



**CHAWTON**  
GLOBAL INVESTORS

**WS CHAWTON INVESTMENT FUNDS  
(formerly TB CHAWTON INVESTMENT  
FUNDS)**

ANNUAL REPORT &  
AUDITED FINANCIAL STATEMENTS

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For the year ended 31 December 2023



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*Note: The Authorised Corporate Director’s Report consists of ‘Authorised Status’ and ‘Structure of the Company’ on page 2, ‘Investment Objective and Policy’ on page 3, ‘Investment Review’ as provided by the Investment Manager on pages 12 to 15 and ‘Directory’ on page 49.*



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## CHANGES TO THE COMPANY AND THE FUND

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On 1 October 2023 the Company changed its name from TB Chawton Investment Funds to WS Chawton Investment Funds.

On 5 February 2024 the Administrators of the Company changed from Waystone Fund Services (UK) Limited ('WFSL') to The Bank of New York Mellon (International) Limited. WFSL was previously called T. Bailey Fund Services Limited ('TBFS') and changed its name on 1 October 2023.

On 11 March 2024 the following changes were made:

- The Authorised Corporate Director of the Company changed from WFSL to Waystone Management (UK) Limited ('WMUK').
- The Custodian of the Company changed from The Northern Trust Company to The Bank of New York Mellon (International) Limited.
- The Registrar of the Company changed from WFSL to Link Fund Administrators Limited.
- The Depository of the Company changed from NatWest Trustee and Depository Services Limited to The Bank of New York Mellon (International) Limited.

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## THE AUTHORISED CORPORATE DIRECTOR AND INVESTMENT MANAGER

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The Authorised Corporate Director (the 'ACD') of WS Chawton Investment Funds (the 'Company') is Waystone Management (UK) Limited ('WMUK'). Chawton Global Investors LLP is the Investment Manager (the 'Investment Manager') of the Company.

Chawton Global Investors LLP and Waystone Management (UK) Limited are authorised and regulated by the Financial Conduct Authority.

Further information about Chawton Global Investors LLP can be found at [www.chawtoninvestors.co.uk](http://www.chawtoninvestors.co.uk).

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## YOUR INVESTMENTS

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You can buy or sell shares in the Company through your Financial Advisor. Alternatively, application forms can be requested in writing from the ACD or by calling the Registrar on the dealing line. They can also be downloaded from [www.waystone.com](http://www.waystone.com).

The Company is eligible for ISA investments/transfers and the shares are available as part of a regular savers scheme.

The most recent price of shares in issue can be found at [www.waystone.com](http://www.waystone.com), or by phone using the contact details set out in the Prospectus.

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## RISK PROFILE

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The value of investments may go down as well as up in response to general market conditions and the performance of the assets held. Investors may not get back the money which they invested.

There is no guarantee that the Fund will meet its stated objectives.

A limited number of investments may be held, which has the potential to increase the volatility of performance.

The movements of exchange rates may lead to further changes in the value of investments and the income from them.

There is a risk that any company providing services such as the safe keeping of assets or acting as counterparty to derivatives may become insolvent, which may cause losses to the Fund.

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## **SYNTHETIC RISK AND REWARD INDICATOR**

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The Synthetic Risk and Reward Indicator demonstrates in a standard format where the Fund ranks in terms of its potential risk and reward. It is based on historical performance data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The indicator uses a scale of one to seven. The higher the rank the greater the potential reward but the greater the risk of losing money. The lowest category does not mean a fund is a risk free investment.

As the Fund launched on 21 May 2019, the indicator has been calculated based in part on the volatility of the Investment Association Global Equity Income Sector (GBP) average over the last five years (in total return and GBP terms).

The Fund is in risk category five because it invests in global shares.

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## **OTHER INFORMATION**

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Full details of WS Chawton Investment Funds are set out in the Prospectus which provides extensive information about the Fund including risks and expenses. A copy of the Prospectus is available on request from the ACD or can be downloaded from [www.waystone.com/our-funds/waystone-fund-services-uk-limited](http://www.waystone.com/our-funds/waystone-fund-services-uk-limited).

The Key Investor Information documents, Supplementary Information document and Value Assessment are also available from [www.waystone.com/our-funds/waystone-fund-services-uk-limited](http://www.waystone.com/our-funds/waystone-fund-services-uk-limited).

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## **AUTHORISED STATUS**

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WS Chawton Investment Funds is an investment company with variable capital incorporated in Great Britain, and having its head office in England, under registered number IC010869 and authorised and regulated by the Financial Conduct Authority ('FCA') with effect from 18 April 2019.

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## **STRUCTURE OF THE COMPANY**

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The Company is a UK UCITS.

The Company is structured as an umbrella so that the Scheme Property of the Company may be divided among one or more sub-funds. The assets of each sub-fund will generally be treated as separate from those of every other sub-fund and will be invested in accordance with the investment objective and investment policy applicable to that sub-fund. New sub-funds may be established from time to time by the ACD with the approval of the FCA and the agreement of the Depositary. If a new sub-fund is introduced, a new Prospectus will be prepared to set out the required information in relation to that sub-fund.

The Company is compliant with the Protected Cell Regime for OEICs. Under the Protected Cell Regime, each sub-fund represents a segregated portfolio of assets and accordingly, the assets of a sub-fund belong exclusively to that sub-fund and shall not be used or made available to discharge (directly or indirectly) the liabilities of, or claims against, any other person or body, including any other sub-fund and shall not be available for any such purpose.

As at the balance sheet date, there was one sub-fund in existence; WS Chawton Global Equity Income Fund (the 'Fund').

The base currency of the Company is Pound Sterling.

Shareholders are not liable for the debts of the Company. Shareholders are not liable to make any further payment to the Company after they have paid the price on purchase of the shares.

The ACD is the sole director of the Company.

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## **INVESTMENT OBJECTIVE AND POLICY**

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The Fund aims to provide a growing income stream and to grow capital over the long term (5 years or more). Each part of this objective will have equal weighting.

The Fund will invest principally (i.e. at least 80%) in listed global equities.

The Investment Manager aims to invest in a concentrated portfolio of companies (typically 20 - 50 holdings) that exhibit high and sustainable returns on capital and which, in the Investment Manager's opinion, are likely to achieve returns on capital higher than the cost of capital, allowing those companies to both reinvest in the business for growth and provide for a meaningful and growing dividend stream to be paid over time.

The Investment Manager's approach may be based on positive, sustainable investment themes, including environmental, social and governance opportunities. However, the Fund is not limited to such themes and is not subject to screening or portfolio exclusions.

The Fund will typically be invested as listed above, but the Fund may also invest in fixed income securities, collective investment schemes (which may include collective investment schemes managed by the ACD or by any associate of the ACD), cash, near cash, deposits and money market instruments. There may be occasions when the Investment Adviser chooses to hold larger degrees of cash, near cash, deposits or money market instruments in stressed market conditions.

Derivatives may only be used to reduce risk or cost or to generate additional capital or income at proportionate risk (Efficient Portfolio Management).

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## **FUND BENCHMARK**

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Shareholders may wish to compare the performance of the Fund against the MSCI World Index (GBP) (the 'Index'). The Fund is managed to sit within the Investment Association's Global Equity Income sector, the sector definition of which references the Index. Accordingly, it is considered that this Index is an appropriate performance comparator for the Fund. Please note that the Fund is not constrained by or managed to the Index.

MSCI World Index (GBP) is the Comparator Benchmark of the Fund.

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## **ONGOING CHARGES FIGURE**

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The Ongoing Charges Figure ('OCF') provides investors with a clearer picture of the total annual costs in running a collective investment scheme. The OCF consists principally of the annual management charge, but also includes the costs for other services paid in respect of depositary, custody, FCA and audit fees. The OCFs, as calculated in accordance with ESMA guidelines, are disclosed as 'Operating charges (p.a.)' in the Comparative tables on pages 19 to 27.

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## **SECURITIES FINANCING TRANSACTIONS**

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The Fund has the ability to utilise Securities Financing Transactions (being transactions such as lending or borrowing of securities, repurchase or reverse repurchase transactions, buy-sell back or sell-buy back transactions, or margin lending transactions). No such transactions have been undertaken in the period covered by this report.

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## REMUNERATION POLICY OF THE AUTHORISED CORPORATE DIRECTOR

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### Introduction and Scope

WMUK has policies and practices for those staff whose professional activities have a material impact on the risk profile of the combined activities. WMUK is a UCITS firm and is therefore subject to the UCITS Remuneration Code.

The Remuneration Policy of the Authorised Corporate Director:

- Is consistent with and promotes sound and effective risk management;
- Does not encourage risk taking that exceeds the level of tolerated risk of the firm;
- Encourages behaviour that delivers results which are aligned to the interests of WMUK's clients and the UCITS funds it manages;
- Aligns the interests of Code Staff with the long-term interests of WMUK's clients and the UCITS funds it manages;
- Recognises that remuneration should be competitive and reflect both financial and personal performance. Accordingly, Remuneration for Code Staff is made up of fixed pay (salary and benefits, including pension) and variable (performance-related) pay; and
- Recognises that fixed and variable components should be appropriately balanced and that the variable component should be flexible enough so that in some circumstances no variable component may be paid at all. Variable pay is made up of short-term awards typically based on short-term financial and strategic measures for the area of the business in which the member of Code Staff works.

In accordance with BIPRU 11.5.18R the following disclosures are made:

### Decision making process for determining remuneration policy, link between pay and performance

There is no remuneration committee. Remuneration is set within the context of a 5-year plan which ensures any threats to capital adequacy, liquidity and solvency caused by excessive remuneration would be identified. The bonus and commission arrangements including the staff bonus pool are set annually as part of the annual operating plan and any changes to the pool require approval by the WMUK Board.

To assist with the above process, a benchmarking exercise was conducted in 2019 which incorporated information from external consultants in connection with remuneration.

### Policy on link between pay and performance

The staff bonus scheme is operated so as to allow for meaningful rewards to be paid to staff whose performance during the year merits recognition but within the context of an annual operating plan. The Board bears in mind the projected performance of the company when making any adjustments to the scheme. This is agreed within the setting of the annual operating plan and reviewed once full year results are available.

The final bonus total is signed off by the WMUK board. The bonus payments are non-contractual and can be amended or withdrawn at any time.

Payment of scheme bonus to individuals is linked to their performance against agreed objectives from staff appraisals. All bonuses are monetary and paid through the payroll.



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## REMUNERATION POLICY OF THE AUTHORISED CORPORATE DIRECTOR (CONTINUED)

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Staff are eligible to be a part of the scheme once they have completed a full years' service prior to the start of the relevant appraisal year. The same process applies to all grades of staff including executive directors.

There are no commission-based payments made to staff.

No other pay reward schemes exist within the business.

### Total remuneration paid by the Authorised Corporate Director

	For the year ended 30 September 2022	For the year ended 30 September 2021
<b>Total Number of Staff</b>	<b>65</b>	<b>51</b>
	<b>£'000</b>	<b>£'000</b>
Fixed	2,118	1,797
Variable	143	111
<b>Total Remuneration Paid</b>	<b>2,261</b>	<b>1,908</b>

### Total remuneration paid by the Authorised Corporate Director to Remuneration Code Staff

	For the year ended 30 September 2022		For the year ended 30 September 2021	
	Senior Management	Staff with Material Impact	Senior Management	Staff with Material Impact
<b>Total Number of Staff</b>	<b>9</b>	<b>-</b>	<b>10</b>	<b>-</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Fixed	798	-	800	-
Variable	49	-	9	-
<b>Total Remuneration Paid</b>	<b>847</b>	<b>-</b>	<b>809</b>	<b>-</b>

Please note that there were no remuneration payments made directly from WS Chawton Investment Funds or its sub-fund.

On 11 March 2024 the Authorised Corporate Director of the Company changed from WFSL to Waystone Management (UK) Limited ('WMUK'). As WFSL was the ACD at the period end, the figures in the above tables relate to WFSL.

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## STATEMENT OF THE AUTHORISED CORPORATE DIRECTOR'S RESPONSIBILITIES

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The Authorised Corporate Director ('ACD') of WS Chawton Investment Funds ('Company') is responsible for preparing the Annual Report and the Financial Statements in accordance with the Open-Ended Investment Companies Regulations 2001 ('the OEIC Regulations'), the Financial Conduct Authority's Collective Investment Schemes' Sourcebook ('COLL') and the Company's Instrument of Incorporation.

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

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

In preparing the financial statements, the ACD is required to:

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

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

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## DIRECTORS' STATEMENT

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In accordance with COLL 4.5.8BR, the Report and the Financial Statements were approved by the board of Directors of the ACD of the Company and authorised for issue on 25 April 2024.

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

**Waystone Management (UK) Limited**  
**ACD of WS Chawton Investment Funds**  
**London, United Kingdom**  
**25 April 2024**

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## STATEMENT OF DEPOSITARY'S RESPONSIBILITIES

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

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

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

The Depositary must ensure that:

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

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

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## DEPOSITARY'S REPORT TO THE SHAREHOLDERS OF WS CHAWTON INVESTMENT FUNDS

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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 Authorised Corporate Director:

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

**NatWest Trustee & Depositary Services Limited**  
**London, United Kingdom**  
**25 April 2024**

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## **INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF WS CHAWTON INVESTMENT FUNDS**

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

#### **Opinion**

In our opinion the financial statements of WS Chawton Investment Funds (the 'Company'):

- give a true and fair view of the financial position of the company as at 31 December 2023 and of the net revenue and the net capital gains on the property of the company for the year ended 31 December 2023; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", the Statement of Recommended Practice "Financial Statements of UK Authorised Funds", the rules in the Collective Investment Schemes Sourcebook and the Instrument of Incorporation.

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

- the statement of total return;
- the statement of change in net assets attributable to shareholders;
- the balance sheet;
- the related individual notes 1 to 15; and
- the distribution tables

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

#### **Basis for opinion**

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

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

#### **Conclusions relating to going concern**

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

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

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

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**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF WS CHAWTON INVESTMENT FUNDS (CONTINUED)**

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**Other information**

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

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

We have nothing to report in this regard.

**Responsibilities of depositary and ACD**

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

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

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

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

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:

Our assessment focussed on key laws and regulations the company has to comply with and areas of the financial statements we assessed as being more susceptible to misstatement. These key laws and regulations included, but were not limited to, compliance with the Collective Investment Schemes sourcebook of the Financial Conduct Authority ("COLL"), the relevant instruments of incorporation, the statement of Recommended Practice: "Financial Statements of Authorised Funds" issued by the Investment Management Association in May 2014 ("the SORP") and United Kingdom Generally Accepted Accounting Practice and relevant tax legislation.

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**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF WS CHAWTON INVESTMENT FUNDS (CONTINUED)**

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We are not responsible for preventing irregularities. Our approach to detect irregularity included, but was not limited to, the following:

- obtaining an understanding of the legal and regulatory framework applicable to the company to assess compliance with provisions of relevant laws and regulations. This included ensuring compliance with the Collective Investment Schemes Sourcebook.
- obtaining an understanding of the company's policies and procedures and how the company has complied with these, through discussions and process walkthroughs.
- obtaining an understanding of the company's risk assessment process, including the risk of fraud, designing our audit procedures to respond to our risk assessment. This included performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- enquiring of management concerning actual and potential litigation and claims and understanding whether there have been instances of non-compliance with laws and regulations; and
- reviewing minutes of those charged with governance and reviewing correspondence with the FCA.

Whilst considering how our audit work addressed the detection of irregularities, we also consider the likelihood of detection based on our approach. Irregularities from fraud are inherently more difficult to detect than those arising from error.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission, or misrepresentation. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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

**Report on other legal and regulatory requirements****Opinion on other matters prescribed by the Collective Investment Schemes Sourcebook**

In our opinion:

- proper accounting records for the Company have been kept and the financial statements are in agreement with those records;
- we have received all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit; and
- the information disclosed in the annual report for the year ended 31 December 2023 for the purpose of complying with Paragraph 4.5.9R of the Collective Investment Schemes Sourcebook is consistent with the financial statements.

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**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF WS CHAWTON INVESTMENT FUNDS (CONTINUED)**

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**Use of our report**

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

**Cooper Parry Group Limited  
Statutory Auditor  
Sky View  
Argosy Road  
East Midlands Airport  
Castle Donington  
Derby  
DE74 2SA  
25 April 2024**

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## INVESTMENT REVIEW

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### Performance

	Cumulative returns for the periods ended 31 December 2023 (%)		
	1 year	3 years	From launch <sup>1</sup>
B Accumulation Shares	10.80	20.00	49.74
C Accumulation Shares	11.13	21.09	51.22
IA Global Equity Income Sector	9.22	28.09	41.55
MSCI World Index*	16.81	32.36	61.38

\* *Comparator Benchmark*

<sup>1</sup> *21 May 2019.*

*Source: Financial Express. Total return, bid to bid. Sterling terms.*

*Past performance is not a reliable indicator of future results. Investors are reminded that the price of shares and the revenue derived from them is not guaranteed and may go down as well as up.*

### Introduction to the Fund

There are three relatively unique attributes to the Fund which I believe render it an attractive investment vehicle for investors. Firstly, the investment approach is derived from the teachings of Ben Graham and Warren Buffett and I still observe few in our industry who properly apply the principles of these great practitioners. Secondly (and one area I differ from Buffett) is that I consider a recurring cash flow should be generated from a productive asset and therefore the Fund will distribute cash received as dividends. Finally, I believe it is vital equity investment is carried out with due regard to sustainable investment principles and that these are a crucial input to investing over the long term. In summary, the Fund benefits from a robust long-term capital growth philosophy, generates a growing yield and also contributes to the general improvement of social conditions and the environment.

### The Portfolio

The Fund's assets under management increased from £13.7 million at the end of 2022 to £16.1 million at the end of 2023. This was a result of performance with the Fund rising 11.1% (based on the GBP C ACC share class) augmented by inflows.

The portfolio is concentrated and comprised 34 stocks at the end of December 2023 compared to 33 at the end of the prior year. In aggregate, it has a return on invested capital above 18%, a level well in excess of the real cost of capital.



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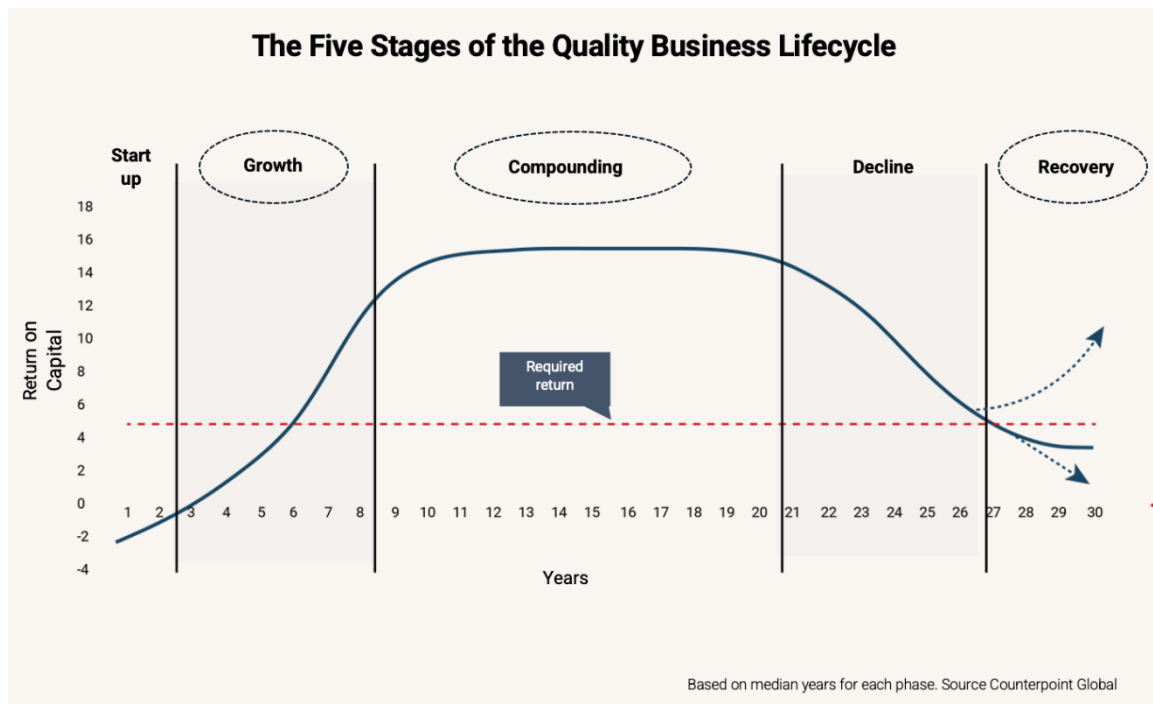
## INVESTMENT REVIEW (CONTINUED)

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Portfolio constituents are characterised through generally being asset light with competitive advantage from intangible assets such as brands, patents, innovation and network advantages. We have avoided companies that are asset intensive with large factories, mining or extractive assets which fail to achieve returns much above their cost of capital. In addition, no companies are held that are allocating capital to environmentally or socially negative projects. They mostly have a flexible dividend policy backed by their inherent financial strength and possess the potential to significantly grow their dividends over time.

In prior years, we have described the portfolio as comprising two segments; a core portion of 'income generators' and a 'growth segment' of companies exhibiting faster revenue increases. However, in our quarterly letter for the third quarter of 2023, we set out a more comprehensive capital allocation framework based on the corporate lifecycle for quality companies.

This depicts the growth and return pattern of a company that adds value through its life through achieving returns above the cost of capital and growing its asset base for a meaningful length of time. We seek opportunities across this cycle. The following chart illustrates the model graphically:



Initially, as the company moves from start up to growth, returns are low and sometimes even negative as capital is invested to exploit the market opportunity. Returns then start to rise as growth accelerates. Management should prioritise asset base growth over returns on capital. Examples in the portfolio are ASML and Novo Nordisk.

The company then achieves a position of strength with sustainable competitive advantage and high barriers to entry when returns on capital are well above the cost of capital and the company can compound for many years. Management should prioritise optimising and sustaining returns whilst ensuring customers continue to receive value. Examples in the portfolio are Procter & Gamble and Fastenal.

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## INVESTMENT REVIEW (CONTINUED)

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Eventually competition and technological or industry change lead to decline in the returns. At this point capital should be redeployed from affected divisions and reallocated, if possible, to divisions in the growth or compounding phase. If not, the capital should be returned. Examples in the portfolio include Next and speciality insurers Berkshire Hathaway and Beazley.

The income generating characteristics change as we move through the lifecycle with the majority of current income delivered by compounding and redeployment situations whilst the growth companies drive capital and income growth for the future.

Distributions relating to dividend income for 2023 amounted to 3.52p and a total of 12.41p has been distributed since inception. This dividend growth represents 17.8% CAGR since inception. The total shareholder return from the Fund since inception in May 2019 is 49.7% (B ACC GBP) which equates to a compound average growth rate (CAGR) of 9.4% p.a. with dividends reinvested.

### The period under review

There was significant variability in the underlying fundamental performances of businesses held in the portfolio over 2023. Generic factors were as follows:

- More modest revenue growth in 2023 given the strength of the 2022 comparator year coming out of COVID restrictions,
- improved gross and operating margins helping earnings growth as cost inflation subsided,
- significant improvement in earnings from insurance holdings as both underwriting profitability and investment returns improved considerably,
- reduction in earnings from semi-conductor holdings as the 2022 microchip shortage eased and industry inventory levels grew.

Looking longer term to the performance of key performance metrics of portfolio companies in aggregate in the five years ended 31 December 2023 we observe:

- Revenue CAGR of 7.6%,
- Diluted earnings per share CAGR of 10.9%,
- Dividend per share CAGR of 10.0%,
- Share count reduction CAGR of -1.0%, and
- Aggregate return on invested capital at end 2023 of 18.7%.

Bearing in mind these were delivered over a period that encompassed the world shutting down due to COVID followed by the Ukraine war and developing Middle East conflicts, they are impressive.

During the period, we added six positions and sold out of seven ending up with holdings in 34 corporate groups. This may seem odd given we started the year with 33 stocks but was caused by two existing holdings, Johnson & Johnson (US pharmaceuticals) and Sampo (Finish/Nordic P&C insurance) spinning off small divisions, with less good prospects, as separately quoted companies. We sold both. This is indicative of the redeployment strategy we talked about above. We also sold Carlsberg and Carlsberg Malaysia following the departure of the Carlsberg Group's excellent top management team leading to concerns over future capital allocation.

The major additions included new positions Svenska Handelsbanken explained in our first quarterly letter of 2023 and Beazley which is discussed below. The other new positions are still being acquired. We are taking our time in these cases to make sure we assemble the positions at the lowest possible cost.

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## INVESTMENT REVIEW (CONTINUED)

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### The Future

As we approach the five-year anniversary of the Fund's launch in May 2024, it is interesting to observe that in terms of both composition and valuation, the Fund is similar to when we launched yet has delivered over 50% in total shareholder returns (C Class ACC). This perhaps demonstrates the ability of strong, resilient businesses with opportunities to smartly allocate capital, to make progress whatever the environment throws at them.

It is important also to recognise some of the underlying drivers of growth which often get subsumed by the negative noise generated by market participants. Firstly, the company lifecycle approach we take broadens the range of opportunities where management action is driving long term change. Overlaying the variety of industries and geographies we analyse on a global basis means there are always likely to be some interesting situations.

Given this context, where are we specifically seeing opportunities in the various lifecycle buckets? Firstly, our analysis suggests that the semi-conductor industry will be considerably larger in ten years than it is now. Indeed, its prospects have considerably improved over the last year or so as developments have led to the recognition that general processing units (GPUs) developed for computer gaming can augment central processing units (CPUs) to massively improve computing power. The attraction of this area is further underpinned by the industries tendency to result in near monopolies for the winning companies at various choke-points in the value chain. ASML is the only company capable of producing and supplying the lithography equipment necessary to make the most advanced chips.

Secondly the investment required in what one of our investee company's terms the sunrise industries, which will power the transition to net zero, is huge. These include electric vehicles/mobility, railways, robotics and automation, healthcare and medical technology and data centre equipment. Atlas Copco whose main divisions are at the compounding phase, is seeing increasing demand for compressors and industrial tooling as vast battery giga factories are built across Europe and USA.

Finally, the insurance market, where property catastrophe and cyber lines are experiencing supply/demand imbalances leading to soaring premium rates. Portfolio company Beazley, having withdrawn capital from property some years ago and built its cyber capability, now has the opportunity to redeploy capital into the hardest market seen for a decade.

Given the advantages of our approach in providing a broad range of opportunities and the existence of these powerful secular factors, we are optimistic the Fund will deliver solid returns in the future.

**Michael Crawford**  
**Managing Partner**  
**Chawton Global Investors LLP**  
**Surrey, United Kingdom**  
**25 April 2024**

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**PORTFOLIO STATEMENT**As at 31 December 2023

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<b>Holding or nominal value of positions</b>	<b>Bid market value £</b>	<b>Percentage of total net assets %</b>
<b>Banks</b> <b>(3.6%; 31.12.22 - 4.3%)</b>		
68,470 Svenska Handelsbanken	582,806	3.6
	<b>582,806</b>	<b>3.6</b>
<b>Beverages</b> <b>(3.7%; 31.12.22 - 0.0%)</b>		
2,881 Brown-Forman	129,148	0.8
16,461 Diageo	470,126	2.9
	<b>599,274</b>	<b>3.7</b>
<b>Business Services</b> <b>(12.9%; 31.12.22 - 11.9%)</b>		
1,791 Bossard	367,693	2.3
10,112 Fastenal	514,297	3.2
3,500 Ferguson	527,975	3.3
21,305 Relx	662,373	4.1
	<b>2,072,338</b>	<b>12.9</b>
<b>Consumer Discretionary</b> <b>(14.3%; 31.12.22 - 12.4%)</b>		
4,738 Games Workshop	466,219	2.9
2,254 Home Depot	613,472	3.8
22,510 Jardine Cycle & Carriage	398,347	2.5
10,192 Next	827,387	5.1
	<b>2,305,425</b>	<b>14.3</b>
<b>Consumer Staples</b> <b>(15.7%; 31.12.22 - 27.7%)</b>		
942 Costco Wholesale	488,507	3.0
1,665 Hershey	243,819	1.5
1,063 L'Oreal Loyalty Reg	415,247	2.6
375 L'Oreal Royalty Reg 2024	146,489	0.9
6,706 Nestlé	610,148	3.8
5,437 Procter & Gamble	625,911	3.9
	<b>2,530,121</b>	<b>15.7</b>

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**PORTFOLIO STATEMENT (CONTINUED)**As at 31 December 2023

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<b>Holding or nominal value of positions</b>	<b>Bid market value £</b>	<b>Percentage of total net assets %</b>
<b>Financial Services</b>		
<b>(4.0%; 31.12.22 - 1.8%)</b>		
4,940 T. Rowe Price	417,869	2.6
1,150 Visa	235,357	1.4
	<b>653,226</b>	<b>4.0</b>
<b>General Insurance</b>		
<b>(10.4%; 31.12.22 - 9.2%)</b>		
82,950 Beazley	432,584	2.7
1,950 Berkshire Hathaway	546,708	3.3
2,278 Progressive Corporation	285,130	1.8
12,219 Sampo	418,899	2.6
	<b>1,683,321</b>	<b>10.4</b>
<b>Health Care</b>		
<b>(8.3%; 31.12.22 - 9.2%)</b>		
6,420 Bioventix	269,640	1.7
3,549 Johnson & Johnson	436,942	2.7
7,790 Novo Nordisk	631,139	3.9
	<b>1,337,721</b>	<b>8.3</b>
<b>Industrials</b>		
<b>(14.3%; 31.12.22 - 9.1%)</b>		
58,088 Atlas Copco	673,717	4.2
1,041 Geberit	523,414	3.3
6,600 Renishaw	235,752	1.5
2,958 Union Pacific	570,805	3.5
14,250 Volvo	295,276	1.8
	<b>2,298,964</b>	<b>14.3</b>
<b>Information Technology</b>		
<b>(6.7%; 31.12.22 - 7.6%)</b>		
836 ASML	494,063	3.1
4,322 Texas Instruments	578,620	3.6
	<b>1,072,683</b>	<b>6.7</b>

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**PORTFOLIO STATEMENT (CONTINUED)**As at 31 December 2023

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<b>Holding or nominal value of positions</b>	<b>Bid market value £</b>	<b>Percentage of total net assets %</b>
<b>Media &amp; Internet</b>		
<b>(5.7%; 31.12.22 - 5.7%)</b>		
2,310 Alphabet	253,481	1.6
141,920 Bloomsbury Publishing	664,186	4.1
	<b>917,667</b>	<b>5.7</b>
<b>Portfolio of investments</b>	<b>16,053,546</b>	<b>99.6</b>
<b>Net other assets</b>	<b>62,506</b>	<b>0.4</b>
<b>Total net assets</b>	<b>16,116,052</b>	<b>100.0</b>

*All holdings are investments listed on official stock exchanges.*

*The investments have been valued in accordance with note 1(J) of the Accounting Policies and are ordinary shares listed on a regulated market unless stated otherwise.*

## COMPARATIVE TABLES

<b>B Income Shares</b>	<b>1 Jan 2023 to 31 Dec 2023</b> (pence per share)	<b>1 Jan 2022 to 31 Dec 2022</b> (pence per share)	<b>1 Jan 2021 to 31 Dec 2021</b> (pence per share)
<b>Change in net assets per share</b>			
Opening net asset value per share	124.41	139.93	121.13
Return before operating charges*	15.59	(11.06)	22.68
Operating charges	(1.49)	(1.45)	(1.17)
Return after operating charges*	14.10	(12.51)	21.51
Distributions on income shares	(3.24)	(3.01)	(2.71)
Closing net asset value per share	135.27	124.41	139.93
* after direct transaction costs of:	0.11	0.11	0.11
<b>Performance</b>			
Return after charges	11.33%	(8.94)%	17.76%
<b>Other information</b>			
Closing net asset value	£2,548,192	£3,813,672	£1,875,408
Closing number of shares	1,883,792	3,065,403	1,340,248
Operating charges (p.a.)	1.16%	1.17%	1.16%
Direct transaction costs (p.a.)	0.09%	0.09%	0.09%
<b>Prices</b>			
Highest published share price	136.34	140.81	143.32
Lowest published share price	123.13	114.84	116.55

*Past performance is not a reliable indicator of future results. Investors are reminded that the price of shares and the revenue derived from them is not guaranteed and may go down as well as up.*

## COMPARATIVE TABLES (CONTINUED)

<b>C Income Shares</b>	<b>1 Jan 2023 to 31 Dec 2023</b> (pence per share)	<b>1 Jan 2022 to 31 Dec 2022</b> (pence per share)	<b>1 Jan 2021 to 31 Dec 2021</b> (pence per share)
<b>Change in net assets per share</b>			
Opening net asset value per share	128.33	143.92	124.21
Return before operating charges*	16.12	(11.37)	23.30
Operating charges	(1.14)	(1.12)	(0.81)
Return after operating charges*	14.98	(12.49)	22.49
Distributions on income shares	(3.35)	(3.10)	(2.78)
Closing net asset value per share	139.96	128.33	143.92
* after direct transaction costs of:	0.11	0.12	0.12
<b>Performance</b>			
Return after charges	11.67%	(8.68)%	18.11%
<b>Other information</b>			
Closing net asset value	£2,325,633	£1,957,887	£2,086,266
Closing number of shares	1,661,586	1,525,620	1,449,610
Operating charges (p.a.)	0.86%	0.87%	0.86%
Direct transaction costs (p.a.)	0.09%	0.09%	0.09%
<b>Prices</b>			
Highest published share price	141.07	144.83	147.38
Lowest published share price	127.34	118.28	119.57

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## COMPARATIVE TABLES (CONTINUED)

F Income Shares	1 Jan 2023 to 31 Dec 2023 (pence per share)	1 Jan 2022 to 31 Dec 2022 (pence per share)	1 Jan 2021 to 31 Dec 2021 (pence per share)
<b>Change in net assets per share</b>			
Opening net asset value per share	123.04	138.83	120.54
Return before operating charges*	15.40	(10.98)	22.53
Operating charges	(1.84)	(1.82)	(1.55)
Return after operating charges*	13.56	(12.80)	20.98
Distributions on income shares	(3.20)	(2.99)	(2.69)
Closing net asset value per share	133.40	123.04	138.83
* after direct transaction costs of:	0.11	0.11	0.11
<b>Performance</b>			
Return after charges	11.02%	(9.22)%	17.41%
<b>Other information</b>			
Closing net asset value	£4,282,143	£1,845,654	£3,346,811
Closing number of shares	3,210,069	1,500,000	2,410,751
Operating charges (p.a.)	1.46%	1.47%	1.46%
Direct transaction costs (p.a.)	0.09%	0.09%	0.09%
<b>Prices</b>			
Highest published share price	134.45	139.69	142.22
Lowest published share price	121.49	124.78	115.92

*Past performance is not a reliable indicator of future results. Investors are reminded that the price of shares and the revenue derived from them is not guaranteed and may go down as well as up.*

## COMPARATIVE TABLES (CONTINUED)

<b>B Accumulation Shares</b>	<b>1 Jan 2023 to 31 Dec 2023</b> (pence per share)	<b>1 Jan 2022 to 31 Dec 2022</b> (pence per share)	<b>1 Jan 2021 to 31 Dec 2021</b> (pence per share)
<b>Change in net assets per share</b>			
Opening net asset value per share	133.85	146.89	124.52
Return before operating charges*	17.00	(11.49)	23.59
Operating charges	(1.62)	(1.55)	(1.22)
Return after operating charges*	15.38	(13.04)	22.37
Distributions	(3.52)	(3.19)	(2.81)
Retained distributions on accumulation shares	3.52	3.19	2.81
Closing net asset value per share	149.23	133.85	146.89
* after direct transaction costs of:	0.12	0.12	0.12
<b>Performance</b>			
Return after charges	11.49%	(8.88)%	17.96%
<b>Other information</b>			
Closing net asset value	£2,630,436	£3,285,047	£3,610,265
Closing number of shares	1,762,660	2,454,243	2,457,803
Operating charges (p.a.)	1.16%	1.17%	1.16%
Direct transaction costs (p.a.)	0.09%	0.09%	0.09%
<b>Prices</b>			
Highest published share price	149.74	147.81	149.94
Lowest published share price	134.19	121.28	119.81

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## COMPARATIVE TABLES (CONTINUED)

<b>C Accumulation Shares</b>	<b>1 Jan 2023 to 31 Dec 2023</b> (pence per share)	<b>1 Jan 2022 to 31 Dec 2022</b> (pence per share)	<b>1 Jan 2021 to 31 Dec 2021</b> (pence per share)
<b>Change in net assets per share</b>			
Opening net asset value per share	134.77	147.45	124.62
Return before operating charges*	17.14	(11.52)	23.65
Operating charges	(1.20)	(1.16)	(0.82)
Return after operating charges*	15.94	(12.68)	22.83
Distributions	(3.55)	(3.21)	(2.81)
Retained distributions on accumulation shares	3.55	3.21	2.81
Closing net asset value per share	150.71	134.77	147.45
Retained distributions on accumulation shares			
* after direct transaction costs of:	0.12	0.12	0.12
<b>Performance</b>			
Return after charges	11.83%	(8.60)%	18.32%
<b>Other information</b>			
Closing net asset value	£2,477,777	£1,061,909	£1,309,324
Closing number of shares	1,644,034	787,964	887,964
Operating charges (p.a.)	0.86%	0.87%	0.86%
Direct transaction costs (p.a.)	0.09%	0.09%	0.09%
<b>Prices</b>			
Highest published share price	151.22	148.38	150.49
Lowest published share price	135.20	121.91	119.97

*Past performance is not a reliable indicator of future results. Investors are reminded that the price of shares and the revenue derived from them is not guaranteed and may go down as well as up.*

## COMPARATIVE TABLES (CONTINUED)

<b>B EUR Income Shares</b>	<b>1 Jan 2023 to 31 Dec 2023</b> (pence per share)	<b>1 Jan 2022 to 31 Dec 2022</b> (pence per share)	<b>1 Jan 2021 to 31 Dec 2021</b> (pence per share)
<b>Change in net assets per share</b>			
Opening net asset value per share	109.79	123.49	106.90
Return before operating charges*	13.76	(9.75)	19.87
Operating charges	(1.31)	(1.29)	(1.03)
Return after operating charges*	12.45	(11.04)	18.84
Distributions on income shares	(2.86)	(2.66)	(2.25)
Closing net asset value per share <sup>1</sup>	119.38	109.79	123.49
* after direct transaction costs of:	0.10	0.10	0.10
<b>Performance</b>			
Return after charges	11.34%	(8.94)%	17.62%
<b>Other information</b>			
Closing net asset value	£137,186	£126,166	£141,915
Closing number of shares	114,920	114,920	114,920
Operating charges (p.a.)	1.16%	1.17%	1.16%
Direct transaction costs (p.a.)	0.09%	0.09%	0.09%
<b>Prices</b>			
Highest published share price (€)	1.3852	1.4869	1.5013
Lowest published share price (€)	1.2447	1.1787	1.1910

<sup>1</sup>Closing net asset value at 31 December 2023 was 137.36 cents (€) per share.

Past performance is not a reliable indicator of future results. Investors are reminded that the price of shares and the revenue derived from them is not guaranteed and may go down as well as up.

## COMPARATIVE TABLES (CONTINUED)

<b>B USD Income Shares</b>	<b>1 Jan 2023 to 31 Dec 2023</b> (pence per share)	<b>1 Jan 2022 to 31 Dec 2022</b> (pence per share)	<b>1 Jan 2021 to 31 Dec 2021</b> (pence per share)
<b>Change in net assets per share</b>			
Opening net asset value per share	98.36	110.64	95.82
Return before operating charges*	12.32	(8.75)	17.89
Operating charges	(1.18)	(1.15)	(0.93)
Return after operating charges*	11.14	(9.90)	16.96
Distributions on income shares	(2.57)	(2.38)	(2.14)
Closing net asset value per share <sup>1</sup>	106.93	98.36	110.64
* after direct transaction costs of:	0.09	0.09	0.09
<b>Performance</b>			
Return after charges	11.33%	(8.95)%	17.70%
<b>Other information</b>			
Closing net asset value	£106,009	£127,051	£142,910
Closing number of shares	99,140	129,167	129,167
Operating charges (p.a.)	1.16%	1.17%	1.16%
Direct transaction costs (p.a.)	0.09%	0.09%	0.09%
<b>Prices</b>			
Highest published share price (\$)	1.3748	1.5024	1.5215
Lowest published share price (\$)	1.1801	1.0383	1.2739

<sup>1</sup>Closing net asset value at 31 December 2023 was 136.28 cents (\$) per share.

Past performance is not a reliable indicator of future results. Investors are reminded that the price of shares and the revenue derived from them is not guaranteed and may go down as well as up.

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**COMPARATIVE TABLES (CONTINUED)**

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<b>F USD Income Shares</b>	<b>19 Apr 2023<sup>^</sup> to 31 Dec 2023</b> (pence per share)
<b>Change in net assets per share</b>	
Opening net asset value per share	108.95
Return before operating charges*	8.09
Operating charges	(1.10)
Return after operating charges*	6.99
Distributions on income shares	(1.97)
Retained distributions on accumulation shares	1.97
Closing net asset value per share <sup>1</sup>	113.97
* after direct transaction costs of:	0.06
<b>Performance</b>	
Return after charges	6.42%
<b>Other information</b>	
Closing net asset value	£1,481,545
Closing number of shares	1,300,000
Operating charges (p.a.)	1.46%
Direct transaction costs (p.a.)	0.09%
<b>Prices</b>	
Highest published share price (\$)	1.4654
Lowest published share price (\$)	1.2585

<sup>^</sup>F USD Income shares launched on 19 April 2023.

<sup>1</sup>Closing net asset value at 31 December 2023 was 145.25 cents (\$) per share.

*Past performance is not a reliable indicator of future results. Investors are reminded that the price of shares and the revenue derived from them is not guaranteed and may go down as well as up.*

## COMPARATIVE TABLES (CONTINUED)

<b>B USD Accumulation Shares</b>	<b>1 Jan 2023 to 31 Dec 2023</b> (pence per share)	<b>1 Jan 2022 to 31 Dec 2022</b> (pence per share)	<b>9 Mar 2021<sup>^</sup> to 31 Dec 2021</b> (pence per share)
<b>Change in net assets per share</b>			
Opening net asset value per share	102.47	112.52	92.32
Return before operating charges*	13.01	(8.87)	21.16
Operating charges	(1.24)	(1.18)	(0.96)
Return after operating charges*	11.77	(10.05)	20.20
Distributions	(2.70)	(2.44)	(2.00)
Retained distributions on accumulation shares	2.70	2.44	2.00
Closing net asset value per share <sup>1</sup>	114.24	102.47	112.52
* after direct transaction costs of:	0.09	0.09	0.09
<b>Performance</b>			
Return after charges	11.49%	(8.93)%	21.88%
<b>Other information</b>			
Closing net asset value	£127,131	£114,036	£105,553
Closing number of shares	111,288	111,288	93,805
Operating charges (p.a.)	1.16%	1.17%	1.16%
Direct transaction costs (p.a.)	0.09%	0.09%	0.09%
<b>Prices</b>			
Highest published share price (\$)	1.4623	1.5280	1.5421
Lowest published share price (\$)	1.2387	1.0774	1.2909

<sup>^</sup>B USD Accumulation shares launched on 9 March 2021.

<sup>1</sup>Closing net asset value at 31 December 2023 was 145.60 cents (\$) per share.

Past performance is not a reliable indicator of future results. Investors are reminded that the price of shares and the revenue derived from them is not guaranteed and may go down as well as up.

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**STATEMENT OF TOTAL RETURN**For the year ended 31 December 2023

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	Note	£	31.12.23 £	31.12.22 £
Income				
Net capital gains/(losses)	2		1,416,129	(1,503,793)
Revenue	3	432,557		360,338
Expenses	4	(173,152)		(163,162)
Interest payable and similar charges	6	(231)		(165)
Net revenue before taxation		259,174		197,011
Taxation	5	(45,668)		(32,709)
Net revenue after taxation			213,506	164,302
<b>Total return/(loss) before distributions</b>			<b>1,629,635</b>	<b>(1,339,491)</b>
Distributions	6		(385,327)	(327,463)
<b>Change in net assets attributable to shareholders from investment activities</b>			<b>1,244,308</b>	<b>(1,666,954)</b>

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**STATEMENT OF CHANGE IN NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS**For the year ended 31 December 2023

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	Note	£	31.12.23 £	31.12.22 £
<b>Opening net assets attributable to shareholders</b>			<b>13,688,376</b>	<b>14,877,336</b>
<i>Movements due to sales and repurchases of shares:</i>				
Amounts receivable on issue of shares		6,594,411		3,916,189
Amounts payable on cancellation of shares		(5,544,765)		(3,590,640)
			1,049,646	325,549
Change in net assets attributable to shareholders from investment activities			1,244,308	(1,666,954)
Retained distributions on accumulation shares	6		133,722	152,445
<b>Closing net assets attributable to shareholders</b>			<b>16,116,052</b>	<b>13,688,376</b>



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**BALANCE SHEET**As at 31 December 2023

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	Note	31.12.23 £	31.12.22 £
<b>Assets:</b>			
<b>Fixed assets:</b>			
Investments		16,053,546	13,533,809
<b>Current assets:</b>			
Debtors	7	77,416	41,472
Cash and bank balances	8	94,516	171,182
<b>Total assets</b>		<b>16,225,478</b>	<b>13,746,463</b>
<b>Liabilities:</b>			
<b>Creditors:</b>			
Distribution payable on income shares	6	48,688	34,626
Other creditors	9	60,738	23,461
<b>Total liabilities</b>		<b>109,426</b>	<b>58,087</b>
<b>Net assets attributable to shareholders</b>		<b>16,116,052</b>	<b>13,688,376</b>

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## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2023

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### 1. Accounting policies

#### (a) Basis of accounting

The financial statements have been prepared under the historical cost basis, as modified by the revaluation of investments, and in accordance with Financial Reporting Standard 102 (FRS 102) and in accordance with the Statement of Recommended Practice (SORP) for Financial Statements of UK Authorised Funds issued by the Investment Association in May 2014 and amended in June 2017.

As described in the Statement of the Authorised Corporate Directors' Responsibilities, the ACD continues to adopt the going concern basis in the preparation of the financial statements of the Company and the Fund.

#### (b) Functional Currency

The functional currency used in the financial statements is Pound Sterling because it is the currency of the primary economic environment in which the Company and the Fund operates.

#### (c) Recognition of revenue

Dividends on holdings, net of any irrecoverable tax credits, are recognised when the underlying transferable security is quoted ex-dividend. Bank interest is accounted for on an accruals basis.

All revenue is recognised on the condition that the flow of economic benefits is probable and the amount can be measured reliably.

#### (d) Treatment of stock dividends

Stock dividends are credited to the capital account when the stock is quoted ex-dividend. The cash equivalent is then transferred to the revenue account and forms part of the distributable revenue.

The allocation of special dividends is considered on a case-by-case basis in determining whether the dividend is to be treated as revenue or capital.

#### (e) Treatment of expenses

All expenses, net of any associated tax effect, are allocated to the capital account with the exception of bank interest and transaction charges relating to the payment of revenue, which are allocated to the revenue account on an accruals basis.

#### (f) Allocation of revenue and expenses to multiple share classes

Any assets or liabilities not attributable to a particular share class are allocated by the ACD in a manner which is considered fair to shareholders in general, usually pro-rata based on the net asset values of the relevant share classes.

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

For the year ended 31 December 2023

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**1. Accounting policies (continued)****(g) Taxation/deferred taxation**

Corporation tax is provided for on taxable revenue, less deductible expenses, at a rate of 20%. This is the rate that has been enacted or substantially enacted by the balance sheet date.

Deferred tax is provided for in respect of all items that have been included in these financial statements that will be included in future periods for taxation purposes, other than those timing differences regarded as permanent. Any liability to deferred tax is provided for at the rate of tax expected to apply.

**(h) Distribution policy**

Net revenue produced by the Fund's investments is accrued quarterly. At the end of each period, the revenue plus an adjustment for expenses allocated to capital, is accumulated/distributed at the discretion of the Investment Manager as per the prospectus.

**(i) Exchange rates**

Assets and liabilities in overseas currencies at the year-end are translated into Pound Sterling at the latest available rates of exchange on the balance sheet date. Transactions in overseas currencies occurring during the year are recorded at the rate of exchange on the date of the transaction.

**(j) Financial instruments**

Financial assets and financial liabilities are recognised in the Fund's balance sheet when the Fund becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially recognised at transaction price (including transaction costs) and subsequently measured at amortised cost, except for the Fund's investments classified as financial assets at fair value through profit or loss, which are initially recognised at fair value (excluding transaction costs).

The investments are measured at bid prices, and quoted price for single priced funds, on the balance sheet date, with any gains or losses arising on measurement recognised in the statement of total return. If bid prices, and quoted price for single price funds, are not available on the balance sheet date, the latest available prices are used. If separate offer and bid prices are quoted for shares or units, then the bid price is used. If no price or recent available price exists, the investments are valued at a price which, in the opinion of the ACD, reflects the fair value of the asset. This may involve the use of an appropriate valuation technique/ methodology.

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**For the year ended 31 December 2023

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**2. Net capital gains/(losses)**

	<b>31.12.23</b>	<b>31.12.22</b>
	£	£
Non-derivative securities	1,720,211	(2,257,773)
Currency (losses)/gains	(299,064)	755,444
Transaction charges	(4,865)	(1,420)
Market associated costs	(153)	(44)
<b>Net capital gains/(losses)</b>	<b><u>1,416,129</u></b>	<b><u>(1,503,793)</u></b>

**3. Revenue**

	<b>31.12.23</b>	<b>31.12.22</b>
	£	£
UK unfranked distributions	2,421	-
UK franked dividends	110,030	116,989
Overseas dividends	316,608	242,311
Bank interest	4,632	491
Franked income currency (losses)/gains	(975)	1,422
Unfranked income currency losses	(159)	(875)
<b>Total revenue</b>	<b><u>432,557</u></b>	<b><u>360,338</u></b>

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**For the year ended 31 December 2023

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**4. Expenses**

	<b>31.12.23</b>	<b>31.12.22</b>
	£	£
<b>Payable to the ACD, associates of the ACD and agents of either:</b>		
Annual management charge	139,430	127,461
Registration fees	2,377	2,338
Administration fees	6,276	7,396
	<u>148,083</u>	<u>137,195</u>
<b>Payable to the Depositary, associates of the Depositary and agents of either:</b>		
Depositary's fees	6,383	5,985
Safe custody fees	7,046	3,681
	<u>13,429</u>	<u>9,666</u>
<b>Other expenses:</b>		
Audit fee	7,500	6,840
Tax fee	3,600	3,240
FCA fee	55	104
Other expenses	485	6,117
	<u>11,640</u>	<u>16,301</u>
<b>Total expenses</b>	<u><b>173,152</b></u>	<u><b>163,162</b></u>
	<b>31.12.23</b>	<b>31.12.22</b>
	£	£
<b>Fees payable to the company auditor for the audit of the companies financial statements:</b>		
Total audit fee	<u><b>7,500</b></u>	<u><b>6,840</b></u>
Total non-audit fees - Tax compliance services	<u><b>3,600</b></u>	<u><b>3,240</b></u>

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**For the year ended 31 December 2023

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**5. Taxation****(a) Analysis of the charge in the year**

	31.12.23 £	31.12.22 £
<b>Analysis of charge in the year</b>		
Overseas tax	45,668	32,709
<b>Total current tax for the year (see note 5(b))</b>	<b>45,668</b>	<b>32,709</b>
Deferred tax (see note 5(c))	-	-
<b>Total taxation for the year</b>	<b>45,668</b>	<b>32,709</b>

Corporation tax has been provided at a rate of 20%.

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

The taxation assessed for the year is lower than the standard rate of corporation tax in the UK for an authorised Open-Ended Investment Company (20%). The differences are explained below:

	31.12.23 £	31.12.22 £
Net revenue before taxation	259,174	197,011
Corporation tax at 20%	51,835	39,402
<b>Effects of:</b>		
Revenue not subject to taxation	(85,133)	(72,144)
Excess expenses for which no relief taken	33,298	32,742
Overseas taxation	45,668	32,709
<b>Current tax charge for the year (see note 5(a))</b>	<b>45,668</b>	<b>32,709</b>

**(c) Provision for deferred tax**

At 31 December 2023 the Fund had surplus management expenses of £686,891 (31 December 2022: £520,400). The deferred tax in respect of this would be £137,378 (31 December 2022: £104,080). It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise these expenses and therefore no deferred tax asset has been recognised at the year-end (see note 5(a)).

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**For the year ended 31 December 2023

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**6. Distributions****Distributions and interest**

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

	<b>31.12.23</b>	<b>31.12.22</b>
	<b>£</b>	<b>£</b>
Interim - Income (31 Mar)	36,166	42,070
Interim - Income (30 Jun)	103,161	55,809
Interim - Income (30 Sep)	59,648	42,984
Final - Income (31 Dec)	48,688	34,626
	<u>247,663</u>	<u>175,489</u>
Interim - Accumulation (31 Mar)	31,187	41,358
Interim - Accumulation (30 Jun)	51,406	54,106
Interim - Accumulation (30 Sep)	27,814	31,504
Final - Accumulation (31 Dec)	23,315	25,477
	<u>133,722</u>	<u>152,445</u>
Add: Revenue deducted on cancellation of shares	18,354	14,216
Deduct: Revenue received on issue of shares	(14,412)	(14,687)
<b>Net distribution for the year</b>	<u><b>385,327</b></u>	<u><b>327,463</b></u>
Interest	(231)	(165)
<b>Total finance costs</b>	<u><b>385,096</b></u>	<u><b>327,298</b></u>
<b>Reconciliation to net distribution for the year</b>		
Net revenue after taxation for the year	213,506	164,302
Expenses allocated to capital, net of tax relief	171,821	163,161
<b>Net distribution for the year</b>	<u><b>385,327</b></u>	<u><b>327,463</b></u>

Details of the distributions per share are set out in the Distribution Tables on pages 45 to 48.

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**For the year ended 31 December 2023

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**7. Debtors**

	31.12.23	31.12.22
	£	£
Amounts receivable for issue of shares	18,930	761
Accrued revenue	18,963	11,351
Income tax recoverable	39,523	29,360
<b>Total debtors</b>	<b>77,416</b>	<b>41,472</b>

**8. Cash and bank balances**

	31.12.23	31.12.22
	£	£
Cash and bank balances	94,516	171,182
<b>Total cash and bank balances</b>	<b>94,516</b>	<b>171,182</b>

**9. Other creditors**

	31.12.23	31.12.22
	£	£
Amounts payable for cancellation of shares	35,000	-
Accrued annual management charge	12,335	10,371
Accrued registration fees	160	156
Accrued administration fees	590	623
Accrued depositary fees	564	493
Accrued custody fees	999	1,763
Accrued audit fees	7,500	6,840
Accrued tax fees	3,600	3,240
Accrued FCA fees	(10)	(25)
<b>Total creditors</b>	<b>60,738</b>	<b>23,461</b>

**10. Related party transactions**

The ACD is regarded as a related party of the Fund. The ACD acts as either agent or principal for the Depositary in respect of all transactions of shares. The aggregate monies received through issue and paid on cancellation are disclosed in the statement of change in net assets attributable to shareholders.

As at the balance sheet date, there were no shares held by the ACD, the Depositary or associates of either the ACD or the Depositary. As at the balance sheet date, there were no shareholders holding more than 25% of the Fund's net asset value.

Details of transactions occurring during the accounting period with the ACD and the Depositary, and any balances due at the year-end, are fully disclosed in the notes to the Financial Statements.



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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**For the year ended 31 December 2023

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**11. Share classes**

The Fund currently has eleven share classes. The following table shows a breakdown of the change in shares in issue of each share class in the year:

	<b>B Income</b>
Opening shares at the start of the year	3,065,402.507
Total creation of shares in the year	138,045.120
Total cancellation of shares in the year	(1,319,655.179)
<b>Closing shares at the end of the year</b>	<b>1,883,792.448</b>

	<b>C Income</b>
Opening shares at the start of the year	1,525,619.867
Total creation of shares in the year	160,670.817
Total cancellation of shares in the year	(24,705.091)
<b>Closing shares at the end of the year</b>	<b>1,661,585.593</b>

	<b>F Income</b>
Opening shares at the start of the year	1,500,000.000
Total creation of shares in the year	1,717,974.007
Total cancellation of shares in the year	(7,904.734)
<b>Closing shares at the end of the year</b>	<b>3,210,069.273</b>

	<b>B Accumulation</b>
Opening shares at the start of the year	2,454,242.619
Total creation of shares in the year	298,320.400
Total cancellation of shares in the year	(989,902.647)
<b>Closing shares at the end of the year</b>	<b>1,762,660.372</b>

	<b>C Accumulation</b>
Opening shares at the start of the year	787,963.950
Total creation of shares in the year	856,070.344
Total cancellation of shares in the year	-
<b>Closing shares at the end of the year</b>	<b>1,644,034.294</b>

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**For the year ended 31 December 2023

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**11. Share classes (continued)**

	<b>B EUR Income</b>
Opening shares at the start of the year	114,919.900
Total creation of shares in the year	-
Total cancellation of shares in the year	-
<b>Closing shares at the end of the year</b>	<b>114,919.900</b>
	<b>B USD Income</b>
Opening shares at the start of the year	129,167.100
Total creation of shares in the year	-
Total cancellation of shares in the year	(30,026.738)
<b>Closing shares at the end of the year</b>	<b>99,140.362</b>
	<b>F USD Income</b>
Opening shares at the start of the year	-
Total creation of shares in the year	1,300,000.000
Total cancellation of shares in the year	-
<b>Closing shares at the end of the year</b>	<b>1,300,000.000</b>
	<b>B USD Accumulation</b>
Opening shares at the start of the year	111,288.185
Total creation of shares in the year	-
Total cancellation of shares in the year	-
<b>Closing shares at the end of the year</b>	<b>111,288.185</b>

The annual management charge of each share class is as follows:

B Income Shares	0.90% p.a.
C Income Shares	0.60% p.a.
F Income Shares	1.20% p.a.
B Accumulation Shares	0.90% p.a.
C Accumulation Shares	0.60% p.a.
F Accumulation Shares	1.20% p.a.
B EUR Income Shares	0.90% p.a.

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**For the year ended 31 December 2023

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**11. Share classes (continued)**

B USD Income Shares	0.90% p.a.
F USD Income Shares	1.20% p.a.
B USD Accumulation Shares	0.90% p.a.
F USD Accumulation Shares	1.20% p.a.

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 tables on pages 19 to 27. The distributions per share class are given in the Distribution Tables on pages 45 to 48. All share classes have the same rights on winding up.

**12. Risk management policies**

In pursuing the investment objectives financial instruments are held which may expose the Fund to various types of risk. The main risks inherent in the investment portfolio, and the ACD's policies for managing these risks, which were applied consistently throughout the year, are set out below:

**(a) Currency exposures**

The Fund's financial assets are invested in equities and other transferable securities whose prices are quoted in various different currencies. This gives rise to a direct currency exposure, details of which are shown in the following table.

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	Net foreign currency assets/(liabilities) at 31 December 2023			Net foreign currency assets/(liabilities) at 31 December 2022		
	Monetary exposures	Non- monetary exposures	Total	Monetary exposures	Non- monetary exposures	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Danish Krone	-	635	635	-	605	605
Euro	-	1,509	1,509	-	1,354	1,354
Malaysian Ringgit	-	-	-	-	274	274
Singapore Dollar	-	398	398	-	334	334
Swedish Krone	-	1,552	1,552	-	996	996
Swiss Franc	-	1,501	1,501	-	1,266	1,266
US Dollar	-	5,941	5,941	-	5,130	5,130

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If GBP to foreign currency exchange rates had strengthened by 10% as at the balance sheet date, the net asset value of the Fund would have decreased by £1,045,209 (31 December 2022: £902,578). If GBP to foreign currency exchange rates had weakened by 10% as at the balance sheet date, the net asset value of the Fund would have increased by £1,277,478 (31 December 2022: £1,103,151). These calculations assume all other variables remain constant. The Investment Manager employs no specific policy to manage currency risk.

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**For the year ended 31 December 2023

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**12. Risk management policies (continued)****(b) Cash flow risk and interest rate risk profile of financial assets and liabilities**

The Fund's revenue is mainly received from holdings in equities. The Fund does not have any long term financial liabilities. The Fund is affected by the impact of movements in interest rates on its own cash balances.

The direct exposure of the Fund to interest rate risk as at the balance sheet date is shown in the following table:

	<b>Floating rate financial assets</b>	<b>Fixed rate financial assets</b>	<b>Non interest bearing financial assets</b>	<b>Floating rate financial liabilities</b>	<b>Non interest bearing financial liabilities</b>	<b>Total</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>31.12.23</b>						
Danish Krone	-	-	635	-	-	635
Euro	-	-	1,510	-	(1)	1,509
Singapore Dollar	-	-	398	-	-	398
Sterling	95	-	4,585	-	(99)	4,581
Swedish Krone	-	-	1,552	-	-	1,552
Swiss Franc	-	-	1,501	-	-	1,501
US Dollar	-	-	5,950	-	(9)	5,941
<b>31.12.22</b>						
Danish Krone	-	-	605	-	-	605
Euro	-	-	1,354	-	-	1,354
Malaysian Ringgit	-	-	274	-	-	274
Singapore Dollar	-	-	334	-	-	334
Sterling	171	-	3,616	-	(58)	3,729
Swedish Krone	-	-	996	-	-	996
Swiss Franc	-	-	1,266	-	-	1,266
US Dollar	-	-	5,130	-	-	5,130

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

For the year ended 31 December 2023

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**12. Risk management policies (continued)****(b) Cash flow risk and interest rate risk profile of financial assets and liabilities (continued)**

Short term debtors and creditors are included as financial assets and liabilities not interest bearing in the above table. The floating rate financial assets and liabilities comprise: Sterling denominated bank account balances that bear interest at the Bank of England base rate less 75 basis points (to a minimum of NIL) and overdrafts that bear interest at the Bank of England base rate plus 100 basis points. Financial assets and liabilities not interest bearing mainly comprise investments that do not have a maturity date.

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

**(c) Liquidity risk**

All of the Fund's underlying financial assets are considered to be readily realisable. Where investments cannot be realised in time to meet any potential liability, the Fund may borrow up to 10% of its value to ensure settlement. All of the Fund's financial liabilities are payable on demand or in less than one year.

**(d) Credit risk**

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. This includes counterparty and issuer risk. Cash is held with reputable credit institutions and credit risk is assessed on a regular basis.

Certain transactions in securities that the Fund enters into expose it to the risk that the counterparty will not deliver the investment for a purchase, or cash for a sale after the Fund has fulfilled its obligations. The Fund only buys and sells investments through brokers which have been approved by the ACD as an acceptable counterparty and these are reviewed on an ongoing basis.

**(e) Market price risk**

The Fund's underlying investments are in securities quoted on recognised stock exchanges or traded on regulated markets. The value of shares is not fixed and may go down as well as up. This may be the result of a specific factor affecting the value of an individual share/unit held within an underlying investment or be caused by general market factors (such as government policy or the health of the underlying economy) which can affect the entire portfolio.

The Investment Manager seeks to minimise these risks by holding a diversified portfolio of investments in line with the investment objectives. In addition, the management of the Fund complies with the Financial Conduct Authority's Collective Investment Schemes sourcebook, which includes rules prohibiting a holding greater than 20% of the assets of the Fund in any one underlying investment.

If the value of shares/units in the underlying investments were to increase or decrease by 10% the change in the net asset value of the Fund would be £1,605,355 (31 December 2022: £1,353,381). This calculation assumes all other variables remain constant.

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**For the year ended 31 December 2023

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**12. Risk management policies (continued)****(f) Fair value of financial assets and liabilities**

Valuation technique	INVESTMENT ASSETS	INVESTMENT ASSETS
	31.12.23	31.12.22
	£	£
Level 1: Quoted Prices	16,053,546	13,533,809
Level 2: Observable Market Data	-	-
Level 3: Unobservable Data	-	-
	<u>16,053,546</u>	<u>13,533,809</u>

As at the year-end there were no investment liabilities. There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

**(g) Commitments on derivatives**

No derivatives were held at the balance sheet date (31 December 2022: £nil).

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**For the year ended 31 December 2023

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**13. Transaction costs****(a) Direct transaction costs**

Direct transaction costs include fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges, and transfer taxes and duties incurred when purchasing and selling the underlying securities. In addition to the direct transaction costs below, indirect costs are incurred through the bid offer spread. It is not possible for the ACD to quantify these indirect costs. A breakdown of the purchases and sales, and the related direct transaction costs incurred by the Fund in the year are shown in the table below:

	<b>31.12.23</b>		<b>31.12.22</b>	
	<b>£</b>		<b>£</b>	
<b>Analysis of total purchase costs</b>				
<b>PURCHASES</b>				
Exchange Traded Funds	200,417		-	
Equities	<u>5,601,730</u>		<u>5,170,172</u>	
Net purchases before direct transaction costs	5,802,147		5,170,172	
		<b>% of total</b>		<b>% of total</b>
<b>DIRECT TRANSACTION COSTS</b>		<b>purchases</b>		<b>purchases</b>
Exchange Traded Funds	168	0.00%	-	0.00%
Equities	<u>9,106</u>	0.16%	<u>7,981</u>	0.15%
Total direct transaction costs	9,274	0.16%	7,981	0.15%
<b>Gross purchases total</b>	<u><b>5,811,421</b></u>		<u><b>5,178,153</b></u>	
<b>Analysis of total sale costs</b>				
<b>SALES</b>				
Exchange Traded Funds	199,898		-	
Equities	<u>4,526,029</u>		<u>4,763,602</u>	
Gross sales before direct transaction costs	4,725,927		4,763,602	
		<b>% of total</b>		<b>% of total</b>
<b>DIRECT TRANSACTION COSTS</b>		<b>sales</b>		<b>sales</b>
Exchange Traded Funds	(100)	0.00%	-	0.00%
Equities	<u>(3,417)</u>	0.07%	<u>(4,406)</u>	0.09%
Total direct transaction costs	(3,517)	0.07%	(4,406)	0.09%
<b>Net sales total</b>	<u><b>4,722,410</b></u>		<u><b>4,759,196</b></u>	
	<b>31.12.23</b>	<b>% of</b>	<b>31.12.22</b>	<b>% of</b>
	<b>£ average NAV</b>		<b>£ average NAV</b>	
<b>Analysis of total direct transaction costs</b>				
Exchange Traded Funds	268	0.00%	-	0.00%
Equities	<u>12,523</u>	0.08%	<u>12,387</u>	0.09%
Total direct transaction costs	<u><b>12,791</b></u>	<b>0.08%</b>	<u><b>12,387</b></u>	<b>0.09%</b>

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**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

For the year ended 31 December 2023

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**13. Transaction costs (continued)****(b) Average portfolio dealing spread**

The average portfolio dealing spread of the investments at the balance sheet date was 0.14% (31 December 2022: 0.18%). This is calculated as the difference between the offer and bid value of the portfolio as a percentage of the offer value.

**14. Capital commitments and contingent liabilities**

The Fund had no capital commitments or contingent liabilities at the balance sheet date.

**15. Post balance sheet events**

Subsequent to the year-end, the net asset value per share of each share class has changed as follows:

B Income Shares – Increased from 135.27 pence per share to 142.82 pence per share (10 April 2024).

C Income Shares – Increased from 139.96 pence per share to 147.90 pence per share (10 April 2024).

F Income Shares – Increased from 133.40 pence per share to 140.72 pence per share (10 April 2023).

B Accumulation Shares – Increased from 149.23 pence per share to 158.93 pence per share (10 April 2024).

C Accumulation Shares – Increased from 150.71 pence per share to 160.64 pence per share (10 April 2024).

B EUR Income Shares – Increased from 1.3736 cents per share to 1.4730 cents per share (10 April 2024).

B USD Income Shares – Increased from 1.3628 cents per share to 1.4335 cents per share (10 April 2024).

F USD Income Shares – Increased from 1.4525 cents per share to 1.5266 cents per share (10 April 2024).

B USD Accumulation Shares – Increased from 1.4559 cents per share 1.5449 to cents per share (10 April 2024).

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



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**DISTRIBUTION TABLE**For the year ended 31 December 2023

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**Interim Distribution (31 March 2023)**

Group 1 - Shares purchased on or prior to 31 December 2022

Group 2 - Shares purchased after 31 December 2022

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<b>Shares</b>	<b>Revenue</b>	<b>Equalisation<sup>1</sup></b>	<b>Paid/Accumulated</b>	<b>Paid/Accumulated</b>
	<b>(pence)</b>	<b>(pence)</b>	<b>31.05.23</b>	<b>31.05.22</b>
			<b>(pence)</b>	<b>(pence)</b>
<b>B Income</b>				
Group 1	0.5709	-	<b>0.5709</b>	<b>0.7756</b>
Group 2	0.0750	0.4959	<b>0.5709</b>	<b>0.7756</b>
<b>C Income</b>				
Group 1	0.5890	-	<b>0.5890</b>	<b>0.7980</b>
Group 2	0.4229	0.1661	<b>0.5890</b>	<b>0.7980</b>
<b>F Income</b>				
Group 1	0.5641	-	<b>0.5641</b>	<b>0.7691</b>
Group 2	0.5641	-	<b>0.5641</b>	<b>0.7691</b>
<b>B Accumulation</b>				
Group 1	0.6139	-	<b>0.6139</b>	<b>0.8140</b>
Group 2	0.0675	0.5464	<b>0.6139</b>	<b>0.8140</b>
<b>C Accumulation</b>				
Group 1	0.6183	-	<b>0.6183</b>	<b>0.8177</b>
Group 2	0.5028	0.1155	<b>0.6183</b>	<b>0.8177</b>
<b>F Accumulation</b>				
Group 1	0.3289	-	<b>0.3289</b>	<b>0.7996</b>
Group 2	0.3289	-	<b>0.3289</b>	<b>0.7996</b>
<b>B EUR Income</b>				
Group 1	0.5036	-	<b>0.5036</b>	<b>0.6845</b>
Group 2	0.5036	-	<b>0.5036</b>	<b>0.6845</b>
<b>B USD Income</b>				
Group 1	0.4513	-	<b>0.4513</b>	<b>0.6132</b>
Group 2	0.4513	-	<b>0.4513</b>	<b>0.6132</b>
<b>B USD Accumulation</b>				
Group 1	0.4700	-	<b>0.4700</b>	<b>0.6232</b>
Group 2	0.4700	-	<b>0.4700</b>	<b>0.6232</b>
<b>F USD Accumulation</b>				
Group 1	0.4786	-	<b>0.4786</b>	<b>0.6366</b>
Group 2	0.4786	-	<b>0.4786</b>	<b>0.6366</b>

<sup>1</sup> Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It is the average amount of revenue included in the purchase price of all Group 2 shares and is refunded to holders 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.

**DISTRIBUTION TABLE (CONTINUED)**

For the year ended 31 December 2023

**Interim Distribution (30 June 2023)**

Group 1 - Shares purchased on or prior to 31 March 2023

Group 2 - Shares purchased after 31 March 2023

Shares	Revenue (pence)	Equalisation <sup>1</sup> (pence)	Paid/Accumulated 31.08.23 (pence)	Paid/Accumulated 31.08.22 (pence)
<b>B Income</b>				
Group 1	1.3290	-	<b>1.3290</b>	<b>1.0130</b>
Group 2	0.0395	1.2895	<b>1.3290</b>	<b>1.0130</b>
<b>C Income</b>				
Group 1	1.3724	-	<b>1.3724</b>	<b>1.0430</b>
Group 2	0.1192	1.2532	<b>1.3724</b>	<b>1.0430</b>
<b>F Income</b>				
Group 1	1.3132	-	<b>1.3132</b>	<b>1.0040</b>
Group 2	1.3132	-	<b>1.3132</b>	<b>1.0040</b>
<b>B Accumulation</b>				
Group 1	1.4363	-	<b>1.4363</b>	<b>1.0699</b>
Group 2	0.3071	1.1292	<b>1.4363</b>	<b>1.0699</b>
<b>C Accumulation</b>				
Group 1	1.4476	-	<b>1.4476</b>	<b>1.0751</b>
Group 2	1.4476	-	<b>1.4476</b>	<b>1.0751</b>
<b>F Accumulation</b>				
Group 1	N/A	N/A	N/A	<b>1.0503</b>
Group 2	N/A	N/A	N/A	<b>1.0503</b>
<b>B EUR Income</b>				
Group 1	1.1728	-	<b>1.1728</b>	<b>0.8941</b>
Group 2	1.1728	-	<b>1.1728</b>	<b>0.8941</b>
<b>B USD Income</b>				
Group 1	1.0512	-	<b>1.0512</b>	<b>0.8010</b>
Group 2	1.0512	-	<b>1.0512</b>	<b>0.8010</b>
<b>F USD income</b>				
Group 1	0.8334	-	<b>0.8334</b>	N/A
Group 2	0.8334	-	<b>0.8334</b>	N/A
<b>B USD Accumulation</b>				
Group 1	1.0995	-	<b>1.0995</b>	<b>0.8192</b>
Group 2	1.0995	-	<b>1.0995</b>	<b>0.8192</b>
<b>F USD Accumulation</b>				
Group 1	N/A	N/A	N/A	<b>0.8363</b>
Group 2	N/A	N/A	N/A	<b>0.8363</b>

<sup>1</sup> Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It is the average amount of revenue included in the purchase price of all Group 2 shares and is refunded to holders 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.

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**DISTRIBUTION TABLE**For the year ended 31 December 2023

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**Interim Distribution (30 September 2023)**

Group 1 - Shares purchased on or prior to 30 June 2023

Group 2 - Shares purchased after 30 June 2023

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<b>Shares</b>	<b>Revenue</b>	<b>Equalisation<sup>1</sup></b>	<b>Paid/Accumulated</b>	<b>Paid/Accumulated</b>
	<b>(pence)</b>	<b>(pence)</b>	<b>30.11.23</b>	<b>30.11.22</b>
			<b>(pence)</b>	<b>(pence)</b>
<b>B Income</b>				
Group 1	0.7398	-	<b>0.7398</b>	<b>0.6780</b>
Group 2	0.6062	0.1336	<b>0.7398</b>	<b>0.6780</b>
<b>C Income</b>				
Group 1	0.7645	-	<b>0.7645</b>	<b>0.6986</b>
Group 2	0.3678	0.3967	<b>0.7645</b>	<b>0.6986</b>
<b>F Income</b>				
Group 1	0.7304	-	<b>0.7304</b>	<b>0.6715</b>
Group 2	0.7304	-	<b>0.7304</b>	<b>0.6715</b>
<b>B Accumulation</b>				
Group 1	0.8078	-	<b>0.8078</b>	<b>0.7223</b>
Group 2	0.0964	0.7114	<b>0.8078</b>	<b>0.7223</b>
<b>C Accumulation</b>				
Group 1	0.8149	-	<b>0.8149</b>	<b>0.7263</b>
Group 2	0.8149	-	<b>0.8149</b>	<b>0.7263</b>
<b>F Accumulation</b>				
Group 1	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>0.7085</b>
Group 2	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>0.7085</b>
<b>B EUR Income</b>				
Group 1	0.6528	-	<b>0.6528</b>	<b>0.5984</b>
Group 2	0.6528	-	<b>0.6528</b>	<b>0.5984</b>
<b>B USD Income</b>				
Group 1	0.5848	-	<b>0.5848</b>	<b>0.5361</b>
Group 2	0.5848	-	<b>0.5848</b>	<b>0.5361</b>
<b>F USD income</b>				
Group 1	0.6240	-	<b>0.6240</b>	<b>N/A</b>
Group 2	0.6240	-	<b>0.6240</b>	<b>N/A</b>
<b>B USD Accumulation</b>				
Group 1	0.6184	-	<b>0.6184</b>	<b>0.5530</b>
Group 2	0.6184	-	<b>0.6184</b>	<b>0.5530</b>
<b>F USD Accumulation</b>				
Group 1	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>0.5641</b>
Group 2	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>0.5641</b>

<sup>1</sup> Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It is the average amount of revenue included in the purchase price of all Group 2 shares and is refunded to holders 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.

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**DISTRIBUTION TABLE**For the year ended 31 December 2023

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**Annual Distribution (31 December 2023)**

Group 1 - Shares purchased on or prior to 30 September 2023

Group 2 - Shares purchased after 30 September 2023

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Shares	Revenue (pence)	Equalisation <sup>1</sup> (pence)	Paid/Accumulated 28.02.24 (pence)	Paid/Accumulated 28.02.23 (pence)
<b>B Income</b>				
Group 1	0.6051	-	<b>0.6051</b>	<b>0.5467</b>
Group 2	0.3037	0.3014	<b>0.6051</b>	<b>0.5467</b>
<b>C Income</b>				
Group 1	0.6259	-	<b>0.6259</b>	<b>0.5644</b>
Group 2	0.2711	0.3548	<b>0.6259</b>	<b>0.5644</b>
<b>F Income</b>				
Group 1	0.5970	-	<b>0.5970</b>	<b>0.5426</b>
Group 2	0.5970	-	<b>0.5970</b>	<b>0.5426</b>
<b>B Accumulation</b>				
Group 1	0.6646	-	<b>0.6646</b>	<b>0.5860</b>
Group 2	0.2003	0.4643	<b>0.6646</b>	<b>0.5860</b>
<b>C Accumulation</b>				
Group 1	0.6710	-	<b>0.6710</b>	<b>0.5901</b>
Group 2	0.6710	-	<b>0.6710</b>	<b>0.5901</b>
<b>B EUR Income</b>				
Group 1	0.5342	-	<b>0.5342</b>	<b>0.4829</b>
Group 2	0.5342	-	<b>0.5342</b>	<b>0.4829</b>
<b>B USD Income</b>				
Group 1	0.4786	-	<b>0.4786</b>	<b>0.4326</b>
Group 2	0.4786	-	<b>0.4786</b>	<b>0.4326</b>
<b>F USD income</b>				
Group 1	0.5102	-	<b>0.5102</b>	N/A
Group 2	0.5102	-	<b>0.5102</b>	N/A
<b>B USD Accumulation</b>				
Group 1	0.5091	-	<b>0.5091</b>	<b>0.4487</b>
Group 2	0.5091	-	<b>0.5091</b>	<b>0.4487</b>
<b>F USD Accumulation</b>				
Group 1	N/A	N/A	N/A	<b>0.4573</b>
Group 2	N/A	N/A	N/A	<b>0.4573</b>

<sup>1</sup> Equalisation applies only to shares purchased during the distribution period (Group 2 shares). It is the average amount of revenue included in the purchase price of all Group 2 shares and is refunded to holders 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.

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## DIRECTORY

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### The Company

WS Chawton Investment Funds  
2<sup>nd</sup> floor  
20-22 Bedford Row  
Holborn  
London WC1R 4EB

### Authorised Corporate Director

Waystone Management (UK) Limited  
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London WC1R 4EB  
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Email: [Investorservices@linkgroup.co.uk](mailto:Investorservices@linkgroup.co.uk)  
Website: [www.waystone.com](http://www.waystone.com)

Authorised and regulated by the Financial Conduct Authority.

### Directors of the ACD

A. M. Berry  
T. K. Madigan (Non-Executive)  
K. J. Midl (Appointed 9 October 2023)  
V. Karalekas (Non-Executive Appointed 14 July 2023)  
E. E. Tracey (Appointed 9 October 2023)  
R. Wheeler  
S. P. White (Non-Executive)

### Investment Manager

Chawton Global Investors LLP  
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Authorised and regulated by the Financial Conduct Authority.

### Depository (up to 11 March 2024)

NatWest Trustee & Depository Services Limited  
135 Bishopsgate  
London  
EC2M 3UR

Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and by the Prudential Regulation Authority.

### Depository (from to 11 March 2024)

The Bank of New York Mellon (International) Limited  
160 Queen Victoria Street  
London  
EC4V 4LA

Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and by the Prudential Regulation Authority.

### Registrar

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Fax: 0113 224 6001

Authorised and regulated by the Financial Conduct Authority.

### Auditor

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Argosy Road  
East Midlands Airport  
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Derby  
DE74 2SA

Registered to carry out audit work by the Institute of Chartered Accountants in England and Wales.