %	31/12/21 to 31/12/22 %	31/12/22 to 31/12/23 %
Continental Europe Fund	18.3	36.7	22.4	(10.4)	3.7

Source: FE fundinfo, mid to mid, UK net to 29 December 2023.

Past performance is not a reliable indicator of future results. The value of an investment and any revenue from it is not guaranteed and can go down as well as up depending on investment performance and currency exchange rates.

Market Review

European equity markets entered 2023 on a sound footing with inflation widely considered to be either close to, or at its peak, meaning the prolonged tightening cycle of central banks would soon come to an end. An economic slowdown or even recession still appeared likely as a consequence of these interest rate rises but the prospect of the subsequent cuts kept markets buoyant. The promise of a resurgence in Chinese demand only served to fuel the optimism as this all-important economy had yet to emerge from the woes of the pandemic inspired slowdown. While inflation may have peaked the ECB still increased rates by 50bps in February as the underlying rate of price increases still remained way above the bank's targeted 2% target. Interestingly such moves didn't appear to be having the impact the central banks perhaps intended on economic growth with economies remaining resilient particularly in the US where the jobs market saw a 517,000 increase in non-farm payrolls against the 189,000 expected by analysts. The question arose, could policy makers pull off the feat of taming inflation while at the same time maintaining economic growth? This caused a shift in expectations to higher for longer for rates as the fear of a prolonged recession subsided.

But progress for equities was not to be in a straight line as news emerged of the difficulties faced by US regional bank SVB whose inability to meet the redemption demands of its depositors sent shock waves round the global banking system. With attention steadily turning to troubled Swiss lender Credit Suisse, authorities needed to act quickly in order to restore confidence. And act they did with calm returning to markets in a matter of weeks. The shock of these events did, however, appear to alter the tenor of the ECB's forward communication which allowed the market to begin to anticipate the prospect of interest rate cuts. This was further strengthened by the poor economic performance from Germany where data from earlier in the year revealed that Europe's largest economy had slipped into recession. Indeed, weak European PMI's and a continued slowdown in China started to bring expectations of monetary policy loosening forward to as early as the first half of 2024.

Further European inflation data toward the year end highlighting a strong deceleration in price increases, was accompanied by a surge in bond yields prompted by resilient US economic conditions. With US treasuries at one stage breaching the 5% level it became apparent the market had completed the final stage of the tightening process. The reaction from equities was positive with a strong rally in the final two months capping an overall very positive year of returns.

Portfolio Review

The Fund rose over the course of the year but underperformed the benchmark index. Small and midcap stocks strongly underperformed their large cap peers and the portfolio had a strong weighting to this asset class. Two of the most disappointing performers, Porsche and Puma were hit by poor demand in their respective markets with China a notable drag on the former's revenues. Defensive stocks such as telecom operator Orange of France also failed to keep up with the market's move despite posting very strong numbers over the course of the year. Good performers from the previous year also succumbed to profit taking including defence manufacturer Thales. On a more positive note, and despite the small and midcap underperformance, some of the best contributions still came from this asset class. For example, brick and pipe manufacturer Wienerberger of Austria performed well despite a very challenging construction market. The company's low valuation and ability to take market share was rewarded accordingly.

We divested from small cap stocks such as Appontis Pharma and Sedana Medical where the lack of diversification in the business models meant they would struggle in a more challenging economic environment. Real estate firm Vonovia of Germany was purchased in the early part of the year as interest rates appeared to be close to peak, an obvious positive for this sector of the market. As expectations for looser monetary policy were pushed out over the course of the year the stock was hit hard and the position divested as re-financing conditions deteriorated.

Other purchases for the Fund included dairy product specialist Danone, French building products company Cie de Saint-Gobain and chocolate ingredients manufacturer Barry Callebaut of Switzerland. The latter demonstrated our strategy of purchasing stocks which had not benefitted from the strong equity market returns over the course of the year but whose business models remained highly attractive over the medium to long term.

Outlook

While the promise of peak inflation combined with a loosening of monetary policy bodes well for both the equity and bond market, there remains a danger that the current anaemic economic growth in Europe is not sufficient to propel markets further. On-going geo-political unrest further muddies the situation. The ECB's own forecast highlights some very muted expectations. Economic growth is expected to improve from early 2024 boosted by a rise in real disposable income as wage settlements meet a declining rate of inflation combined with a resilient level of employment. The forecast also assumes export growth as overseas demand improves. This should translate into a paltry +0.8% expansion in real GDP for 2024 which then goes on to improve to +1.5% for 2025 and 2026.

Equity markets had a strong rally in 2023 and therefore could be considered to have already discounted such a scenario. There is a clear risk that the pain from the rate tightening cycle is yet to be felt in its full force and central banks have been unable to pull off that economic miracle of taming inflation while at the same time continuing to allow economies to grow.

The jury is of course still out on this. There is no doubt both corporate and household debt will remain elevated compared to the previous decade and a half, even assuming the most dovish of interest rate pathways. The overly indebted may continue to suffer. And this is in the face of government budget deficits still impacted by the measures taken during the pandemic.

Such a scenario, however, does not need to stop European equity markets in their tracks. While the ECB's forecasts are unexciting the composition of equity market returns over the last 12 to 24 months has been far from equal resulting in some very attractive opportunities in sectors and asset classes which may flourish under these conditions. European mid and small caps severely lagged large caps in Europe in 2023 creating some clear valuation anomalies.

The Fund will therefore be positioned to capitalise on those companies whose market position or business models can thrive in a benign economic environment and/or those where valuations have fallen too far and already reflect such a development. As befits our investment style mid and small cap opportunities will be rigorously pursued.

SVM Asset Management Limited

January 2024

Investment markets and conditions can change rapidly and as such the views expressed should not be taken as statements of fact nor should reliance be placed on these views when making investment decisions.

Continental Europe Fund

Portfolio Statement

as at 31 December 2023

	Holdings	Market Value £000	Total Net Assets %
BASIC MATERIALS (0.00%*)		1,036	2.56
Brenntag	14,377	1,036	2.56
CONSUMER DISCRETIONARY (7.85%*)		5,065	12.53
Brembo	42,721	415	1.03
IPSOS	16,031	788	1.95
JOST Werke	17,902	684	1.69
Porsche Preference Shares	11,327	787	1.94
Puma	16,807	735	1.82
Sixt	9,228	812	2.01
Swatch	3,927	844	2.09
CONSUMER STAPLES (0.00%*)		3,063	7.57
Barry Callebaut	573	761	1.88
Danone	24,672	1,259	3.11
Kerry	15,274	1,043	2.58
ENERGY (0.00%*)		791	1.96
Technip Energies	42,846	791	1.96
FINANCIALS (24.62%*)		7,334	18.14
Allianz	8,894	1,869	4.62
AXA	65,050	1,667	4.12
Banca Mediolanum	124,790	926	2.29
Mediobanca	110,670	1,077	2.67
Ringkjoebing Landbobank	15,476	1,795	4.44
HEALTH CARE (3.86%*)		4,274	10.57
Alcon	13,498	826	2.04
Roche	7,796	1,779	4.40
Sandoz	33,161	838	2.07
Sanofi	10,641	831	2.06
INDUSTRIALS (19.11%*)		7,401	18.30
Aker Carbon Capture	226,286	235	0.58
Cie de Saint-Gobain	13,000	756	1.87
KION	25,074	847	2.09
Rexel	44,938	973	2.41
Smurfit Kappa	55,487	1,729	4.28
Thales	9,247	1,079	2.67
Verallia	24,021	729	1.80
Wienerberger	40,292	1,053	2.60
REAL ESTATE (2.76%*)		405	1.00
PATRIZIA	56,408	405	1.00
TECHNOLOGY (19.80%*)		4,608	11.40
AIXTRON	32,053	1,073	2.65
Capgemini	5,852	965	2.39
Sesa	10,230	1,098	2.72
United Internet	73,995	1,472	3.64
TELECOMMUNICATIONS (4.11%*)		1,264	3.13
Orange	141,378	1,264	3.13

Continental Europe Fund

Portfolio Statement

(continued)

as at 31 December 2023

	Holdings	Market Value £000	Total Net Assets %
UTILITIES (7.75%*)		4,336	10.72
EDP - Energias de Portugal	257,143	1,020	2.52
Energiekontor	19,181	1,389	3.43
Veolia Environnement	77,457	1,927	4.77
Portfolio of investments		39,577	97.88
Net other assets (10.14%*)		856	2.12
Total net assets		40,433	100.00

All investments held are listed on Regulated Exchanges, unless otherwise stated.

* Comparative figures shown in brackets relate to 31 December 2022.

Continental Europe Fund

Material Portfolio Changes

for the year ended 31 December 2023

	Cost £000		Proceeds £000
Major purchases		Major sales	
Technip Energies	1,948	Verallia	2,352
Sixt	1,746	Vitesco Technologies	2,029
Vitesco Technologies	1,728	Veolia Environnement	1,918
Porsche Preference Shares	1,608	Barco	1,862
Brembo	1,523	Ringkjoebing Landbobank	1,829
Kerry	1,275	Thales	1,666
Danone	1,269	Mediobanca	1,614
Brenntag	1,225	Banca Mediolanum	1,583
Alcon	1,165	Vonovia	1,566
EDP - Energias de Portugal	1,143	AXA	1,542

Continental Europe Fund

Comparative table

as at 31 December 2023

Net Asset Value and Ongoing Charges Figure

	Final 31/12/23 (p)	Final 31/12/22 (p)	Final 31/12/21 (p)
Share Class A - Accumulation			
Change in net assets per share			
Opening net asset value per share	819.81	914.93	748.56
Return before operating charges*	48.44	(80.27)	182.09
Operating charges	(15.20)	(14.85)	(15.72)
Return after operating charges*	33.24	(95.12)	166.37
Distributions on accumulation shares	(7.35)	(2.20)	-
Retained distributions on accumulation shares	7.35	2.20	-
Closing net asset value per share	853.05	819.81	914.93
*after direct transaction costs of:	1.48	1.56	1.05
Performance			
Return after charges	4.05%	(10.40%)	22.23%
Other information			
Closing net asset value (£'000)	9,089	11,219	12,150
Closing number of shares	1,065,401	1,368,487	1,327,963
Operating charges (ongoing charges figure)	1.82%	1.83%	1.91%
Direct transaction costs	0.18%	0.19%	0.13%
Prices			
Highest share price	902.11	925.55	942.40
Lowest share price	768.38	732.28	716.50
Price at year end	853.77	820.44	918.40

Continental Europe Fund

Comparative table

(continued)

as at 31 December 2023

	Final 31/12/23 (p)	Final 31/12/22 (p)	Final 31/12/21 (p)
Share Class B - Accumulation			
Change in net assets per share			
Opening net asset value per share	951.17	1,054.86	856.51
Return before operating charges*	56.41	(93.70)	209.40
Operating charges	(10.42)	(9.99)	(11.05)
Return after operating charges*	45.99	(103.69)	198.35
Distributions on accumulation shares	(15.85)	(9.84)	(7.06)
Retained distributions on accumulation shares	15.85	9.84	7.06
Closing net asset value per share	997.16	951.17	1,054.86
*after direct transaction costs of:	1.72	1.79	1.22
Performance			
Return after charges	4.84%	(9.83%)	23.16%
Other information			
Closing net asset value (£'000)	31,344	47,864	28,016
Closing number of shares	3,143,338	5,032,181	2,655,887
Operating charges (ongoing charges figure)	1.07%	1.07%	1.16%
Direct transaction costs	0.18%	0.19%	0.13%
Prices			
Highest share price	1,047.69	1,065.87	1,084.00
Lowest share price	897.03	848.08	819.40
Price at year end	998.01	951.90	1,058.00

Continental Europe Fund

Statement of Total Return

for the year ended 31 December 2023

	Notes	Year Ended 31 December 2023		Year Ended 31 December 2022	
		£000	£000	£000	£000
Income					
Net capital gains/(losses)	2		1,414		(3,850)
Revenue	3	1,631		1,118	
Expenses	4	(611)		(573)	
Net revenue before taxation		1,020		545	
Taxation	5	(168)		(167)	
Net revenue after taxation			852		378
Total return before distribution			2,266		(3,472)
Distribution	6		(852)		(378)
Change in net assets attributable to shareholders from investment activities			1,414		(3,850)

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31 December 2023

	Year Ended 31 December 2023		Year Ended 31 December 2022	
	£000	£000	£000	£000
Opening net assets attributable to shareholders		59,083		40,166
Amounts receivable on creation of shares	4,389		29,764	
Less: Amounts payable on cancellation of shares	(25,030)		(7,522)	
		(20,641)		22,242
Change in net assets attributable to shareholders from investment activities		1,414		(3,850)
Retained distribution on accumulation shares		577		525
Closing net assets attributable to shareholders		40,433		59,083

Notes to the Financial Statements are on pages 36 to 41.

Continental Europe Fund

Balance Sheet

as at 31 December 2023

	Notes	31/12/2023 £000	31/12/2022 £000
Fixed Assets			
Investments		<u>39,577</u>	<u>53,093</u>
Current assets:			
Debtors	7	372	389
Cash and bank balances		<u>623</u>	<u>5,878</u>
Total assets		<u>40,572</u>	<u>59,360</u>
Liabilities:			
Creditors:			
Other creditors	8	<u>(139)</u>	<u>(277)</u>
Total liabilities		<u>(139)</u>	<u>(277)</u>
Net assets attributable to shareholders		<u>40,433</u>	<u>59,083</u>

Notes to the Financial Statements are on pages 36 to 41.

Continental Europe Fund

Notes to the Financial Statements

as at 31 December 2023

1. Accounting basis and policies

Please see page 10 for accounting basis and policies

2. Net capital gains/(losses)

The net capital gains/(losses) during the year comprise:

	Year Ended 31 December 2023 £000	Year Ended 31 December 2022 £000
Non-derivative securities	1,557	(3,800)
Currency losses	(142)	(47)
Handling charges	(1)	(3)
Net capital gains/(losses)	<u>1,414</u>	<u>(3,850)</u>

3. Revenue

	Year Ended 31 December 2023 £000	Year Ended 31 December 2022 £000
Overseas taxable revenue	42	(3)
Overseas non-taxable revenue	1,578	1,114
Bank interest	11	7
Total revenue	<u>1,631</u>	<u>1,118</u>

4. Expenses

	Year Ended 31 December 2023 £000	Year Ended 31 December 2022 £000
Payable to the ACD, associates of the ACD, and agents of either of them:		
ACD's periodic charge	453	426
Registration fees	81	76
	<u>534</u>	<u>502</u>
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary's fees	19	19
Safe custody fees	10	8
	<u>29</u>	<u>27</u>
Other expenses:		
Administration fee	32	32
Audit fee	11	10
Other expenses	5	2
	<u>48</u>	<u>44</u>
	<u>611</u>	<u>573</u>

as at 31 December 2023

5. Taxation

	Year Ended 31 December 2023 £000	Year Ended 31 December 2022 £000
(a) Analysis of charge in year:		
Irrecoverable overseas tax	168	167
(b) Factors affecting current tax charge for the year:		
The tax assessed for the year is lower than (2022: higher than) the standard rate of corporation tax in the UK for an Open-Ended Investment Company of 20% (2022: 20%). The differences are explained below:		
Net revenue before taxation	1,020	545
Corporation tax of 20% (2022: 20%)	204	109
Effects of:		
Overseas non-taxable revenue*	(316)	(223)
Movement in excess management expenses	112	114
Irrecoverable overseas tax	168	167
Current tax charge for year (note 5a)	168	167

*As an authorised OEIC these items are not subject to corporation tax.

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

(c) Deferred taxation:

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

(d) Factors that may affect future tax charges:

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £1,011,714 (31/12/22: £900,109) relating to surplus management expenses. No deferred tax asset was recognised in the prior year as it was considered unlikely the Fund would generate sufficient taxable profits in the future to utilise these amounts.

6. Distributions

The distribution takes account of revenue received on the creation of shares and revenue deducted on the cancellation of shares, and comprises:

	Year Ended 31 December 2023 £000	Year Ended 31 December 2022 £000
Final	576	526
Add: Revenue deducted on cancellation of shares	304	20
Deduct: Revenue received on creation of shares	(28)	(168)
Net distribution for the year	852	378

Details of the distribution per share is set out in the Distribution Tables on page 42.

7. Debtors

	Year Ended 31 December 2023 £000	Year Ended 31 December 2022 £000
Amounts receivable for issue of shares	11	159
Accrued revenue	1	1
Overseas tax recoverable	360	229
Total debtors	372	389

as at 31 December 2023

8. Creditors

	Year Ended 31 December 2023 £000	Year Ended 31 December 2022 £000
Amounts payable for cancellation of shares	45	194
Accrued ACD's periodic charge*	58	43
Accrued depositary fee*	6	10
Accrued other expenses	30	30
Total creditors	<u>139</u>	<u>277</u>

*This is a related party (see note 9).

9. Related party transactions

SVM Asset Management Limited, ("the ACD") is a related party and is regarded as a controlling party by virtue of having the ability to act in respect of the operations of the Fund.

The ACD acts as principal on all the transactions of shares in the Fund. The aggregate monies received through sales and repurchases of shares are disclosed in the Statement of Change in Net Assets Attributable to Shareholders, with £(33,788) (31/12/22: £(34,861)) due in respect of share transactions at the year end. Details of the ACD's periodic charge and the expense rebate paid to the ACD, or its associates are shown in note 4. Amounts due to the ACD in respect of these transactions at the year end are included in the Balance Sheet.

Amounts paid to SVM Asset Management Limited in respect of ACD fees and ACD rebates are disclosed in note 4, with £58,229 (31/12/22: £42,811) due at the year end.

Amounts paid to SVM Asset Management Limited in respect of the Depositary are disclosed in note 4, with £5,968 (31/12/22: £9,596) due at the year end.

10. Share classes

The Fund has two share classes in issue.

The ACD's periodic charge on each share class is as follows:

	%
Share Class A - Accumulation	1.50
Share Class B - Accumulation	0.75

The net asset value of each share class, the net asset value per share and the number of shares in each class are given in the Comparative Table on pages 32 to 33.

The distribution per share class is given in the Distribution Tables on page 42.

All share classes have the same rights on winding up.

Reconciliation of the share movement in the year:

	31/12/2022	01/01/23 to 31/12/23		31/12/2023
	Opening shares in issue	Creations	Cancellations	Shares converted Closing shares in issue
Share Class A - Accumulation	1,368,487	43,938	(347,024)	-
Share Class B - Accumulation	5,032,181	417,071	(2,305,914)	-
Total	<u>6,400,668</u>	<u>461,009</u>	<u>(2,652,938)</u>	<u>-</u>
				<u>4,208,739</u>

as at 31 December 2023

11. Capital commitments and contingent liabilities

On 31 December 2023, the Fund had no capital commitments (31/12/22: £nil) and no contingent liabilities (31/12/22: £nil).

12. Financial instruments

A statement of the sub-fund's objective and the policy for achieving it has been included on page 26. The risks inherent in the sub-fund's investment portfolio are as follows:

(a) Currency risk

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

As at 31 December the sub-fund had the following net currency exposure (excluding sterling):

	Currency exposure Year Ended 31 December 2023	Currency exposure Year Ended 31 December 2022
Currency	£000	£000
Danish krone	1,798	3,504
Euro	32,848	46,462
Norwegian krone	235	1,414
Swedish krona	-	676
Swiss franc	5,063	2,342
Total	<u>39,944</u>	<u>54,398</u>

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

Interest rate risk is the risk that the value of the sub-fund's investment holdings will fluctuate as a result of changes in interest rates.

The sub-fund's net cash holding of £622,885 (31/12/22: holding £5,877,886) is held in a floating rate deposit account whose rate is determined by reference to rates supplied by the Depositary.

The possible effects on fair value and cash flows that could arise as a result of changes in currencies are taken into account when making investment decisions.

(c) Liquidity risk

Liquidity risk is the risk of low market liquidity, through reduced trading volumes, affecting the ability of the sub-fund to trade financial instruments at values previously indicated by financial brokers.

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

Applying the FCA's definition of liquid assets, the ACD monitors the liquidity composition of the sub-funds on a real-time basis to ensure liquidity remains within management limits. This is further reviewed by the Compliance department on a regular basis and reported to the fund managers weekly.

(d) Market price risk and fair value of financial assets and liabilities

Market price risk is the risk that the value of the sub-fund's investment holdings will fluctuate as a result of changes in market prices caused by factors other than interest rate or foreign currency movement. Market price risk arises mainly from uncertainty about future prices of financial instruments the sub-funds hold. It represents the potential loss the sub-fund might suffer through holding market positions in the face of price movements. The sub-fund's investment portfolio is exposed to market price fluctuations which are monitored by the authorised corporate director in pursuance of the investment objective and policy as set out in the Prospectus.

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

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

as at 31 December 2023

(e) Counterparty risk

Counterparty risk is the risk that a party to a financial instrument will fail to discharge an obligation or commitment it has entered into.

The largest counterparty risk is with State Steet Bank and Trust Company, the ICVC's custodian and banker, who holds the sub-fund's investments and maintains the bank accounts. Bankruptcy or insolvency of State Steet Bank and Trust Company may cause the sub-fund's rights with respect to securities and cash held by the custodian to be delayed or limited.

The Depositary receives and reviews an annual report on the internal controls in place at State Steet Bank and Trust Company.

13. Portfolio transaction costs

Analysis of total trade costs.

	Purchases		Sales	
	Year Ended 31 December 2023 £000	Year Ended 31 December 2022 £000	Year Ended 31 December 2023 £000	Year Ended 31 December 2022 £000
Equities	24,261	28,743	39,423	7,627
Commissions				
Equities	24	30	(39)	(6)
Taxes				
Equities	26	52	-	-
Total costs	50	82	(39)	(6)
Total net trades in the year after transaction costs	24,311	28,825	39,384	7,621

Total transaction cost expressed as a percentage of asset type cost.

	Purchases		Sales	
	Year Ended 31 December 2023 %	Year Ended 31 December 2022 %	Year Ended 31 December 2023 %	Year Ended 31 December 2022 %
Commissions				
Equities	0.10	0.10	0.10	0.08
Taxes				
Equities	0.11	0.18	-	-

Total transaction cost expressed as a percentage of average net asset value.

	Year Ended 31 December 2023 %	Year Ended 31 December 2022 %
Commissions	0.13	0.08
Taxes	0.05	0.11
Total costs	0.18	0.19

Average portfolio dealing spread

The average portfolio dealing spread at the balance sheet date was 0.10% (31/12/2022: 0.17%).

Where the authorised fund manager believes the spread on the balance sheet date is not representative of the typical spread throughout the year, this fact should be disclosed.

as at 31 December 2023

14. Fair value

Valuation technique	Year Ended		Year Ended	
	31 December 2023		31 December 2022	
	Assets	Liabilities	Assets	Liabilities
	£000	£000	£000	£000
Level 1	39,577	-	53,093	-
Level 2	-	-	-	-
Level 3	-	-	-	-
Total fair value	39,577	-	53,093	-

Level 1: The unadjusted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

Level 3: Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

Continental Europe Fund

Distribution Tables

for the year ended 31 December 2023

Distribution in pence per share

Group 1 Final Shares purchased prior to 1 January 2023

Group 2 Final Shares purchased on or between 1 January 2023 and 31 December 2023

Share Class A - Accumulation

	Net revenue	Equalisation	Distribution payable on 30/04/24	Distribution paid on 30/04/23
Group 1	(p)	(p)	(p)	(p)
Final	7.3505	-	7.3505	2.1986
Group 2	(p)	(p)	(p)	(p)
Final	1.2889	6.0616	7.3505	2.1986

Share Class B - Accumulation

	Net revenue	Equalisation	Distribution payable on 30/04/24	Distribution paid on 30/04/23
Group 1	(p)	(p)	(p)	(p)
Final	15.8481	-	15.8481	9.8431
Group 2	(p)	(p)	(p)	(p)
Final	9.6387	6.2094	15.8481	9.8431

A shareholder receives this distribution, excluding equalisation, as follows:

Final - 100% of the distribution is a dividend distribution.

Final - 0.00% of the distribution is an interest distribution.

Corporate Tax

A shareholder liable to corporation tax receives this distribution, excluding equalisation, as follows:

Final - 100.00% of the dividend, is received as franked investment income.

Final - 0.00% of the dividend is received as an annual payment (non foreign element) received after the deduction of income tax at the lower rate and is liable to corporation tax. The tax deemed to be deducted is treated as income tax.

Final - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of income tax at the lower rate and is liable to corporation tax. It is treated as foreign income in the hands of the corporate investor and is liable to corporation tax. The associated deemed tax is treated as foreign tax in the hands of the investor who may be able to claim double tax relief. Investors cannot reclaim any of this deemed tax on the foreign element from HM Revenue & Customs.

Authorised Fund Manager's Report

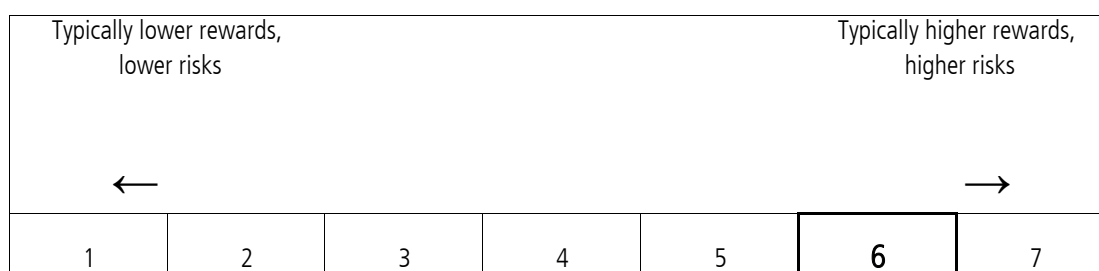
for the year ended 31 December 2023

Investment Objective and Policy

The objective of this Fund is to achieve capital growth over the long term (5 years or more) and it aims to outperform the MSCI United Kingdom IMI.

The Fund will invest at least 80% in equities and equity related instruments in UK companies. These are companies in any economic sector that may be listed, quoted or traded in the UK or elsewhere but which are incorporated or domiciled or conduct a significant portion of their business in the UK. Some companies may however have overseas earnings as part of their trading profits. The Fund uses derivatives for efficient portfolio management purposes. The use of derivatives is intended to be limited. The Fund may be invested in any industry sector. From time to time, when particular opportunities are identified, or the ACD considers it appropriate, the Fund may invest in transferable securities which are otherwise permitted for the Fund.

Synthetic Risk and Reward Indicator



The Synthetic Risk & Reward Indicator ('SRRI') may be a guide to the level of risk of the Fund compared with other funds. The SRRI is calculated based on the historical volatility of the Fund over the last 5 years and it may not be a reliable indication of the future risk and reward profile of the Fund. The Fund's volatility is impacted by various factors including exposure to UK stock markets.

- This Fund has been classed as 6 because it has experienced high volatility historically.
- The SRRI category shown is not guaranteed and may change over time.
- The lowest category (1) does not mean risk free and extreme adverse market circumstances can mean you suffer losses in all cases.

The following risks are relevant for this Fund:

- There is no guarantee that the Fund will achieve its objective. The price of shares in the Fund can go down as well as up and is not guaranteed.
- Stock market volatility may impact the Fund's ability to trade in, or obtain accurate valuations for, securities held in the Fund's portfolio. There can be no assurance that any appreciation in value of investments will occur.
- Currency movements may cause the value of your investment to fall as well as rise.
- The Fund uses derivatives, including Contracts for Difference (CFDs), for efficient portfolio management (EPM) purposes. There is no guarantee that the Fund will achieve the objective for which it entered into a transaction in relation to EPM, this may result in losses for Shareholders. Full details on EPM can be found in Appendix B of the Prospectus.
- The Fund is exposed to credit and settlement risk through its dealings with Counter Parties. If a Counter Party business fails, the Fund may incur losses.

More detail on the risk factors that affect this Fund are set out in Section 9 of the Prospectus.

Investment Review

Performance	31/12/18 to 31/12/19 %	31/12/19 to 31/12/20 %	31/12/20 to 31/12/21 %	31/12/21 to 31/12/22 %	31/12/22 to 31/12/23 %
UK Growth Fund	26.1	6.2	14.7	(35.4)	3.7

Source: FE fundinfo, mid to mid, UK net to 29 December 2023.

Past performance is not a reliable indicator of future results. The value of an investment and any revenue from it is not guaranteed and can go down as well as up depending on investment performance and currency exchange rates.

Market Review

The last year was a challenging one for active managers. Inflation proved more enduring than anticipated and, in response, central banks raised interest rates aggressively. This surge in rates led to fears that a tightening in financial conditions would increase downside risk for the economic outlook and heighten the possibility of financial market breakdowns. The failure of Silicon Valley Bank (SVB) early in the year did nothing to assuage these fears.

Later in the year the co-ordinated attacks launched by Hamas into Israel from the Gaza Strip negatively impacted sentiment further. The tragic events in the Middle East gave rise to concerns that additional countries would be drawn in, resulting in a wider regional war. However, the outlook for inflation remained the key determinant of equity market direction. Inflationary pressures began to ebb later in the year spurring a rally in risk assets.

Portfolio Review

The Fund returned 3.6% and finished behind its benchmark. Stock selection was strong in the industrial and consumer-cyclical sectors. CRH rose sharply as it moved its primary listing to the New York Stock Exchange (NYSE). IMI and Diploma gained as earnings forecasts were revised higher. Consumer-exposed stocks such as JD Sports Fashion and JET2 benefitted from the resilience of the UK economy. Dechra Pharmaceutical was acquired at a significant premium. Gaming stocks Flutter Entertainment and Entain had contrasting fortunes. The former performed strongly as its US business continued to take share. Entain, meanwhile, fell as it lost shares in several of its key markets, culminating in the resignation of the CEO late in the year. The Fund also suffered from earnings disappointments at several highly rated growth stocks. Kainos, Croda International and Rentokil Initial were all punished for disappointing updates.

Outlook

Despite the lagging impact of higher interest rates the UK economy continues to defy expectations. Independent economists forecasted a GDP contraction of 0.8% in January 2023 for the year ahead, but it is now expected the economy will have grown by 0.5% in 2023. We expect a similar pattern to play out over 2024, with consensus expectations of 0.4% growth likely to be revised higher through the year.

The global economic outlook for 2024 has weakened and earnings in cyclical sectors may come under pressure, but financial markets are a discounting mechanism. Small and mid-cap stocks have been in a bear market since 2021 in anticipation of weaker economic growth. However, as investors begin to anticipate the turn in the interest rate cycle, and better economic times ahead, the outlook becomes much brighter. Cyclical stocks consistently return significantly more than defensives in the twelve months after a recession is declared.

SVM Asset Management Limited

January 2024

Investment markets and conditions can change rapidly and as such the views expressed should not be taken as statements of fact nor should reliance be placed on these views when making investment decisions.

UK Growth Fund

Portfolio Statement

as at 31 December 2023

	Holdings	Market Value £000	Total Net Assets %
BASIC MATERIALS (3.82%*)		1,089	2.35
Glencore	229,300	1,089	2.35
CONSUMER DISCRETIONARY (18.62%*)		11,556	24.96
easyJet	175,000	887	1.92
Flutter Entertainment	17,416	2,431	5.25
Howden Joinery	114,000	935	2.02
JD Sports Fashion	1,190,250	1,985	4.29
JET2	230,381	2,882	6.22
Marks & Spencer	400,000	1,087	2.35
Whitbread	36,987	1,349	2.91
CONSUMER STAPLES (2.76%*)		2,865	6.19
Cranswick	38,135	1,454	3.14
Greggs	54,300	1,411	3.05
ENERGY (0.00%)		1,192	2.57
BP	200,000	931	2.01
Jadestone Energy	725,000	261	0.56
FINANCIALS (12.17%*)		5,669	12.25
Aviva	300,000	1,302	2.81
Beazley	203,900	1,063	2.30
JTC	45,400	369	0.80
London Stock Exchange	10,277	955	2.06
NatWest	500,000	1,095	2.37
Prudential	100,000	885	1.91
HEALTH CARE (5.16%*)		3,078	6.65
Creo Medical	1,800,000	810	1.75
GSK	100,000	1,459	3.15
Indivior	68,000	809	1.75
INDUSTRIALS (25.81%*)		15,252	32.94
Ashtead	13,330	732	1.58
Bodycote	100,000	597	1.29
CRH	45,800	2,480	5.36
DCC	15,000	868	1.87
Diploma	36,809	1,322	2.86
FDM	105,000	486	1.05
Grafton	140,000	1,280	2.76
IMI	134,813	2,281	4.93
Inchcape	150,035	1,076	2.32
Norcros	25,000	46	0.10
Oxford Instruments	38,037	881	1.90
RS	193,000	1,591	3.44
Smurfit Kappa	51,700	1,612	3.48
REAL ESTATE (4.53%*)		3,560	7.69
Segro	234,466	2,085	4.50
UNITE	140,552	1,475	3.19

UK Growth Fund

Portfolio Statement

(continued)

as at 31 December 2023

	Holdings	Market Value £000	Total Net Assets %
TECHNOLOGY (7.89%*)		352	0.76
NCC	275,000	352	0.76
TELECOMMUNICATIONS (3.14%*)		-	-
DERIVATIVES (-1.52%*)		-	-
Portfolio of investments		44,613	96.36
Net other assets (17.62%*)		1,684	3.64
Total net assets		46,297	100.00

All investments held are listed on Regulated Exchanges, unless otherwise stated.

* Comparative figures shown in brackets relate to 31 December 2022.

UK Growth Fund

Material Portfolio Changes

for the year ended 31 December 2023

	Cost £000		Proceeds £000
Major purchases		Major sales	
Prudential	2,569	Kainos	4,337
Diageo	2,197	Dechra Pharmaceuticals	3,861
IMI	2,095	JD Sports Fashion	3,481
Experian	2,083	Gamma Communications	3,160
Flutter Entertainment	1,868	Keystone Law	3,147
GSK	1,766	JTC	3,103
Whitbread	1,573	Rentokil Initial	3,057
Aviva	1,464	Diploma	2,946
Smurfit Kappa	1,418	Croda International	2,618
RS	1,373	Entain	2,454

UK Growth Fund

Comparative table

as at 31 December 2023

Net Asset Value and Ongoing Charges Figure

	Final 31/12/23 (p)	Final 31/12/22 (p)	Final 31/12/21 (p)
Share Class A - Accumulation			
Change in net assets per share			
Opening net asset value per share	397.08	610.88	532.98
Return before operating charges*	22.37	(206.20)	87.89
Operating charges	(7.27)	(7.60)	(9.99)
Return after operating charges*	15.10	(213.80)	77.90
Distributions on accumulation shares	-	-	-
Retained distributions on accumulation shares	-	-	-
Closing net asset value per share	412.18	397.08	610.88
*after direct transaction costs of:	1.40	0.18	0.49
Performance			
Return after charges	3.80%	(35.00%)	14.62%
Other information			
Closing net asset value (£'000)	2,754	5,271	11,264
Closing number of shares	668,145	1,327,373	1,843,917
Operating charges (ongoing charges figure)	1.75%	1.72%	1.71%
Direct transaction costs	0.34%	0.04%	0.08%
Prices			
Highest share price	441.05	621.21	649.20
Lowest share price	363.92	353.04	514.30
Price at year end	412.54	398.41	615.90

Comparative table

(continued)

as at 31 December 2023

	Final 31/12/23 (p)	Final 31/12/22 (p)	Final 31/12/21 (p)
Share Class B - Accumulation			
Change in net assets per share			
Opening net asset value per share	453.57	695.94	602.55
Return before operating charges*	25.56	(237.52)	99.74
Operating charges	(4.76)	(4.85)	(6.35)
Return after operating charges*	20.80	(242.37)	93.39
Distributions on accumulation shares	(3.36)	(2.75)	-
Retained distributions on accumulation shares	3.36	2.75	-
Closing net asset value per share	474.37	453.57	695.94
*after direct transaction costs of:	1.60	0.21	0.55
Performance			
Return after charges	4.59%	(34.83%)	15.50%
Other information			
Closing net asset value (£'000)	43,543	95,035	192,790
Closing number of shares	9,179,099	20,952,849	27,702,109
Operating charges (ongoing charges figure)	1.00%	0.97%	0.96%
Direct transaction costs	0.34%	0.04%	0.08%
Prices			
Highest share price	504.16	704.33	734.50
Lowest share price	418.27	402.61	579.50
Price at year end	474.79	455.09	698.30

UK Growth Fund

Statement of Total Return

for the year ended 31 December 2023

	Notes	Year Ended 31 December 2023		Year Ended 31 December 2022	
		£000	£000	£000	£000
Income					
Net capital gains/(losses)	2		1,909		(74,390)
Revenue	3	1,448		2,256	
Expenses	4	(885)		(1,459)	
Net revenue before taxation		563		797	
Taxation	5	-		-	
Net revenue after taxation			563		797
Total return before distribution			2,472		(73,593)
Distribution	6		(567)		(811)
Change in net assets attributable to shareholders from investment activities			1,905		(74,404)

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31 December 2023

	Year Ended 31 December 2023		Year Ended 31 December 2022	
	£000	£000	£000	£000
Opening net assets attributable to shareholders		100,306		204,054
Amounts receivable on creation of shares	1,992		24,049	
Less: Amounts payable on cancellation of shares	(58,215)		(53,970)	
		(56,223)		(29,921)
Change in net assets attributable to shareholders from investment activities		1,905		(74,404)
Retained distribution on accumulation shares		309		577
Closing net assets attributable to shareholders		46,297		100,306

Notes to the Financial Statements are on pages 52 to 58.

UK Growth Fund

Balance Sheet

as at 31 December 2023

	Notes	31/12/2023 £000	31/12/2022 £000
Fixed Assets			
Investments		<u>44,613</u>	<u>84,906</u>
Current assets:			
Debtors	8	99	441
Cash and bank balances	9	<u>2,388</u>	<u>17,384</u>
Total assets		<u>47,100</u>	<u>102,731</u>
Liabilities:			
Investment liabilities		<u>-</u>	<u>(2,270)</u>
Creditors:			
Bank overdrafts		-	(25)
Other creditors	10	<u>(803)</u>	<u>(130)</u>
Total other liabilities		<u>(803)</u>	<u>(155)</u>
Total liabilities		<u>(803)</u>	<u>(2,425)</u>
Net assets attributable to shareholders		<u>46,297</u>	<u>100,306</u>

Notes to the Financial Statements are on pages 52 to 58.

Notes to the Financial Statements

as at 31 December 2023

1. Accounting basis and policies

Please see page 10 for accounting basis and policies

2. Net capital gains/(losses)

The net capital gains/(losses) during the year comprise:

	Year Ended 31 December 2023 £000	Year Ended 31 December 2022 £000
Non-derivative securities	2,146	(66,637)
Derivative contracts	(247)	(7,779)
Currency gains	11	28
Handling charges	(1)	(2)
Net capital gains/(losses)	<u>1,909</u>	<u>(74,390)</u>

3. Revenue

	Year Ended 31 December 2023 £000	Year Ended 31 December 2022 £000
UK dividends	1,127	1,823
Overseas taxable revenue	(4)	1
Overseas non-taxable revenue	294	154
Property revenue from UK REITs - PID	121	231
Property revenue from UK REITs - Non PID	43	20
Bank interest	41	16
Interest on amounts held at futures clearing houses and brokers	5	4
Revenue from CFDs	(179)	7
Total revenue	<u>1,448</u>	<u>2,256</u>

4. Expenses

	Year Ended 31 December 2023 £000	Year Ended 31 December 2022 £000
Payable to the ACD, associates of the ACD, and agents of either of them:		
ACD's periodic charge	671	1,148
Registration fees	123	206
	<u>794</u>	<u>1,354</u>
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary's fees	31	49
Safe custody fees	2	2
	<u>33</u>	<u>51</u>
Other expenses:		
Administration fee	34	38
Audit fee	10	10
Other expenses	14	6
	<u>58</u>	<u>54</u>
	<u>885</u>	<u>1,459</u>

as at 31 December 2023

5. Taxation

	Year Ended 31 December 2023 £000	Year Ended 31 December 2022 £000
(a) Analysis of charge in year:		
There is no corporation tax charge in the current year or prior year.		
(b) Factors affecting current tax charge for the year:		
The tax assessed for the year is lower than (2022: lower than) the standard rate of corporation tax in the UK for an Open-Ended Investment Company of 20% (2022: 20%). The differences are explained below:		
Net revenue before taxation	563	797
Corporation tax of 20% (2022: 20%)	113	159
Effects of:		
UK dividends*	(225)	(364)
Overseas non-taxable revenue*	(59)	(31)
Movement in excess management expenses	180	240
Property revenue from UK REITs - Non PID	(9)	(4)
Current tax charge for year	-	-

*As an authorised OEIC these items are not subject to corporation tax.

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

(c) Deferred taxation:

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

(d) Factors that may affect future tax charges:

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £3,391,572 (31/12/22: £3,211,382) relating to surplus management expenses. No deferred tax asset was recognised in the prior year as it was considered unlikely the Fund would generate sufficient taxable profits in the future to utilise these amounts.

6. Distributions

The distribution takes account of revenue received on the creation of shares and revenue deducted on the cancellation of shares, and comprises:

	Year Ended 31 December 2023 £000	Year Ended 31 December 2022 £000
Final	309	576
Add: Revenue deducted on cancellation of shares	261	281
Deduct: Revenue received on creation of shares	(3)	(46)
Net distribution for the year	567	811

Details of the distribution per share is set out in the Distribution Tables on page 59.

7. Movement between net revenue and net distribution

	Year Ended 31 December 2023 £000	Year Ended 31 December 2022 £000
Net revenue after taxation	563	797
Fund shortfall funded from capital	4	14
Net distribution for the year	567	811

as at 31 December 2023

8. Debtors

	Year Ended 31 December 2023 £000	Year Ended 31 December 2022 £000
Amounts receivable for issue of shares	-	411
Accrued revenue	99	30
Total debtors	<u>99</u>	<u>441</u>

9. Cash and bank balances

	Year Ended 31 December 2023 £000	Year Ended 31 December 2022 £000
Cash and bank balances	2,388	11,266
Amounts held at futures clearing houses and brokers	-	6,118
Total cash and bank balances	<u>2,388</u>	<u>17,384</u>

10. Creditors

	Year Ended 31 December 2023 £000	Year Ended 31 December 2022 £000
Amounts payable for cancellation of shares	700	1
Accrued ACD's periodic charge*	64	66
Accrued depositary fee*	7	22
Accrued other expenses	32	41
Total creditors	<u>803</u>	<u>130</u>

*This is a related party (see note 11).

11. Related party transactions

SVM Asset Management Limited, ("the ACD") is a related party and is regarded as a controlling party by virtue of having the ability to act in respect of the operations of the Fund.

The ACD acts as principal on all the transactions of shares in the Fund. The aggregate monies received through sales and repurchases of shares are disclosed in the Statement of Change in Net Assets Attributable to Shareholders, with £(700,002) (31/12/22: £410,547) due in respect of share transactions at the year end. Details of the ACD's periodic charge and the expense rebate paid to the ACD, or its associates are shown in note 4. Amounts due to the ACD in respect of these transactions at the year end are included in the Balance Sheet.

Amounts paid to SVM Asset Management Limited in respect of ACD fees and ACD rebates are disclosed in note 4, with £64,240 (31/12/22: £66,124) due at the year end.

Amounts paid to SVM Asset Management Limited in respect of the Depositary are disclosed in note 4, with £7,558 (31/12/22: £21,907) due at the year end.

as at 31 December 2023

12. Share classes

The Fund has two share classes in issue.

The ACD's periodic charge on each share class is as follows:

	%
Share Class A - Accumulation	1.50
Share Class B - Accumulation	0.75

The net asset value of each share class, the net asset value per share and the number of shares in each class are given in the Comparative Table on pages 48 to 49.

The distribution per share class is given in the Distribution Tables on page 59.

All share classes have the same rights on winding up.

Reconciliation of the share movement in the year:

	31/12/2022	01/01/23 to 31/12/23		31/12/2023
	Opening shares in issue	Creations	Cancellations	Shares converted Closing shares in issue
Share Class A - Accumulation	1,327,373	4,791	(664,019)	-
Share Class B - Accumulation	20,952,849	395,989	(12,169,739)	-
Total	<u>22,280,222</u>	<u>400,780</u>	<u>(12,833,758)</u>	<u>-</u>
				<u>9,847,244</u>

13. Capital commitments and contingent liabilities

On 31 December 2023, the Fund had no capital commitments (31/12/22: £nil) and no contingent liabilities (31/12/22: £nil).

14. Financial instruments

A statement of the sub-fund's objective and the policy for achieving it has been included on page 43. The risks inherent in the sub-fund's investment portfolio are as follows:

The UK Growth Fund utilises CFDs for effective portfolio management (EPM). The benefit of CFDs is that the Fund can gain exposure to price movements in underlying securities by making a margin payment rather than paying the full amount for the investment. This may result in the fund being leveraged beyond the net asset value and hence market movements may have a greater impact on the fund in this scenario. The use of derivatives may lead to an increase in the fund's volatility and may also increase counterparty risk within the fund. The UK Growth Fund restricts its exposure to counterparty risk on derivative instruments by trading via an International Swap Derivative Association (ISDA) Master Agreement with derivative counterparties.

Under CFDs the Fund has long positions with exposure to underlying securities with a total market value of £nil (2022: £14,019,039). The counterparty was UBS AG. The Fund currently has a cash collateral position of £105 (2022: £6,094,001) on deposit.

(a) Currency risk

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

As at 31 December the sub-fund had the following net currency exposure (excluding sterling):

	Currency exposure Year Ended 31 December 2023	Currency exposure Year Ended 31 December 2022
Currency	£000	£000
Euro	1	(25)
Polish zloty	-	844
US dollar	<u>39</u>	<u>-</u>
Total	<u>40</u>	<u>819</u>

as at 31 December 2023

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

Interest rate risk is the risk that the value of the sub-fund's investment holdings will fluctuate as a result of changes in interest rates.

The sub-fund's net cash holding of £2,387,818 (31/12/22: holding £11,265,703) is held in a floating rate deposit account whose rate is determined by reference to rates supplied by the Depositary.

The Fund holds net cash at futures brokers of £105 (31/12/22: cash £6,094,001), whose rates are determined by reference to rates supplied by the broker.

The possible effects on fair value and cash flows that could arise as a result of changes in currencies are taken into account when making investment decisions.

(c) Liquidity risk

Liquidity risk is the risk of low market liquidity, through reduced trading volumes, affecting the ability of the sub-fund to trade financial instruments at values previously indicated by financial brokers.

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

Applying the FCA's definition of liquid assets, the ACD monitors the liquidity composition of the sub-funds on a real-time basis to ensure liquidity remains within management limits. This is further reviewed by the Compliance department on a regular basis and reported to the fund managers weekly.

(d) Market price risk and fair value of financial assets and liabilities

Market price risk is the risk that the value of the sub-fund's investment holdings will fluctuate as a result of changes in market prices caused by factors other than interest rate or foreign currency movement. Market price risk arises mainly from uncertainty about future prices of financial instruments the sub-funds hold. It represents the potential loss the sub-fund might suffer through holding market positions in the face of price movements. The sub-fund's investment portfolio is exposed to market price fluctuations which are monitored by the authorised corporate director in pursuance of the investment objective and policy as set out in the Prospectus.

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

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

(e) Counterparty risk

Counterparty risk is the risk that a party to a financial instrument will fail to discharge an obligation or commitment it has entered into.

The largest counterparty risk is with State Steet Bank and Trust Company, the ICVC's custodian and banker, who holds the sub-fund's investments and maintains the bank accounts. Bankruptcy or insolvency of State Steet Bank and Trust Company may cause the sub-fund's rights with respect to securities and cash held by the custodian to be delayed or limited.

The Depositary receives and reviews an annual report on the internal controls in place at State Steet Bank and Trust Company.

Certain transactions in securities that the sub-funds enter into expose them to the risk that the counterparty will not deliver the investment for a purchase, or cash for a sale after the Fund has fulfilled its responsibilities. The sub-funds only buy and sell investments and trades CFD's through brokers which have been approved by the ACD as an acceptable counterparty; the broker through which CFD's are transacted requires a cash margin to be maintained with them as collateral for those positions. In addition, limits are set to the exposure to any individual broker that may exist at any time and changes in brokers' credit ratings are reviewed.

as at 31 December 2023

15. Portfolio transaction costs

Analysis of total trade costs.

	Purchases		Sales	
	Year Ended 31 December 2023 £000	Year Ended 31 December 2022 £000	Year Ended 31 December 2023 £000	Year Ended 31 December 2022 £000
Equities	34,976	1,332	76,960	49,059
Commissions				
Equities	27	-	(83)	(59)
Taxes				
Equities	177	2	-	-
Total costs	204	2	(83)	(59)
Total net trades in the year after transaction costs	35,180	1,334	76,877	49,000

Total transaction cost expressed as a percentage of asset type cost.

	Year Ended 31 December 2023 %	Year Ended 31 December 2022 %	Year Ended 31 December 2023 %	Year Ended 31 December 2022 %
	Commissions			
Equities	0.08	-	0.11	0.12
Taxes				
Equities	0.51	0.15	-	-

Total transaction cost expressed as a percentage of average net asset value.

	Year Ended 31 December 2023 %	Year Ended 31 December 2022 %
	Commissions	0.13
Taxes	0.21	-
Total costs	0.34	0.04

Average portfolio dealing spread

The average portfolio dealing spread at the balance sheet date was 0.18% (31/12/2022: 0.79%).

Where the authorised fund manager believes the spread on the balance sheet date is not representative of the typical spread throughout the year, this fact should be disclosed.

as at 31 December 2023

15. Post Balance Sheet events

On 9 February 2024 there was a Scheme of Arrangement to merge the SVM UK Growth Fund into the SVM UK Opportunities Fund. This was approved by the FCA on 20 December 2023. Subsequently the SVM UK Growth Fund will be terminated. The Instrument of Incorporation and the Prospectus will be updated to reflect this change.

16. Fair value

Valuation technique	Year Ended		Year Ended	
	31 December 2023		31 December 2022	
	Assets	Liabilities	Assets	Liabilities
	£000	£000	£000	£000
Level 1	44,613	-	84,164	-
Level 2	-	-	742	(2,270)
Level 3	-	-	-	-
Total fair value	44,613	-	84,906	(2,270)

Level 1: The unadjusted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

Level 3: Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

UK Growth Fund

Distribution Tables

for the year ended 31 December 2023

Distribution in pence per share

Group 1 Final Shares purchased prior to 1 January 2023

Group 2 Final Shares purchased on or between 1 January 2023 and 31 December 2023

Share Class A - Accumulation

	Net revenue	Equalisation	Distribution payable on 30/04/24	Distribution paid on 30/04/23
Group 1 Final	(p) -	(p) -	(p) -	(p) -
Group 2 Final	(p) -	(p) -	(p) -	(p) -

Share Class B - Accumulation

	Net revenue	Equalisation	Distribution payable on 30/04/24	Distribution paid on 30/04/23
Group 1 Final	(p) 3.3639	(p) -	(p) 3.3639	(p) 2.7500
Group 2 Final	(p) 2.5224	(p) 0.8415	(p) 3.3639	(p) 2.7500

A shareholder receives this distribution, excluding equalisation, as follows:

Final - 100% of the distribution is a dividend distribution.

Final - 0.00% of the distribution is an interest distribution.

Corporate Tax

A shareholder liable to corporation tax receives this distribution, excluding equalisation, as follows:

Final - 100.00% of the dividend, is received as franked investment income.

Final - 0.00% of the dividend is received as an annual payment (non foreign element) received after the deduction of income tax at the lower rate and is liable to corporation tax. The tax deemed to be deducted is treated as income tax.

Final - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of income tax at the lower rate and is liable to corporation tax. It is treated as foreign income in the hands of the corporate investor and is liable to corporation tax. The associated deemed tax is treated as foreign tax in the hands of the investor who may be able to claim double tax relief. Investors cannot reclaim any of this deemed tax on the foreign element from HM Revenue & Customs.

Authorised Fund Manager's Report

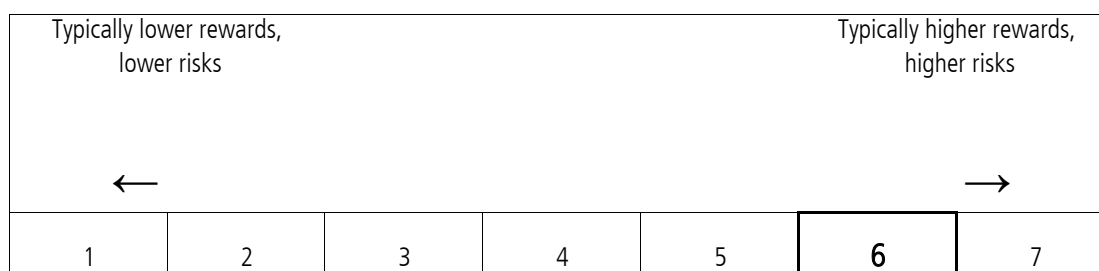
for the year ended 31 December 2023

Investment Objective and Policy

The objective of this Fund is to achieve capital growth over the long term (5 years or more) and it aims to outperform the MSCI United Kingdom IMI.

The Fund will invest at least 80% in equities and equity related instruments in UK companies. These are companies in any economic sector that may be listed, quoted or traded in the UK or elsewhere but which are incorporated or domiciled or conduct a significant portion of their business in the UK. Some companies may however have overseas earnings as part of their trading profits. The Fund will seek to invest in the full range of opportunities available to it, which will include shares on the Alternative Investment Market. The Fund uses derivatives for efficient portfolio management and investment purposes. The use of derivatives is intended to be limited. The Fund may be invested in any industry sector. From time to time, when particular opportunities are identified, or the ACD considers it appropriate, the Fund may invest in other permitted transferable securities.

Synthetic Risk and Reward Indicator



The Synthetic Risk & Reward Indicator ('SRRI') may be a guide to the level of risk of the Fund compared with other funds. The SRRI is calculated based on the historical volatility of the Fund over the last 5 years and it may not be a reliable indication of the future risk and reward profile of the Fund. The Fund's volatility is impacted by various factors including exposure to UK stock markets.

- This Fund has been classed as 6 because it has experienced high volatility historically.
- The SRRI category shown is not guaranteed and may change over time.
- The lowest category (1) does not mean risk free and extreme adverse market circumstances can mean you suffer losses in all cases.

The following risks are relevant for this Fund:

- There is no guarantee that the Fund will achieve its objective. The price of shares in the Fund can go down as well as up and is not guaranteed.
- Stock market volatility may impact the Fund's ability to trade in, or obtain accurate valuations for, securities held in the Fund's portfolio. There can be no assurance that any appreciation in value of investments will occur.
- Currency movements may cause the value of your investment to fall as well as rise.
- The Fund uses derivatives, in the form of Contracts for Difference (CFDs), for efficient portfolio management (EPM) and investment purposes. This may include taking short positions. There is no guarantee that the Fund will achieve the objective for which it entered into a derivative transaction, this may result in losses for Shareholders. Full details on EPM can be found in Appendix B of the Prospectus.
- The Fund is exposed to credit and settlement risk through its dealings with Counter Parties. If a Counter Party business fails, the Fund may incur losses.
- The use of derivatives may create leveraging, where the net exposure to investments is greater than the Net Asset Value of the Fund, and could increase the volatility of Fund's share price. This may lead to greater losses for Shareholders.

More detail on the risk factors that affect this Fund are set out in Section 9 of the Prospectus.

Investment Review

Performance	31/12/18 to 31/12/19 %	31/12/19 to 31/12/20 %	31/12/20 to 31/12/21 %	31/12/21 to 31/12/22 %	31/12/22 to 31/12/23 %
UK Opportunities Fund	30.4	(8.8)	23.4	(21.2)	7.8

Source: FE fundinfo, mid to mid, UK net to 29 December 2023.

Past performance is not a reliable indicator of future results. The value of an investment and any revenue from it is not guaranteed and can go down as well as up depending on investment performance and currency exchange rates.

Market Review

The last year was a challenging one for active managers. Inflation proved more enduring than anticipated and, in response, central banks raised interest rates aggressively. This surge in rates led to fears that a tightening in financial conditions would increase downside risk for the economic outlook and heighten the possibility of financial market breakdowns. The failure of Silicon Valley Bank (SVB) early in the year did nothing to assuage these fears.

Later in the year the co-ordinated attacks launched by Hamas into Israel from the Gaza Strip negatively impacted sentiment further. The tragic events in the Middle East gave rise to concerns that additional countries would be drawn in, resulting in a wider regional war. However, the outlook for inflation remained the key determinant of equity market direction. Inflationary pressures began to ebb later in the year spurring a rally in risk assets.

Portfolio Review

The Fund returned 7.8% and finished in the second quartile of funds in the UK All Companies sector. Stock selection was strong in the industrial and consumer-cyclical sectors. CRH rose sharply as it moved its primary listing to the New York Stock Exchange (NYSE). IMI gained as earnings forecasts were revised higher. Consumer-exposed stocks such as M&S, AB Foods, Ryanair, and Tesco benefitted from the resilience of the UK economy. M&S was the largest positive contributor to returns as its impressive operational turnaround continued to gather steam. Jadestone Energy was the largest negative contributor to returns. Ongoing issues at its Montara oil field continued to weigh on the share price. Gaming company, Entain, was another disappointing performer. The company lost shares in several of its key markets, culminating in the resignation of the CEO late in the year.

The holdings in JD Sports Fashion, AB Foods, and Broadcom were exited after meeting their price targets. Lookers was acquired by a competitor at a significant premium. New holdings were taken in cyclical recovery stocks such as Elementis, NCC, Morgan Advanced Materials, and RS Group.

Outlook

Despite the lagging impact of higher interest rates the UK economy continues to defy expectations. Independent economists forecasted a GDP contraction of 0.8% in January 2023 for the year ahead, but it is now expected the economy will have grown by 0.5% in 2023. We expect a similar pattern to play out over 2024, with consensus expectations of 0.4% growth likely to be revised higher through the year.

The global economic outlook for 2024 has weakened and earnings in cyclical sectors may come under pressure, but financial markets are a discounting mechanism. Small and mid-cap stocks have been in a bear market since 2021 in anticipation of weaker economic growth. However, as investors begin to anticipate the turn in the interest rate cycle, and better economic times ahead, the outlook becomes much brighter. Cyclical stocks consistently return significantly more than defensives in the twelve months after a recession is declared.

SVM Asset Management Limited

January 2024

Investment markets and conditions can change rapidly and as such the views expressed should not be taken as statements of fact nor should reliance be placed on these views when making investment decisions.

UK Opportunities Fund

Portfolio Statement

as at 31 December 2023

	Holdings	Market Value £000	Total Net Assets %
UNITED KINGDOM (72.08%*)		95,056	68.31
BASIC MATERIALS (3.55%*)		3,233	2.32
Elementis	2,087,000	2,663	1.91
Synthomer	303,198	570	0.41
CONSUMER DISCRETIONARY (2.19%*)		3,203	2.30
Revolution Beauty	1,172,500	364	0.26
TI Fluid Systems	1,858,000	2,839	2.04
CONSUMER STAPLES (3.68%*)		4,159	2.99
Tesco	1,434,052	4,159	2.99
ENERGY (13.86%*)		17,266	12.42
Deltic Energy	2,762,332	635	0.46
Energean Oil & Gas	420,874	4,327	3.11
Harbour Energy	600,000	1,859	1.34
Jadestone Energy	14,379,026	5,176	3.72
Jersey Oil & Gas	448,047	892	0.64
Longboat Energy	4,571,666	891	0.64
Pantheon Resources	2,295,303	586	0.42
Savannah Energy	11,049,840	2,900	2.09
FINANCIALS (15.55%*)		18,041	12.96
Lloyds Banking	12,833,500	6,113	4.39
NatWest	2,500,000	5,475	3.94
OSB	429,442	1,968	1.41
Prudential	507,000	4,485	3.22
HEALTH CARE (6.89%*)		13,127	9.43
Creo Medical	8,824,432	3,971	2.85
GSK	302,000	4,407	3.17
Indivior	163,830	1,950	1.40
Smith & Nephew	260,000	2,799	2.01
INDUSTRIALS (24.83%*)		31,366	22.54
Alpha Financial Markets Consulting	939,447	3,664	2.63
Bodycote	477,661	2,849	2.05
Coats	3,000,000	2,334	1.68
Forterra	1,416,226	2,498	1.80
IMI	397,500	6,726	4.83
Inchcape	495,000	3,552	2.55
Morgan Advanced Materials	775,565	2,187	1.57
Norcros	3,464,211	6,322	4.54
Speedy Hire	3,749,931	1,234	0.89
REAL ESTATE (0.79%*)		1,826	1.31
Workspace	320,964	1,826	1.31
TECHNOLOGY (0.74%*)		2,835	2.04
ActiveOps	1,524,411	1,372	0.99
NCC	1,142,932	1,463	1.05

UK Opportunities Fund

Portfolio Statement

(continued)

as at 31 December 2023

	Holdings	Market Value £000	Total Net Assets %
GERMANY (0.00%)		2,196	1.58
Puma	50,200	2,196	1.58
IRELAND (10.64%*)		19,779	14.22
DCC	108,705	6,292	4.52
Flutter Entertainment	14,335	2,001	1.44
Ryanair	335,000	5,576	4.01
Smurfit Kappa	175,330	5,467	3.93
Uniphar	189,100	443	0.32
ISLE OF MAN (4.30%*)		4,216	3.03
Entain	425,000	4,216	3.03
DERIVATIVES (-5.29%*)		3,026	2.17
CONTRACTS FOR DIFFERENCE		3,026	2.17
888 Holdings - CFD	1,806,935	(286)	(0.21)
British Land REIT - CFD	995,000	298	0.21
CRH - CFD	144,826	1,196	0.86
easyJet - CFD	754,894	471	0.34
Essentra - CFD	1,189,807	43	0.03
Glencore - CFD	910,900	26	0.02
Grafton - CFD	317,000	118	0.08
Halma - CFD†	99,000	(20)	(0.01)
Legal & General - CFD	1,084,000	177	0.13
Marks & Spencer - CFD	2,097,500	1,350	0.97
Rightmove - CFD†	330,000	(123)	(0.09)
RS - CFD	450,000	425	0.31
Softcat - CFD†	60,000	(66)	(0.05)
Spirax-Sarco Engineering - CFD†	10,346	(62)	(0.05)
Spirent Communications - CFD	1,073,700	(521)	(0.37)
Portfolio of investments[^]		124,273	89.31
Net other assets (18.27%*)		14,868	10.69
Total net assets		139,141	100.00

All investments held are listed on Regulated Exchanges, unless otherwise stated.

Derivatives can be exchange traded or Over the Counter (OTC) contracts.

* Comparative figures shown in brackets relate to 31 December 2022.

† Short positions

[^] Including investment liabilities of £1,078,289.

UK Opportunities Fund

Material Portfolio Changes

for the year ended 31 December 2023

	Cost £000		Proceeds £000
Major purchases		Major sales	
NatWest	5,587	Broadcom	5,843
Broadcom	4,575	Balfour Beatty	5,145
Indivior	2,952	Aviva	4,752
Diageo	2,844	Alpha Financial Markets Consulting	3,735
Flutter Entertainment	2,659	Tesco	2,880
Puma	2,425	Diageo	2,758
Synthomer	2,310	Entain	2,529
Elementis	2,263	Smurfit Kappa	2,401
Entain	2,168	Serco	2,302
Morgan Advanced Materials	1,989	NatWest	2,244

UK Opportunities Fund

Comparative table

as at 31 December 2023

Net Asset Value and Ongoing Charges Figure

	Final 31/12/23 (p)	Final 31/12/22 (p)	Final 31/12/21 (p)
Share Class A - Accumulation			
Change in net assets per share			
Opening net asset value per share	522.81	658.86	534.89
Return before operating charges*	50.11	(126.13)	134.76
Operating charges	(9.28)	(9.92)	(10.79)
Return after operating charges*	40.83	(136.05)	123.97
Distributions on accumulation shares	(7.59)	(4.31)	(0.70)
Retained distributions on accumulation shares	7.59	4.31	0.70
Closing net asset value per share	563.64	522.81	658.86
*after direct transaction costs of:	0.83	0.73	0.88
Performance			
Return after charges	7.81%	(20.65%)	23.18%
Other information			
Closing net asset value (£'000)	11,903	16,735	23,065
Closing number of shares	2,111,769	3,200,926	3,500,671
Operating charges (ongoing charges figure)	1.73%	1.71%	1.71%
Direct transaction costs	0.16%	0.13%	0.14%
Prices			
Highest share price	591.84	684.01	681.50
Lowest share price	471.19	475.19	538.40
Price at year end	565.78	524.41	665.20

UK Opportunities Fund

Comparative table

(continued)

as at 31 December 2023

	Final 31/12/23 (p)	Final 31/12/22 (p)	Final 31/12/21 (p)
Share Class B - Accumulation			
Change in net assets per share			
Opening net asset value per share	608.10	764.88	615.06
Return before operating charges*	58.50	(150.35)	156.82
Operating charges	(6.09)	(6.43)	(7.00)
Return after operating charges*	52.41	(156.78)	149.82
Distributions on accumulation shares	(13.55)	(10.01)	(6.31)
Retained distributions on accumulation shares	13.55	10.01	6.31
Closing net asset value per share	660.51	608.10	764.88
*after direct transaction costs of:	0.97	0.85	1.02
Performance			
Return after charges	8.62%	(20.50%)	24.36%
Other information			
Closing net asset value (£'000)	127,238	137,180	178,751
Closing number of shares	19,263,755	22,559,038	23,370,045
Operating charges (ongoing charges figure)	0.98%	0.96%	0.96%
Direct transaction costs	0.16%	0.13%	0.14%
Prices			
Highest share price	688.94	789.73	786.00
Lowest share price	551.45	551.82	617.20
Price at year end	663.01	609.95	768.00

UK Opportunities Fund

Statement of Total Return

for the year ended 31 December 2023

	Notes	Year Ended 31 December 2023		Year Ended 31 December 2022	
		£000	£000	£000	£000
Income					
Net capital gains/(losses)	2		9,381		(43,918)
Revenue	3	4,459		4,324	
Expenses	4	(1,482)		(1,823)	
Net revenue before taxation		2,977		2,501	
Taxation	5	(8)		(7)	
Net revenue after taxation			2,969		2,494
Total return before distribution			12,350		(41,424)
Distribution	6		(2,969)		(2,494)
Change in net assets attributable to shareholders from investment activities			9,381		(43,918)

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31 December 2023

	Year Ended 31 December 2023		Year Ended 31 December 2022	
	£000	£000	£000	£000
Opening net assets attributable to shareholders		153,915		201,816
Amounts receivable on creation of shares	18,216		10,957	
Less: Amounts payable on cancellation of shares	(45,141)		(17,336)	
		(26,925)		(6,379)
Change in net assets attributable to shareholders from investment activities		9,381		(43,918)
Retained distribution on accumulation shares		2,770		2,396
Closing net assets attributable to shareholders		139,141		153,915

Notes to the Financial Statements are on pages 69 to 74.

UK Opportunities Fund

Balance Sheet

as at 31 December 2023

	Notes	31/12/2023 £000	31/12/2022 £000
Fixed Assets			
Investments		<u>125,351</u>	<u>136,419</u>
Current assets:			
Debtors	7	4,282	1,019
Cash and bank balances	8	<u>11,405</u>	<u>27,862</u>
Total assets		<u>141,038</u>	<u>165,300</u>
Liabilities:			
Investment liabilities		<u>(1,078)</u>	<u>(10,628)</u>
Creditors:			
Bank overdrafts		(407)	(469)
Other creditors	9	<u>(412)</u>	<u>(288)</u>
Total other liabilities		<u>(819)</u>	<u>(757)</u>
Total liabilities		<u>(1,897)</u>	<u>(11,385)</u>
Net assets attributable to shareholders		<u>139,141</u>	<u>153,915</u>

Notes to the Financial Statements are on pages 69 to 74.

UK Opportunities Fund

Notes to the Financial Statements

as at 31 December 2023

1. Accounting basis and policies

Please see page 10 for accounting basis and policies

2. Net capital gains/(losses)

The net capital gains/(losses) during the year comprise:

	Year Ended 31 December 2023 £000	Year Ended 31 December 2022 £000
Non-derivative securities	(2,547)	(35,771)
Derivative contracts	11,927	(8,101)
Currency gains/(losses)	10	(41)
Handling charges	(9)	(5)
Net capital gains/(losses)	<u>9,381</u>	<u>(43,918)</u>

3. Revenue

	Year Ended 31 December 2023 £000	Year Ended 31 December 2022 £000
UK dividends	3,573	3,487
Overseas taxable revenue	(82)	(4)
Overseas non-taxable revenue	632	543
Property revenue from UK REITs - PID	79	-
Bank interest	75	101
Revenue from CFDs	182	197
Total revenue	<u>4,459</u>	<u>4,324</u>

4. Expenses

	Year Ended 31 December 2023 £000	Year Ended 31 December 2022 £000
Payable to the ACD, associates of the ACD, and agents of either of them:		
ACD's periodic charge	1,172	1,468
Registration fees	193	235
	<u>1,365</u>	<u>1,703</u>
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary's fees	49	58
Safe custody fees	5	5
	<u>54</u>	<u>63</u>
Other expenses:		
Administration fee	38	39
Audit fee	10	10
Other expenses	15	8
	<u>63</u>	<u>57</u>
	<u>1,482</u>	<u>1,823</u>

as at 31 December 2023

5. Taxation

	Year Ended 31 December 2023 £000	Year Ended 31 December 2022 £000
(a) Analysis of charge in year:		
Irrecoverable overseas tax	8	7
(b) Factors affecting current tax charge for the year:		
The tax assessed for the year is lower than (2022: lower than) the standard rate of corporation tax in the UK for an Open-Ended Investment Company of 20% (2022: 20%). The differences are explained below:		
Net revenue before taxation	2,977	2,501
Corporation tax of 20% (2022: 20%)	595	500
Effects of:		
UK dividends*	(715)	(697)
Overseas non-taxable revenue*	(125)	(109)
Movement in excess management expenses	245	306
Irrecoverable overseas tax	8	7
Current tax charge for year (note 5a)	8	7

*As an authorised OEIC these items are not subject to corporation tax.

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

(c) Deferred taxation:

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

(d) Factors that may affect future tax charges:

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £4,057,692 (31/12/22: £3,813,101) relating to surplus management expenses. No deferred tax asset was recognised in the prior year as it was considered unlikely the Fund would generate sufficient taxable profits in the future to utilise these amounts.

6. Distributions

The distribution takes account of revenue received on the creation of shares and revenue deducted on the cancellation of shares, and comprises:

	Year Ended 31 December 2023 £000	Year Ended 31 December 2022 £000
Final	2,770	2,396
Add: Revenue deducted on cancellation of shares	463	146
Deduct: Revenue received on creation of shares	(264)	(48)
Net distribution for the year	2,969	2,494

Details of the distribution per share is set out in the Distribution Tables on page 75.

as at 31 December 2023

7. Debtors

	Year Ended 31 December 2023 £000	Year Ended 31 December 2022 £000
Sales awaiting settlement	3,835	709
Amounts receivable for issue of shares	100	156
Accrued revenue	347	154
Total debtors	<u>4,282</u>	<u>1,019</u>

8. Cash and bank balances

	Year Ended 31 December 2023 £000	Year Ended 31 December 2022 £000
Cash and bank balances	3,972	9,113
Amounts held at futures clearing houses and brokers	7,433	18,749
Total cash and bank balances	<u>11,405</u>	<u>27,862</u>

9. Creditors

	Year Ended 31 December 2023 £000	Year Ended 31 December 2022 £000
Amounts payable for cancellation of shares	172	103
Accrued ACD's periodic charge*	174	107
Accrued depositary fee*	15	27
Accrued other expenses	51	51
Total creditors	<u>412</u>	<u>288</u>

*This is a related party (see note 10).

10. Related party transactions

SVM Asset Management Limited, ("the ACD") is a related party and is regarded as a controlling party by virtue of having the ability to act in respect of the operations of the Fund.

The ACD acts as principal on all the transactions of shares in the Fund. The aggregate monies received through sales and repurchases of shares are disclosed in the Statement of Change in Net Assets Attributable to Shareholders, with £(71,965) (31/12/22: £53,119) due in respect of share transactions at the year end. Details of the ACD's periodic charge and the expense rebate paid to the ACD, or its associates are shown in note 4. Amounts due to the ACD in respect of these transactions at the year end are included in the Balance Sheet.

Amounts paid to SVM Asset Management Limited in respect of ACD fees and ACD rebates are disclosed in note 4, with £174,073 (31/12/22: £106,578) due at the year end.

Amounts paid to SVM Asset Management Limited in respect of the Depositary are disclosed in note 4, with £15,143 (31/12/22: £27,024) due at the year end.

At the balance sheet date the following shareholders held more than 20% of the shares in the fund:

	Year Ended 31 December 2023	Year Ended 31 December 2022
Transact Nominees Ltd	24.76%	22.10%

as at 31 December 2023

11. Share classes

The Fund has two share classes in issue.

The ACD's periodic charge on each share class is as follows:

	%
Share Class A - Accumulation	1.50
Share Class B - Accumulation	0.75

The net asset value of each share class, the net asset value per share and the number of shares in each class are given in the Comparative Table on pages 65 to 66.

The distribution per share class is given in the Distribution Tables on page 75.

All share classes have the same rights on winding up.

Reconciliation of the share movement in the year:

	31/12/2022	01/01/23 to 31/12/23		31/12/2023
	Opening shares in issue	Creations	Cancellations	Shares converted Closing shares in issue
Share Class A - Accumulation	3,200,926	102,560	(1,191,717)	-
Share Class B - Accumulation	22,559,038	2,892,532	(6,187,815)	-
Total	25,759,964	2,995,092	(7,379,532)	-

12. Capital commitments and contingent liabilities

On 31 December 2023, the Fund had no capital commitments (31/12/22: £nil) and no contingent liabilities (31/12/22: £nil).

13. Financial instruments

A statement of the sub-fund's objective and the policy for achieving it has been included on page 60. The risks inherent in the sub-fund's investment portfolio are as follows:

The UK Opportunities Fund utilises CFDs for effective portfolio management (EPM) and investment purposes. The benefit of CFDs is that the Fund can gain exposure to price movements in underlying securities by making a margin payment rather than paying the full amount for the investment. This may result in the fund being leveraged beyond the net asset value and hence market movements may have a greater impact on the fund in this scenario. The use of derivatives may lead to an increase in the fund's volatility and may also increase counterparty risk within the fund. The UK Opportunities Fund restricts its exposure to counterparty risk on derivative instruments by trading via an International Swap Derivative Association (ISDA) Master Agreement with derivative counterparties.

Under CFDs the Fund has long positions with exposure to underlying securities with a total market value of £40,062,262 (2022: £36,697,647) and short positions with an exposure to underlying securities with a total market value of £6,083,870 (2022: £6,123,964). The counterparty is UBS AG. The Fund currently has a cash collateral position of £7,025,780 (2022: £18,279,201) on deposit.

(a) Currency risk

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

As at 31 December the sub-fund had the following net currency exposure (excluding sterling):

	Currency exposure Year Ended 31 December 2023	Currency exposure Year Ended 31 December 2022
Currency	£000	£000
Danish krone	(1)	(1)
Euro	7,964	3,704
Swiss franc	(156)	367
US dollar	4,263	124
Total	12,070	4,194

as at 31 December 2023

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

Interest rate risk is the risk that the value of the sub-fund's investment holdings will fluctuate as a result of changes in interest rates.

The sub-fund's net cash holding of £3,971,895 (31/12/22: holding £9,113,388) is held in a floating rate deposit account whose rate is determined by reference to rates supplied by the Depository.

The Fund holds net cash at futures brokers of £7,025,780 (31/12/22: cash £18,279,201), whose rates are determined by reference to rates supplied by the broker.

The possible effects on fair value and cash flows that could arise as a result of changes in currencies are taken into account when making investment decisions.

(c) Liquidity risk

Liquidity risk is the risk of low market liquidity, through reduced trading volumes, affecting the ability of the sub-fund to trade financial instruments at values previously indicated by financial brokers.

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

Applying the FCA's definition of liquid assets, the ACD monitors the liquidity composition of the sub-funds on a real-time basis to ensure liquidity remains within management limits. This is further reviewed by the Compliance department on a regular basis and reported to the fund managers weekly.

(d) Market price risk and fair value of financial assets and liabilities

Market price risk is the risk that the value of the sub-fund's investment holdings will fluctuate as a result of changes in market prices caused by factors other than interest rate or foreign currency movement. Market price risk arises mainly from uncertainty about future prices of financial instruments the sub-funds hold. It represents the potential loss the sub-fund might suffer through holding market positions in the face of price movements. The sub-fund's investment portfolio is exposed to market price fluctuations which are monitored by the authorised corporate director in pursuance of the investment objective and policy as set out in the Prospectus.

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

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

(e) Counterparty risk

Counterparty risk is the risk that a party to a financial instrument will fail to discharge an obligation or commitment it has entered into.

The largest counterparty risk is with State Steet Bank and Trust Company, the ICVC's custodian and banker, who holds the sub-fund's investments and maintains the bank accounts. Bankruptcy or insolvency of State Steet Bank and Trust Company may cause the sub-fund's rights with respect to securities and cash held by the custodian to be delayed or limited.

The Depository receives and reviews an annual report on the internal controls in place at State Steet Bank and Trust Company.

Certain transactions in securities that the sub-funds enter into expose them to the risk that the counterparty will not deliver the investment for a purchase, or cash for a sale after the Fund has fulfilled its responsibilities. The sub-funds only buy and sell investments and trades CFD's through brokers which have been approved by the ACD as an acceptable counterparty; the broker through which CFD's are transacted requires a cash margin to be maintained with them as collateral for those positions. In addition, limits are set to the exposure to any individual broker that may exist at any time and changes in brokers' credit ratings are reviewed.

as at 31 December 2023

14. Portfolio transaction costs

Analysis of total trade costs.

	Purchases		Sales	
	Year Ended 31 December 2023 £000	Year Ended 31 December 2022 £000	Year Ended 31 December 2023 £000	Year Ended 31 December 2022 £000
Equities	43,250	38,692	53,611	42,300
Commissions				
Equities	34	22	(49)	(42)
Taxes				
Equities	137	157	-	-
Total costs	171	179	(49)	(42)
Total net trades in the year after transaction costs	43,421	38,871	53,562	42,258

Total transaction cost expressed as a percentage of asset type cost.

	Purchases		Sales	
	Year Ended 31 December 2023 %	Year Ended 31 December 2022 %	Year Ended 31 December 2023 %	Year Ended 31 December 2022 %
Commissions				
Equities	0.08	0.06	0.09	0.10
Taxes				
Equities	0.32	0.41	-	-

Total transaction cost expressed as a percentage of average net asset value.

	Year Ended 31 December 2023 %	Year Ended 31 December 2022 %
Commissions	0.06	0.04
Taxes	0.10	0.09
Total costs	0.16	0.13

Average portfolio dealing spread

The average portfolio dealing spread at the balance sheet date was 0.86% (31/12/2022: 0.70%).

Where the authorised fund manager believes the spread on the balance sheet date is not representative of the typical spread throughout the year, this fact should be disclosed.

15. Fair value

Valuation technique	Year Ended 31 December 2023		Year Ended 31 December 2022	
	Assets £000	Liabilities £000	Assets £000	Liabilities £000
Level 1	121,247	-	133,935	-
Level 2	4,104	(1,078)	2,484	(10,628)
Level 3	-	-	-	-
Total fair value	125,351	(1,078)	136,419	(10,628)

Level 1: The unadjusted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

Level 3: Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

UK Opportunities Fund

Distribution Tables

for the year ended 31 December 2023

Distribution in pence per share

Group 1 Final Shares purchased prior to 1 January 2023

Group 2 Final Shares purchased on or between 1 January 2023 and 31 December 2023

Share Class A - Accumulation

	Net revenue	Equalisation	Distribution payable on 30/04/24	Distribution paid on 30/04/23
Group 1	(p)	(p)	(p)	(p)
Final	7.5878	-	7.5878	4.3060
Group 2	(p)	(p)	(p)	(p)
Final	4.9627	2.6251	7.5878	4.3060

Share Class B - Accumulation

	Net revenue	Equalisation	Distribution payable on 30/04/24	Distribution paid on 30/04/23
Group 1	(p)	(p)	(p)	(p)
Final	13.5460	-	13.5460	10.0098
Group 2	(p)	(p)	(p)	(p)
Final	5.3226	8.2234	13.5460	10.0098

A shareholder receives this distribution, excluding equalisation, as follows:

Final - 100% of the distribution is a dividend distribution.

Final - 0.00% of the distribution is an interest distribution.

Corporate Tax

A shareholder liable to corporation tax receives this distribution, excluding equalisation, as follows:

Final - 100.00% of the dividend, is received as franked investment income.

Final - 0.00% of the dividend is received as an annual payment (non foreign element) received after the deduction of income tax at the lower rate and is liable to corporation tax. The tax deemed to be deducted is treated as income tax.

Final - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of income tax at the lower rate and is liable to corporation tax. It is treated as foreign income in the hands of the corporate investor and is liable to corporation tax. The associated deemed tax is treated as foreign tax in the hands of the investor who may be able to claim double tax relief. Investors cannot reclaim any of this deemed tax on the foreign element from HM Revenue & Customs.

World Equity Fund

Authorised Fund Manager's Report

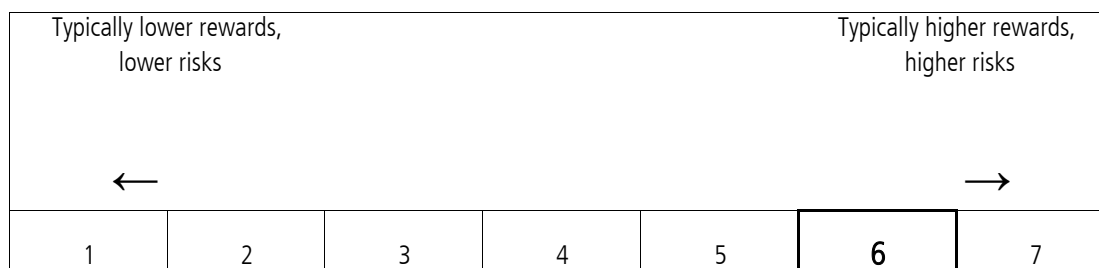
for the year ended 31 December 2023

Investment Objective and Policy

The objective of this Fund is to achieve capital growth over the long term (5 years or more) and it aims to outperform the MSCI ACWI IMI.

The Fund will invest at least 80% in global equities and other equity related instruments such as Exchange Traded Funds. The Fund may enter into derivative contracts for efficient portfolio management purposes. The use of derivatives is intended to be limited. The Fund may be invested in any industry sector. From time to time, when particular opportunities are identified, or the ACD considers it appropriate, the Fund may invest in transferable securities which are otherwise permitted for the Fund.

Synthetic Risk and Reward Indicator



The Synthetic Risk & Reward Indicator ('SRRI') may be a guide to the level of risk of the Fund compared with other funds. The SRRI is calculated based on the historical volatility of the Fund over the last 5 years and it may not be a reliable indication of the future risk and reward profile of the Fund. The Fund's volatility is impacted by various factors including exposure to global stock markets.

- This Fund has been classed as 6 because it has experienced high volatility historically.
- The SRRI category shown is not guaranteed and may change over time.
- The lowest category (1) does not mean risk free and extreme adverse market circumstances can mean you suffer losses in all cases.

The following risks are relevant for this Fund:

- There is no guarantee that the Fund will achieve its objective. The price of shares in the Fund can go down as well as up and is not guaranteed.
- Stock market volatility may impact the Fund's ability to trade in, or obtain accurate valuations for, securities held in the Fund's portfolio. There can be no assurance that any appreciation in value of investments will occur.
- The effect of currency movements can be significant where investments are denominated in currencies other than Sterling and may adversely affect the value of your investment.
- The Fund may enter into derivative contracts for efficient portfolio management (EPM) purposes. There is no guarantee that the Fund will achieve the objective for which it entered into a transaction in relation to EPM, this may result in losses for Shareholders. Full details on EPM can be found in Appendix B of the Prospectus.
- The Fund is exposed to credit and settlement risk through its dealings with Counter Parties. If a Counter Party business fails, the Fund may incur losses.

More detail on the risk factors that affect this Fund are set out in Section 9 of the Prospectus.

Investment Review

Performance	31/12/18 to 31/12/19 %	31/12/19 to 31/12/20 %	31/12/20 to 31/12/21 %	31/12/21 to 31/12/22 %	31/12/22 to 31/12/23 %
World Equity Fund	29.6	13.3	25.8	(25.6)	5.0

Source: FE fundinfo, mid to mid, UK net to 29 December 2023.

Past performance is not a reliable indicator of future results. The value of an investment and any revenue from it is not guaranteed and can go down as well as up depending on investment performance and currency exchange rates.

Market Review

The last year was a challenging one for active managers. Inflation proved more enduring than anticipated and, in response, central banks raised interest rates aggressively. This surge in rates led to fears that a tightening in financial conditions would increase downside risk for the economic outlook and heighten the possibility of financial market breakdowns. The failure of Silicon Valley Bank (SVB) early in the year did nothing to assuage these fears.

Later in the year the co-ordinated attacks launched by Hamas into Israel from the Gaza Strip negatively impacted sentiment further. The tragic events in the Middle East gave rise to concerns that additional countries would be drawn in, resulting in a wider regional war. However, the outlook for inflation remained the key determinant of equity market direction. Inflationary pressures began to ebb later in the year spurring a rally in risk assets.

Portfolio Review

The Fund returned 5.0% and finished behind the MSCI ACWI Index that returned 15.29%. Asset allocation was a negative with the Fund's overweight in the UK detrimental to returns. Stock selection, however, was strong in the industrial, technology and consumer-cyclical sectors. CRH rose sharply as it moved its primary listing to the New York Stock Exchange (NYSE). IMI gained as earnings forecasts were revised higher and Hitachi benefitted from the ongoing streamlining of its business. Magnachip Semiconductor stocks Broadcom and SK Hynix benefitted from the ramp-up in demand for specialist chips used in Artificial Intelligence (AI) applications. M&S and JD Sports Fashion rose as consumer expenditure remained more robust than anticipated. Magnachip Semiconductor was a disappointment as the recovery in its OLED business was delayed further. Gaming company, Entain, was another disappointing performer. The company lost shares in several of its key markets, culminating in the resignation of the CEO late in the year. Prudential followed Chinese stocks lower. Jadestone Energy was the largest negative contributor to returns. Ongoing issues at its Montara oil field continued to weigh on the share price.

JD Sports Fashion, Temenos, Alphabet and Aixtron were exited. New positions were taken in Broadcom, Puma, CRH and RS Group.

Outlook

The global economic outlook for 2024 has weakened and earnings in cyclical sectors may come under pressure, but financial markets are a discounting mechanism. Small and mid-cap stocks have been in a bear market since 2021 in anticipation of weaker economic growth. However, as investors begin to anticipate the turn in the interest rate cycle, and better economic times ahead, the outlook becomes much brighter. Cyclical stocks consistently return significantly more than defensives in the twelve months after a recession is declared.

SVM Asset Management Limited

January 2024

Investment markets and conditions can change rapidly and as such the views expressed should not be taken as statements of fact nor should reliance be placed on these views when making investment decisions.

World Equity Fund

Portfolio Statement

as at 31 December 2023

	Holdings	Market Value £000	Total Net Assets %
UNITED KINGDOM (42.27%*)		4,199	42.42
ActiveOps	115,544	104	1.05
Alpha Financial Markets Consulting	88,746	346	3.50
Creo Medical	873,580	393	3.97
Energean Oil & Gas	32,500	334	3.37
IMI	31,500	533	5.38
Jadestone Energy	1,187,000	427	4.31
Longboat Energy	310,000	60	0.61
Norcros	253,736	463	4.68
Prudential	47,600	421	4.25
RS	30,821	254	2.57
Savannah Energy	1,217,540	320	3.23
Smith & Nephew	27,000	291	2.94
Synthomer	26,999	51	0.52
TI Fluid Systems	131,892	202	2.04
CAYMAN ISLANDS (0.26%*)		-	-
JHL Biotech**	250,000	-	-
GERMANY (0.00%)		219	2.21
Puma	5,007	219	2.21
GIBRALTAR (1.20%*)		179	1.81
888 Holdings	190,248	179	1.81
IRELAND (12.58%*)		2,113	21.35
CRH	8,000	433	4.37
Grafton	29,000	265	2.68
Ryanair	25,100	418	4.22
Smurfit Kappa	17,000	530	5.36
Uniphar	199,500	467	4.72
ISLE OF MAN (5.39%*)		268	2.71
Entain	27,000	268	2.71
JAPAN (8.98%*)		798	8.06
Hitachi	14,190	798	8.06
SOUTH KOREA (4.07%*)		339	3.42
SK Hynix	3,934	339	3.42
SWITZERLAND (4.89%*)		-	-
TAIWAN (0.13%*)		-	-
Chime Biologics**	250,000	-	-
UNITED STATES (19.33%*)		1,117	11.29
Broadcom	500	440	4.45
CSX	10,754	293	2.96
Magnachip Semiconductor	33,750	200	2.02
Visa	900	184	1.86
Portfolio of investments		9,232	93.27
Net other assets (0.90%*)		666	6.73
Total net assets		9,898	100.00

All investments held are listed on Regulated Exchanges, unless otherwise stated.

* Comparative figures shown in brackets relate to 31 December 2022.

** Manually priced securities.

World Equity Fund

Material Portfolio Changes

for the year ended 31 December 2023

	Cost £000		Proceeds £000
Major purchases		Major sales	
CRH	323	Alphabet	1,094
Broadcom	284	Roche	565
Grafton	276	JD Sports Fashion	542
New World Development	253	SK Hynix	522
Aixtron	237	Marks & Spencer	495
Puma	237	US Bancorp	493
RS	216	Hitachi	408
Synthomer	197	Entain	391
Visa	180	Ryanair	305
Entain	135	CSX	296

World Equity Fund

Comparative table

as at 31 December 2023

Net Asset Value and Ongoing Charges Figure

	Final 31/12/23 (p)	Final 31/12/22 (p)	Final 31/12/21 (p)
Share Class A - Accumulation			
Change in net assets per share			
Opening net asset value per share	357.32	477.59	380.60
Return before operating charges*	24.73	(112.17)	105.83
Operating charges	(7.24)	(8.10)	(8.84)
Return after operating charges*	17.49	(120.27)	96.99
Distributions on accumulation shares	-	-	-
Retained distributions on accumulation shares	-	-	-
Closing net asset value per share	374.81	357.32	477.59
*after direct transaction costs of:	0.54	0.54	0.81
Performance			
Return after charges	4.89%	(25.18%)	25.48%
Other information			
Closing net asset value (£'000)	1,063	1,909	2,749
Closing number of shares	283,662	534,366	575,401
Operating charges (ongoing charges figure)	1.98%	1.98%	1.98%
Direct transaction costs	0.15%	0.13%	0.18%
Prices			
Highest share price	399.10	484.50	481.10
Lowest share price	319.37	351.86	388.40
Price at year end	376.32	358.26	481.10

World Equity Fund

Comparative table

(continued)

as at 31 December 2023

	Final 31/12/23 (p)	Final 31/12/22 (p)	Final 31/12/21 (p)
Share Class B - Accumulation			
Change in net assets per share			
Opening net asset value per share	405.76	539.32	426.27
Return before operating charges*	28.11	(127.84)	119.23
Operating charges	(5.09)	(5.72)	(6.18)
Return after operating charges*	23.02	(133.56)	113.05
Distributions on accumulation shares	(2.76)	(1.39)	-
Retained distributions on accumulation shares	2.76	1.39	-
Closing net asset value per share	428.78	405.76	539.32
*after direct transaction costs of:	0.61	0.61	0.91
Performance			
Return after charges	5.67%	(24.76%)	26.52%
Other information			
Closing net asset value (£'000)	8,835	11,717	19,911
Closing number of shares	2,060,533	2,887,507	3,691,957
Operating charges (ongoing charges figure)	1.23%	1.23%	1.23%
Direct transaction costs	0.15%	0.13%	0.18%
Prices			
Highest share price	453.53	546.13	542.20
Lowest share price	364.90	398.93	434.50
Price at year end	430.51	406.83	542.20

World Equity Fund

Statement of Total Return

for the year ended 31 December 2023

	Notes	Year Ended 31 December 2023		Year Ended 31 December 2022	
		£000	£000	£000	£000
Income					
Net capital gains/(losses)	2		507		(5,512)
Revenue	3	229		305	
Expenses	4	(155)		(247)	
Interest payable and similar charges		-		(1)	
Net revenue before taxation		74		57	
Taxation	5	(12)		(20)	
Net revenue after taxation			62		37
Total return before distribution			569		(5,475)
Distribution	6		(64)		(47)
Change in net assets attributable to shareholders from investment activities			505		(5,522)

Statement of Change in Net Assets Attributable to Shareholders

for the year ended 31 December 2023

	Year Ended 31 December 2023		Year Ended 31 December 2022	
	£000	£000	£000	£000
Opening net assets attributable to shareholders		13,626		22,660
Amounts receivable on creation of shares	775		1,385	
Less: Amounts payable on cancellation of shares	(5,065)		(4,937)	
		(4,290)		(3,552)
Change in net assets attributable to shareholders from investment activities		505		(5,522)
Retained distribution on accumulation shares		57		40
Closing net assets attributable to shareholders		9,898		13,626

Notes to the Financial Statements are on pages 84 to 89.

World Equity Fund

Balance Sheet

as at 31 December 2023

	Notes	31/12/2023 £000	31/12/2022 £000
Fixed Assets			
Investments		<u>9,232</u>	<u>13,504</u>
Current assets:			
Debtors	8	45	143
Cash and bank balances		<u>682</u>	<u>91</u>
Total assets		<u>9,959</u>	<u>13,738</u>
Liabilities:			
Creditors:			
Other creditors	9	<u>(61)</u>	<u>(112)</u>
Total liabilities		<u>(61)</u>	<u>(112)</u>
Net assets attributable to shareholders		<u>9,898</u>	<u>13,626</u>

Notes to the Financial Statements are on pages 84 to 89.

World Equity Fund

Notes to the Financial Statements

as at 31 December 2023

1. Accounting basis and policies

Please see page 10 for accounting basis and policies

2. Net capital gains/(losses)

The net capital gains/(losses) during the year comprise:

	Year Ended 31 December 2023 £000	Year Ended 31 December 2022 £000
Non-derivative securities	532	(5,565)
Currency (losses)/gains	(24)	54
Handling charges	(1)	(1)
Net capital gains/(losses)	<u>507</u>	<u>(5,512)</u>

3. Revenue

	Year Ended 31 December 2023 £000	Year Ended 31 December 2022 £000
UK dividends	113	185
Overseas taxable revenue	1	-
Overseas non-taxable revenue	117	118
Bank interest	(2)	2
Total revenue	<u>229</u>	<u>305</u>

4. Expenses

	Year Ended 31 December 2023 £000	Year Ended 31 December 2022 £000
Payable to the ACD, associates of the ACD, and agents of either of them:		
ACD's periodic charge	99	157
Registration fees	19	30
	<u>118</u>	<u>187</u>
Payable to the Depositary, associates of the Depositary, and agents of either of them:		
Depositary's fees	18	18
Safe custody fees	1	1
	<u>19</u>	<u>19</u>
Other expenses:		
Administration fee	32	32
Audit fee	10	10
Other expenses	9	5
	<u>51</u>	<u>47</u>
Expenses rebate *	(33)	(6)
	<u>155</u>	<u>247</u>

*The ACD has agreed to cap the expenses as described in the ACD's report (see page 3).

as at 31 December 2023

5. Taxation

	Year Ended 31 December 2023 £000	Year Ended 31 December 2022 £000
(a) Analysis of charge in year:		
Irrecoverable overseas tax	12	20
(b) Factors affecting current tax charge for the year:		
The tax assessed for the year is lower than (2022: higher than) the standard rate of corporation tax in the UK for an Open-Ended Investment Company of 20% (2022: 20%). The differences are explained below:		
Net revenue before taxation	74	57
Corporation tax of 20% (2022: 20%)	15	11
Effects of:		
UK dividends*	(23)	(37)
Overseas non-taxable revenue*	(23)	(23)
Movement in excess management expenses	31	49
Irrecoverable overseas tax	12	20
Current tax charge for year (note 5a)	12	20

*As an authorised OEIC these items are not subject to corporation tax.

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

(c) Deferred taxation:

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

(d) Factors that may affect future tax charges:

At the year end, after offset against revenue taxable on receipt, there is a potential deferred tax asset of £975,912 (31/12/22: £944,718) relating to surplus management expenses. No deferred tax asset was recognised in the prior year as it was considered unlikely the Fund would generate sufficient taxable profits in the future to utilise these amounts.

6. Distributions

The distribution takes account of revenue received on the creation of shares and revenue deducted on the cancellation of shares, and comprises:

	Year Ended 31 December 2023 £000	Year Ended 31 December 2022 £000
Final	57	40
Add: Revenue deducted on cancellation of shares	8	7
Deduct: Revenue received on creation of shares	(1)	-
Net distribution for the year	64	47

Details of the distribution per share is set out in the Distribution Tables on page 90.

7. Movement between net revenue and net distribution

	Year Ended 31 December 2023 £000	Year Ended 31 December 2022 £000
Net revenue after taxation	62	37
Fund shortfall funded from capital	2	10
Net distribution for the year	64	47

as at 31 December 2023

8. Debtors

	Year Ended 31 December 2023 £000	Year Ended 31 December 2022 £000
Sales awaiting settlement	-	121
Amounts receivable for issue of shares	17	2
Accrued revenue	25	17
Overseas tax recoverable	3	3
Total debtors	<u>45</u>	<u>143</u>

9. Creditors

	Year Ended 31 December 2023 £000	Year Ended 31 December 2022 £000
Amounts payable for cancellation of shares	23	76
Accrued ACD's periodic charge*	13	10
Accrued depositary fee*	6	9
Accrued other expenses	19	17
Total creditors	<u>61</u>	<u>112</u>

*This is a related party (see note 10).

10. Related party transactions

SVM Asset Management Limited, ("the ACD") is a related party and is regarded as a controlling party by virtue of having the ability to act in respect of the operations of the Fund.

The ACD acts as principal on all the transactions of shares in the Fund. The aggregate monies received through sales and repurchases of shares are disclosed in the Statement of Change in Net Assets Attributable to Shareholders, with £(5,015) (31/12/22: £(74,321)) due in respect of share transactions at the year end. Details of the ACD's periodic charge and the expense rebate paid to the ACD, or its associates are shown in note 4. Amounts due to the ACD in respect of these transactions at the year end are included in the Balance Sheet.

Amounts paid to SVM Asset Management Limited in respect of ACD fees and ACD rebates are disclosed in note 4, with £19,508 (31/12/22: £9,913) due at the year end.

Amounts paid to SVM Asset Management Limited in respect of the Depositary are disclosed in note 4, with £5,968 (31/12/22: £9,026) due at the year end.

At the balance sheet date the following shareholders held more than 20% of the shares in the fund:

	Year Ended 31 December 2023	Year Ended 31 December 2022
FIL Nominee (Shareholdings) Limited	22.50%	27.73%

as at 31 December 2023

11. Share classes

The Fund has two share classes in issue.

The ACD's periodic charge on each share class is as follows:

	%
Share Class A - Accumulation	1.50
Share Class B - Accumulation	0.75

The net asset value of each share class, the net asset value per share and the number of shares in each class are given in the Comparative Table on pages 80 to 81.

The distribution per share class is given in the Distribution Tables on page 90.

All share classes have the same rights on winding up.

Reconciliation of the share movement in the year:

	31/12/2022	01/01/23 to 31/12/23		31/12/2023
	Opening shares in issue	Creations	Cancellations	Shares converted Closing shares in issue
Share Class A - Accumulation	534,366	888	(251,592)	-
Share Class B - Accumulation	2,887,507	185,240	(1,012,214)	-
Total	<u>3,421,873</u>	<u>186,128</u>	<u>(1,263,806)</u>	<u>-</u>
				<u>2,344,195</u>

12. Capital commitments and contingent liabilities

On 31 December 2023, the Fund had no capital commitments (31/12/22: £nil) and no contingent liabilities (31/12/22: £nil).

13. Financial instruments

A statement of the sub-fund's objective and the policy for achieving it has been included on page 76. The risks inherent in the sub-fund's investment portfolio are as follows:

(a) Currency risk

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

As at 31 December the sub-fund had the following net currency exposure (excluding sterling):

	Currency exposure Year Ended 31 December 2023	Currency exposure Year Ended 31 December 2022
Currency	£000	£000
Euro	1,634	1,715
Japanese yen	797	1,224
South Korean won	339	554
Swiss franc	3	755
Taiwanese dollar	-	36
US dollar	<u>1,610</u>	<u>2,710</u>
Total	<u>4,383</u>	<u>6,994</u>

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

Interest rate risk is the risk that the value of the sub-fund's investment holdings will fluctuate as a result of changes in interest rates.

The sub-fund's net cash holding of £682,029 (31/12/22: holding £90,819) is held in a floating rate deposit account whose rate is determined by reference to rates supplied by the Depositary.

The possible effects on fair value and cash flows that could arise as a result of changes in currencies are taken into account when making investment decisions.

as at 31 December 2023

(c) Liquidity risk

Liquidity risk is the risk of low market liquidity, through reduced trading volumes, affecting the ability of the sub-fund to trade financial instruments at values previously indicated by financial brokers.

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

Applying the FCA's definition of liquid assets, the ACD monitors the liquidity composition of the sub-funds on a real-time basis to ensure liquidity remains within management limits. This is further reviewed by the Compliance department on a regular basis and reported to the fund managers weekly.

(d) Market price risk and fair value of financial assets and liabilities

Market price risk is the risk that the value of the sub-fund's investment holdings will fluctuate as a result of changes in market prices caused by factors other than interest rate or foreign currency movement. Market price risk arises mainly from uncertainty about future prices of financial instruments the sub-funds hold. It represents the potential loss the sub-fund might suffer through holding market positions in the face of price movements. The sub-fund's investment portfolio is exposed to market price fluctuations which are monitored by the authorised corporate director in pursuance of the investment objective and policy as set out in the Prospectus.

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

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

(e) Counterparty risk

Counterparty risk is the risk that a party to a financial instrument will fail to discharge an obligation or commitment it has entered into.

The largest counterparty risk is with State Steet Bank and Trust Company, the ICVC's custodian and banker, who holds the sub-fund's investments and maintains the bank accounts. Bankruptcy or insolvency of State Steet Bank and Trust Company may cause the sub-fund's rights with respect to securities and cash held by the custodian to be delayed or limited.

The Depository receives and reviews an annual report on the internal controls in place at State Steet Bank and Trust Company.

14. Portfolio transaction costs

Analysis of total trade costs.

	Purchases		Sales	
	Year Ended 31 December 2023 £000	Year Ended 31 December 2022 £000	Year Ended 31 December 2023 £000	Year Ended 31 December 2022 £000
Equities	2,562	6,207	7,383	9,844
Commissions				
Equities	2	5	(6)	(7)
Taxes				
Equities	8	12	(1)	-
Total costs	10	17	(7)	(7)
Total net trades in the year after transaction costs	2,572	6,224	7,376	9,837

Total transaction cost expressed as a percentage of asset type cost.

	Purchases		Sales	
	Year Ended 31 December 2023 %	Year Ended 31 December 2022 %	Year Ended 31 December 2023 %	Year Ended 31 December 2022 %
Commissions				
Equities	0.08	0.08	0.08	0.07
Taxes				
Equities	0.31	0.19	0.01	-

as at 31 December 2023

Total transaction cost expressed as a percentage of average net asset value.

	Year Ended 31 December 2023 %	Year Ended 31 December 2022 %
Commissions	0.07	0.06
Taxes	0.08	0.07
Total costs	<u>0.15</u>	<u>0.13</u>

Average portfolio dealing spread

The average portfolio dealing spread at the balance sheet date was 0.86% (31/12/2022: 0.53%).

Where the authorised fund manager believes the spread on the balance sheet date is not representative of the typical spread throughout the year, this fact should be disclosed.

15. Fair value

Valuation technique	Year Ended 31 December 2023		Year Ended 31 December 2022	
	Assets £000	Liabilities £000	Assets £000	Liabilities £000
Level 1	9,232	-	13,504	-
Level 2	-	-	-	-
Level 3	-	-	-	-
Total fair value	<u>9,232</u>	<u>-</u>	<u>13,504</u>	<u>-</u>

Level 1: The unadjusted price in an active market for identical assets or liabilities that the entity can access at the measurement date.

Level 2: Inputs other than quoted prices included within Level 1 that are observable (i.e. developed using market data) for the asset or liability, either directly or indirectly.

Level 3: Inputs are unobservable (i.e. for which market data is unavailable) for the asset or liability.

World Equity Fund

Distribution Tables

for the year ended 31 December 2023

Distribution in pence per share

Group 1 Final Shares purchased prior to 1 January 2023

Group 2 Final Shares purchased on or between 1 January 2023 and 31 December 2023

Share Class A - Accumulation

	Net revenue	Equalisation	Distribution payable on 30/04/24	Distribution paid on 30/04/23
Group 1 Final	(p) -	(p) -	(p) -	(p) -
Group 2 Final	(p) -	(p) -	(p) -	(p) -

Share Class B - Accumulation

	Net revenue	Equalisation	Distribution payable on 30/04/24	Distribution paid on 30/04/23
Group 1 Final	(p) 2.7610	(p) -	(p) 2.7610	(p) 1.3874
Group 2 Final	(p) 1.9644	(p) 0.7966	(p) 2.7610	(p) 1.3874

A shareholder receives this distribution, excluding equalisation, as follows:

Final - 100% of the distribution is a dividend distribution.

Final - 0.00% of the distribution is an interest distribution.

Corporate Tax

A shareholder liable to corporation tax receives this distribution, excluding equalisation, as follows:

Final - 100.00% of the dividend, is received as franked investment income.

Final - 0.00% of the dividend is received as an annual payment (non foreign element) received after the deduction of income tax at the lower rate and is liable to corporation tax. The tax deemed to be deducted is treated as income tax.

Final - 0.00% of the dividend is received as an annual payment (foreign element) received after the deduction of income tax at the lower rate and is liable to corporation tax. It is treated as foreign income in the hands of the corporate investor and is liable to corporation tax. The associated deemed tax is treated as foreign tax in the hands of the investor who may be able to claim double tax relief. Investors cannot reclaim any of this deemed tax on the foreign element from HM Revenue & Customs.

General Information

About OEICs

The SVM Funds ICVC (the "ICVC") is an umbrella Open Ended Investment Company ("OEIC"). An OEIC is a collective investment vehicle with variable capital. Investments in OEIC funds are pooled with those of other investors. This means investments can be spread across a far wider range of securities, helping investors to spread the risk to their money. The ICVC has separate sub-funds. Each sub-fund is managed in accordance with the investment objectives set out in the Prospectus and the FCA Collective Investment Schemes ("COLL").

It should be remembered that the value of your shares will be affected by fluctuations in the relevant markets and foreign currency exchange rates (where applicable) and may, therefore, go down as well as up. You should view your investment over the medium to long-term.

Please contact us on 0845 358 1100 for more information. We may record and monitor calls to help us improve our service.

All sub-funds are classified as schemes which comply with Chapter 5 of the COLL sourcebook.

The base currency of the Company is Sterling.

Shares

The Company currently offers 2 share classes; Class A and Class B. Each share class has a different ACD fee.

Prices and Dealing Times

The price used for either the purchase or sale of shares is normally the next price calculated after your instructions are received and accepted at our Edinburgh Office. Advisers have no authority to guarantee applications or prices.

The latest prices are obtainable from the Dealing Desk on 0845 066 1110.

Shares may be bought or sold between 9.00am and 5.00pm on Mondays to Fridays inclusive.

Protected Cell Regime

The ICVC has adopted a 'protected cell regime' which means that the liabilities of each sub-fund are now segregated from the other sub-funds, so the debts of each sub-fund cannot therefore be passed to another. This has the benefit of providing stronger investor protection.

Cross Holdings

There were no cross holdings between sub-funds in SVM ICVC as at 31 December 2023.

Prospectus

The Prospectus, which is available from the ACD free of charge, outlines how the ICVC is managed and gives details of the types of assets in which each sub-fund may invest. The Prospectus and (where applicable) the Instrument of Incorporation were last amended as noted in the ACD's Report. Full terms and conditions are available from the ACD.

Personal Taxation

Unless your shares are held within an ISA, if you sell your shares or switch your shares to a different sub-fund, this is treated as a disposal for Capital Gains Tax purposes. Tax rules can change. The value to an investor of the tax advantages of an ISA will depend on personal circumstances, which may change.

Shareholders are recommended to consult with their professional tax advisors if they are in any doubt about their position.

Queries

If you have any queries about the operation of your sub-fund you should in the first instance contact the ACD. Please supply details of your holding (including surname, initials and account number).

MSCI

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