

Brooks Macdonald International Investment Funds Limited

Annual Report and Audited
Financial Statements

For the period ended 29 September 2023

Contents

Company Information	2
Investment Objectives and Policy	3
Directors' Profiles	4
Report of the Directors	5
Report of the Investment Manager	9
Report of the Custodian to the Members of Brooks Macdonald International Investment Funds Limited	11
Independent Auditor's Report to the Members of Brooks Macdonald International Investment Funds Limited	12
Statements of Financial Position	18
Statements of Comprehensive Income	20
Statements of Changes in Net Assets Attributable to Holders of Participating Redeemable Preference Shares	21
Cash Flow Statements	22
Investment Portfolios of the Funds - Euro High Income Fund	24
Investment Portfolios of the Funds - High Income Fund	26
Investment Portfolios of the Funds - Sterling Bond Fund	29
Investment Portfolios of the Funds - Investments Purchased and Sold	33
Investment Portfolios of the Funds - Investment Dealing	34
Investment Portfolios of the Funds - Summary of Material Portfolio Changes	35
Notes to the Financial Statements	38
Unaudited Performance Record	69
Unaudited Change in Net Asset Value per Share	71
Unaudited Distribution Tables	73
Notice of Meeting	77
Brooks MacDonald International Investment Funds Limited Form of Proxy	78

Company Information

The Company

Brooks Macdonald International Investment Funds Limited

Directors:

Ross Davey Willcox (Non-executive Director and Chair)

Michael Peter Farley (Non-executive Director)

Richard John Hughes

Brian Charles James

Registered Office

28 Esplanade, St. Helier, Jersey

Channel Islands JE2 3QA

Administrator, Company Secretary and Registrar

JTC Fund Solutions (Jersey) Limited

28 Esplanade, St. Helier, Jersey

Channel Islands JE2 3QA

Manager

Brooks Macdonald International Fund Managers Limited

Third Floor, No 1 Grenville Street, St. Helier, Jersey

Channel Islands JE2 4UF

Custodian

Apex Financial Services (Corporate) Limited

IFC 5, St. Helier, Jersey

Channel Islands JE1 1ST

Sub-Custodian

State Street Bank and Trust Company, London Branch

20 Churchill Place, Canary Wharf

London E14 5 HJ

Investment Manager

Brooks Macdonald Asset Management (International) Limited

Third Floor, No 1 Grenville Street, St. Helier, Jersey

Channel Islands JE2 4UF

Independent Auditor

PricewaterhouseCoopers CI LLP

37 Esplanade, St. Helier, Jersey

Channel Islands JE1 4XA

Legal Advisers

Mourant Ozannes (Jersey) LLP

PO Box 87, 22 Grenville Street, St. Helier, Jersey

Channel Islands JE4 8PX

International Stock Exchange Sponsor

JTC Listing Services Limited

28 Esplanade, St. Helier, Jersey

Channel Islands JE2 3QA

Principal Bankers

Lloyds Bank Corporate Markets plc, Jersey Branch,
trading as Lloyds Bank International

9 Broad Street, St Helier, Jersey

Channel Islands JE2 3RR

Investment Objectives and Policy

Brooks Macdonald International Investment Funds Limited (the 'Company') is an open-ended investment company registered in Jersey which as at the period end has three classes, each being an individual 'Fund' or together the 'Funds'.

The Company is known as an "Umbrella" Fund because it provides its shareholders with a variety of investment options under the umbrella of a single Company.

The overall objective of the Company is to provide investors with a managed investment designed to meet the specific objectives laid down for each Fund. The investment objectives and policy of each Fund are set out below:

[Euro High Income Fund](#)

Objective

To seek a high income through investment in a spread of fixed interest securities denominated predominately in Euro.

Investment Policy

The investment policy aims to support the payment of dividends above the level of short term euro interest rates. This policy may result in a gradual reduction in the capital value of the Shares. The Fund will normally hold a relatively wide range of securities in order to keep a low level of exposure to individual bond issues other than government securities. The Fund may also hold a substantial part of its assets in bank deposits from time to time. The Fund is permitted to invest in securities denominated in currencies other than euro. The current policy of the Directors is that investments in non-euro denominated securities should be fully hedged against euro with the aim of eliminating the effects of any exchange rate movements.

[High Income Fund](#)

Objective

To seek a high income from a spread of fixed interest securities.

Investment Policy

The investment policy aims to support the payment of dividends above the level of short term sterling interest rates. This policy may result in a gradual reduction in the capital value of the Shares. The Fund will normally hold a relatively wide range of securities in order to keep a low level of exposure to individual bond issues other than government securities. The Fund may also hold a substantial part of its assets in bank deposits from time to time. The Fund may invest in securities denominated in currencies other than sterling. The current policy of the Directors is that investments in non-sterling denominated securities should be fully hedged against sterling with the aim of eliminating the effects of any exchange rate movements.

[Sterling Bond Fund](#)

Objective

To seek to provide a regular income from a managed portfolio of sterling fixed interest securities with a particular emphasis on those securities on which interest is paid gross to non-residents of the United Kingdom.

Investment Policy

The assets of the Fund are generally invested in a managed portfolio of sterling fixed interest securities which have been issued by governments, local authorities, public utilities and corporations. If it is desirable to hold assets with a short-term maturity, then the Fund may also place money on bank deposit (subject to certain limitations). Similarly, derivative instruments such as traded options and financial futures may be used to reduce risk. Futures and options are contracts which give the buyer the right, or obligation, to purchase or sell an asset at a predetermined price on or before a future date.

Directors' Profiles

Ross Davey Willcox (Non-executive Director and Chair)

Joined the Lloyds Banking Group in 1977 and held a number of managerial positions in the UK and Internationally. He was appointed as Chairman of Lloyds International Fund Managers Limited (now Brooks Macdonald International Fund Managers Limited) in 1999 and as Chairman of the Fund Company in 2004. Ross resigned as a Director of the Manager on 30 November 2020. Previous responsibilities included the value proposition of all investment products for Lloyds Bank International Wealth. A qualified Banker, a Fellow of the Securities & Investment Institute, a Chartered Director and Fellow of the Institute of Directors. Aged 64.

Michael Peter Farley (Non-executive Director)

Joined the Board of Brooks Macdonald International Investment Funds Limited in 2020. Michael was appointed as a non-executive director and Chair of Brooks Macdonald International Fund Managers Limited on 27 October 2023. He holds a number of other external directorships as an employee and shareholder of the Altair Group. He has over 20 years' experience in managing assets for private clients and is a Fellow of the Chartered Institute of Securities and Investments, holding qualifications in both investments and trusts. Michael has comprehensive experience in senior leadership as a board director, having sat on a variety of regulated boards, including Investment Business, Trust Companies Business and Fund Services Business licensed entities. Aged 57.

Richard John Hughes

Richard joined the Board of Brooks Macdonald International Investment Funds Limited in 2020. He held executive positions at Brooks Macdonald from 2013 to 2024 with his most recent role being Chief Executive Officer - International. Prior to Brooks Macdonald, Richard worked with clients in the asset and wealth management industry in sales and business development roles at BNP Paribas and Vistra Group. In January 2024, Richard joined JTC Group as Group Head of the Commercial Office where he is responsible for commercial development and strategic partnership activities for the JTC Group. Richard is a Chartered Member of the Chartered Institute for Securities & Investment ('CISI') and Member of the Institute of Directors ('IoD'). Aged 39.

Brian Charles James

Brian joined the JTC Group in 2021 as Client Director with responsibilities to include overseeing the delivery of fund administration services to the international funds managed by Brooks Macdonald International Fund Managers Limited. Prior to joining the JTC Group, Brian worked for Lloyds Banking Group for over 30 years holding a number of managerial positions primarily in Financial Control and Risk Management before being appointed as a Director of Lloyds Investment Fund Managers Limited in 1999 and as a Director of the Fund Company in 2004. Previous responsibilities included leading a team of specialists delivering operational functions for the Lloyds Banking Groups range of offshore investment products and services. Brian resigned as a Director of Lloyds Investment Fund Managers Limited on 30 November 2020. Brian is a Chartered Director, Fellow of the Institute of Directors, holder of the International Diploma in Governance, Risk & Compliance and a member of the International Compliance Association. Aged 62.

Report of the Directors

The Directors have pleasure in submitting their Annual Report together with the Audited Financial Statements for the period ended 29 September 2023. The Company is domiciled and incorporated as a Limited Company in Jersey, Channel Islands under the Companies (Jersey) Law 1991, as amended and is listed on The International Stock Exchange with a secondary listing on the Malta Stock Exchange. Full details of the Company, Investment Objectives and Policy and Directors profiles are stated on pages 2 to 4.

Results

The results for the period ended 29 September 2023 are detailed within the relevant Fund section in respect of each Fund.

Distributions

Distributions for the period are detailed in Note 5 to the Financial Statements.

Directors

The Directors of the Company who were in office during the period and up to the date of signing the Financial Statements were:

Mr. R.D. Willcox

Mr. M.P. Farley

Mr. R.J. Hughes

Mr. B.C. James

As at 29 September 2023, no Director had a beneficial interest in the shares of the Company.

No Director has a service contract with the Company and no Director is, or was, materially interested in any service or other contract entered into by the Company other than those disclosed below.

Brooks Macdonald International Fund Managers Limited (the 'Manager') acts as the Company's non-EU Alternative Investment Fund Manager for the purpose of the Alternative Investment Fund Managers Directive ('AIFMD'). Fees earned by the Manager are disclosed in these Financial Statements in Note 9.

Directors Remuneration

Directors remuneration is set at a maximum of £25,000 per annum for each Director as disclosed in the Report and Accounts to 29 September 2023 (2022: £25,000 per annum).

Investment Activities

The Report of Brooks Macdonald Asset Management (International) Limited (the 'Investment Manager') is set out on pages 9 to 10.

Independent Auditor

PricewaterhouseCoopers CI LLP (the 'Auditor') was re-appointed as Independent Auditor at the Annual General Meeting held on 1 March 2023 and has indicated their willingness to remain in office.

Going Concern

The Financial Statements of the Company, Euro High Income, High Income and Sterling Bond Funds have been prepared in accordance with International Financial Reporting Standards ('IFRS') on the going concern basis.

Strategic options are being considered to maximise the efficiency of the Funds and minimise ongoing operational expenditure. These considerations are at an early stage and, if any are actively pursued, will be subject to Director, Shareholder and regulatory approvals as required in due course.

Assessment of Value

The Company has conducted an assessment of value and it confirms that the payments out of scheme property set out in the prospectus are justified in the context of the overall value delivered to unitholders.

Prospectus

Copies of the Prospectus dated June 2022 together with any subsequent addenda are available, free of charge, on application to the Manager. Alternatively, it can be accessed on our website at

<https://www.brooksmacdonald.com/international-investment-management/international-funds>

Management and Administration Providers

The names and addresses of management and administration providers are stated on page 2.

Comparatives Tables

The Unaudited Performance Records and Change in Net Asset Value per Share Tables are stated on pages 69 to 72.

Report of the Directors continued

Financial Risk Management

The Directors have taken into consideration the financial risk management of the Company, this has been disclosed in Note 19 of the Financial Statements.

Information Exchange

Jersey has entered into a number of Information Exchange Agreements with the authorities of other jurisdictions.

Shareholders should be aware that information on their investment may be shared with the relevant authorities, and may be passed to the tax authorities in their country of residence, citizenship or residence for tax purposes. For the avoidance of doubt this information may include (but not be limited to) details of shareholder names, addresses, unique identifiers (such as tax or national insurance numbers), amount of investment, redemption or sale proceeds and dividend payments.

Reporting Funds Regime

HM Revenue & Customs have accepted the entry of the Company into the Reporting Funds Regime for the purposes of regulation 51 of the Offshore Funds (Tax) Regulations 2009. The UK offshore funds rules apply in relation to each Fund within the Company. The following Funds have been approved by HM Revenue & Customs in the UK as "Reporting Funds" for the purposes of the UK offshore fund rules: Euro High Income Fund, High Income Fund and Sterling Bond Fund.

Directors' Responsibilities

The Directors are responsible for preparing the Financial Statements in accordance with applicable law and IFRS, as adopted by the International Accounting Standards Board ('IASB').

The Directors have also chosen to adopt areas of the Statement of Recommended Practice 'Financial Statements of UK Authorized Funds' issued in May 2014 by the Investment Management Association ('IMA') where this does not conflict with other reporting requirements.

The Directors are required by the Companies (Jersey) Law 1991, as amended to prepare Financial Statements for each financial period which give a true and fair view of the state of affairs of the Company for that period and are in accordance with applicable laws. In preparing these Financial Statements the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards 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 business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the Financial Statements comply with the Companies (Jersey) Law 1991, as amended, and the Collective Investment Funds (Recognized Funds) (Rules) (Jersey) Order 2003, as amended.

The Directors are also responsible for the safeguarding of the assets of the Company which includes the appointment of a duly qualified Custodian. The Directors must also ensure that they or their duly appointed agents take reasonable steps for the prevention and detection of fraud, error and non-compliance with law and regulations.

So far as the Directors are aware, there is no relevant audit information of which the Company's Auditors are unaware, and each Director has taken all the steps that he or she ought to have taken as a Director in order to make himself or herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

The Directors confirm that they have complied with the above requirements in preparing the Financial Statements.

Market Conditions

Assets held within certain Funds can be affected by market conditions and this may affect the share price of those Funds. The Directors would like to remind shareholders that investment in the Funds should be considered as a long term commitment, as the price of shares may rise and fall in the short term in response to changing market conditions.

Report of the Directors continued

General Information

The Company is an open-ended investment company with variable capital and shareholders are not liable for the debts of the Company.

The Company holds a certificate as a recognized Umbrella Fund under the Collective Investment Funds (Recognized Funds) (Rules) (Jersey) Order 2003, as amended, and holds a permit under Article 7 of the Collective Investment Funds (Jersey) Law, 1988, as amended.

The Manager has professional indemnity and directors' and officers' liabilities insurance coverage. The Manager also maintains an appropriate level of 'own funds' to cover the equivalent professional liability risks set out in AIFMD.

Whilst these Funds are not Environmental, Social and Governance standards ('ESG') focused nor sustainable finance funds, we do incorporate ESG issues into investment analysis and decision making processes. ESG factors as well as the industry sector are all incorporated in order to facilitate a judgement of whether to invest in or divest a security.

The Company is listed on The International Stock Exchange and has a secondary listing on the Malta Stock Exchange.

The published share price of the assets of each Fund was as follows:

Sterling Denominated Funds	29 September 2023	30 September 2022
	GBP pence	GBP pence
High Income Fund	63.33	61.92
Sterling Bond Fund	122.62	117.72
Euro Denominated Funds	Euro cents	Euro cents
Euro High Income Fund	120.28	121.64

The latest prices can be viewed on our website.

<https://www.brooksmacdonald.com/international-investment-management/international-funds>

Average Portfolio Dealing Spread

The average portfolio dealing spread percentage, including the effect of foreign exchange, as at the statement of financial position date is as follows:

	29 September 2023	30 September 2022
	%	%
Euro High Income Fund	0.58	0.68
High Income Fund	0.66	0.75
Sterling Bond Fund	0.53	0.65

Report of the Directors continued

Significant events

Mr. M.P. Farley was appointed as a non-executive Director of the Manager with effect from 27 October 2023.

Mr. R. J. Hughes resigned as a Director of the Manager, effective 7 December 2023, and as the Chief Executive Officer of Brooks Macdonald Asset Management (International) Limited, effective 22 January 2024.

Mr. M. Hucker resigned as a Director of the Manager with effect from 30 September 2023.

Apex Financial Services (Corporate) Limited (the 'Custodian') has revised its fees effective from 1 August 2023. Refer to note 11 for detail of the revised fees.

The Manager has waived its right to charge an Initial fee on all investments in the fund, including regular savings and dividend reinvestments.

There have been no other significant events subsequent to year end.

Website

The Company's Financial Statements can be found on <https://www.brooksmacdonald.com/international-investment-management/international-funds/international-investment-funds/international-investment-funds-governance-and-reports>.

Information published on the internet is accessible in many countries. Legislation in Jersey governing the preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions.

By order of the Board of Directors

Ross Davey Willcox

24 January 2024

Report of the Investment Manager

General Commentary

The inflation outlook is still dominating market sentiment. While the latest annual inflation rates in Europe and the United States (US) are well below the post-pandemic peaks of last year, they are equally still not yet at the central banks' 2% inflation target. Over the past year or so, getting economies to see some pull back from peak inflation rates has arguably been relatively straightforward. Going forward however, getting inflation rates all the way down to target, especially without an outsized negative impact on economic growth may prove to be much harder.

The first six months of the financial year (October to the end of March) still saw significant volatility as global markets contended with recession concerns, UK political events, a dismantling of China's zero-Covid policy, energy prices, changes in inflation expectations and a mini-banking crisis. We then saw a significant move higher in bond yields in April to June, with the largest move being in the UK government bond market and it being the worst quarter for bond prices in the twelve month period. After positive equity momentum for most of the year, July to September 2023 saw some consolidation in stock markets with most global indices selling off over the period whilst the front end of European and UK government bond markets rallied, unlike the US. Our twelve month performance to September has been strong in GBP with the Sterling Bond Fund rising by 7.97% and the High Income Fund by 7.69% (both ahead of their benchmarks). The Euro High Income Fund was up 1.73% and lagged its benchmark.

For its part, the United Kingdom (UK) had its own challenges. October saw the Bank of England (BoE) end its temporary emergency bond-buying package, necessitated by the prior market panic and threat to pension fund finances caused by former Chancellor Kwasi Kwarteng's unfunded tax-cutting mini-budget in September. Shortly after sacking Kwarteng, Prime Minister Liz Truss realised that her own position was also untenable and announced her resignation in October. Following a quickly organised leadership race, former Chancellor Rishi Sunak was handed the keys to No. 10.

Complicating the overall economic picture was the failure in March of three US regional banks (namely Silvergate Bank, Silicon Valley Bank and Signature Bank) as well as the downfall and rescue of Credit Suisse in Europe. Although banking shares came under pressure, the fallout was contained and the market viewed any systemic risk as minimal.

For most advanced economies, if the period from July to August was generally a story of stickier inflation, the flipside is that this has in part been the result of more resilient economic growth, at least as far as relative to expectations - in July the International Monetary Fund upgraded its estimate for calendar Real (constant prices) Gross Domestic Product (GDP) global growth from 2.8% to 3% in 2023, with an unchanged 3% growth estimate to follow in 2024.

Whilst both the Federal Reserve (Fed) and the BoE paused during their September meetings, they went through an intensive rate hiking cycle to reach 5.50% in the US (upper limit) and 5.25% in the UK. The Fed had a hawkish tone, indicating a preference for higher rates, whilst the BoE was more dovish, indicating a preference for lower rates. The European Central Bank (ECB) increased the deposit rate in September by 25bps to 4% continuing with their steepest ever hiking cycle from -0.50% back in 2022. Whilst the Fed has been messaging that rates will be "higher for longer", it does seem that we are at or near the end of the hiking cycle in major economies. Consumer sentiment is also moving higher in both regions on the year according to surveys.

Fixed income markets saw positive returns for the twelve months with both government and corporate bonds rallying over the period. Both the UK and German sovereign curves moved higher in this period with the front-end 1-month yield seeing the highest increase of almost 340bps. The 10-year benchmarks rose by 35 bps (UK) and 73bps (Germany) in this period. Other important factor was the deep invertedness of these yield curves as indicated by the 2yr-10yr spread. In the UK this measure stood at -45bps and -36bps in Germany in September after some steepening from their summer lows. The 10-year gilt finished September at 4.43% yield while the bund traded at 2.84%.

Over the twelve month period, sterling investment-grade credit spreads had narrowed by around 50bps, whilst European spreads narrowed by 70bps, whilst UK 5 year gilts softened by 12bps and 5yr bunds softened by 80bps.

US Inflation in September remained unchanged at 3.7% while core Consumer Price Index (CPI) continued to fall (4.1% vs. 4.3% in August) UK inflation as well remained the same at 6.7% whilst Core CPI fell to 6.1% from 6.2%. Eurozone CPI fell by a significant 0.9% to 4.3% with Core CPI seeing a similar decline to 4.5% (down from 5.3%).

Report of the Investment Manager continued

General Commentary continued

The corporate bond sector still remains attractive with default risks remaining low, significant further rate hikes looking unlikely and bonds offering yields not seen for over a decade with shorter duration investment grade credit of particular focus. What comes next will depend on the evolution of the inflation picture. With most signs pointing towards to the rate hike cycle reaching its end, the market is now focusing on how long rates will need to stay in restrictive territory. It is too early to say where inflation will settle, however the month-on-month inflation readings suggest with increasing confidence that peak inflation is behind us.

Sterling Bond Fund

The Fund's return was 7.97% over the period, net of fees, whilst the benchmark (the Bloomberg Sterling Non-Gilts Index) returned 6.90%. Although gilts sold off this was more than offset by spreads tightening over the period.

There were 55 trades over the period and we ended with 69 issues and 56 issuers, down from 98 and 75. The fund moved lower in duration to 5.01 years (the benchmark was 5.59 years), 6.56% YTM and 3.63% distribution yield from 5.87 years duration, 4.55% YTM and 3.65% distribution yield (from 12 months prior).

Consumer companies and transportation saw the most spread tightening. Of the trades done over the period, we reduced utilities, oil and gas, telecoms, media and mining and increased banks and autos.

High Income Fund

The Fund's return was 7.69% over the period, net of fees, whilst the benchmark (the Bloomberg Sterling Non-Gilts Index) returned 6.90%. Although gilts sold off this was more than offset by spreads tightening over the period.

There were 52 trades over the period and we ended with 67 issues and 55 issuers down from 78 and 65. The fund moved lower in duration to 5.02 years (the benchmark was 5.59 years), 6.58% YTM and 5.29% distribution yield from 6.29 years duration, 4.51% YTM and 5.25% distribution yield (from 12 months prior).

Consumer companies and transportation saw the most spread tightening. Of the trades done over the period, we reduced utilities, pharmaceuticals, telecoms, entertainment and retail and increased banks, autos and insurance.

Euro High Income Fund

The Fund's return was 1.73% over the period, net of fees, whilst the benchmark (the Bloomberg Euro Aggregate Corporates Index) returned 3.65%. European government bonds sold off over the period whilst spreads tightened, mostly offsetting this.

There were 36 trades over the period and we ended with 47 issues and 45 issuers, up from 44 and 43. The fund moved lower in duration to 4.01 years (the benchmark was 4.48 years), 5.06% YTM and 3.07% distribution yield from 4.50 years duration, 3.54% YTM and 2.81% distribution yield (from 12 months prior).

Basic materials and energy bond spreads tightened the most in the fund. Of the trades done over the period we reduced insurance, oil and gas and real estate whilst increasing autos, banks and chemicals.

Brooks Macdonald Asset Management (International) Limited
Investment Manager

24 January 2024

Report of the Custodian to the Members of Brooks Macdonald International Investment Funds Limited

Statement of Custodian's Responsibilities

Apex Financial Services (Corporate) Limited (the 'Custodian') is required under the Collective Investment Funds (Recognized Funds) (Rules) (Jersey) Order 2003 (as amended) (the 'Rules') to ensure that, inter alia, it:

- satisfies itself that the sale, issue, redemption, cancellation and valuation of shares in the Company are carried out in accordance with the Rules; and
- takes into its custody all the assets of the Company and holds them in trust for the shareholders in accordance with the Rules; and
- enquires into the conduct of the Company in each annual accounting period and reports thereon to shareholders in a report, which shall contain the matters prescribed by the Rules. The Custodian's Report is included in this Annual Report.

Report of the Custodian to the Members of the Brooks Macdonald International Investment Funds Limited

In accordance with Article 2.06 of the Rules, Apex Financial Services (Corporate) Limited, has acted throughout the period as independent Custodian to the Company.

In accordance with Article 7.08 of the Rules we confirm, in our capacity as the Custodian, that we have enquired into the conduct of the Company for the period ended 29 September 2023 and, in our opinion, to the best of our knowledge having made such enquiry, the affairs of the Company have been conducted in all material respects for the period then ended:

- in accordance with the limitations imposed on the investment and borrowing powers of the Company by the Memorandum and Articles of Association, by prospectuses and by all Orders for the time being in force under Article 11 of the Collective Investment Funds (Jersey) Law 1988 (as amended) ('the Law'); and
- otherwise in accordance with the provisions of the Memorandum and Articles of Association and the Law.

Apex Financial Services (Corporate) Limited
Custodian
IFC 5, St Helier, Jersey
Channel Islands JE1 1ST

Paul Horton
Jamie McIntosh

24 January 2024

Independent auditor's report to the members of Brooks Macdonald International Investment Funds Limited

Report on the audit of the financial statements

Our opinion

In our opinion, the financial statements give a true and fair view of the financial position of Brooks Macdonald International Investment Funds Limited (the "company") and the separate financial statements of each fund listed below (the "funds"), (together "the financial statements") as at 29 September 2023, and of their financial performance and their cash flows for the period then ended in accordance with International Financial Reporting Standards and have been properly prepared in accordance with the requirements of the Companies (Jersey) Law 1991 and the Collective Investment Funds (Recognized Funds) (Rules) (Jersey) Order 2003.

What we have audited

The financial statements include those of the company and the funds listed below:

- Euro High Income Fund;
- High Income Fund; and
- Sterling Bond Fund.

The financial statements comprise:

- the statements of financial position as at 29 September 2023;
- the statements of comprehensive income for the period then ended;
- the statements of changes in net assets attributable to holders of participating redeemable preference shares for the period then ended;
- the cash flows statements for the period then ended;
- the investment portfolios of the funds as at 29 September 2023; and
- the notes to the financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the company and the funds in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Independent auditor's report to the members of Brooks Macdonald International Investment Funds Limited continued

Our audit approach

Overview

Audit scope

- Our audit work was performed solely in Jersey which is where the company is incorporated.
- We have audited the financial statements which have been prepared by JTC Fund Solutions (Jersey) Limited, as Administrator, on behalf of Brooks Macdonald International Fund Manager Limited (the "Manager").
- We tailored the scope of our audit considering the types of investments within the company and funds in addition to the accounting processes and controls.

Key audit matters

- Valuation of financial assets at fair value through profit or loss.

Materiality

- Overall materiality represents 1% of net assets attributable to holders of participating redeemable preference shares of the company and funds respectively. The overall materiality for the company and each fund is presented in the materiality section presented below within this audit report.
- Performance materiality represents a 25% haircut of the overall materiality. The performance materiality for the company and each fund is presented in the materiality section presented below within this audit report.

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we considered where the directors made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Key audit matters

Key audit matters are those matters that, in the auditor's professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter

How our audit addressed the Key audit matter

Valuation of financial assets at fair value through profit or loss

The company's financial assets are valued at £166,378,003 and represent the majority of the net assets attributable to holders of participating redeemable preference shares as at 29 September 2023.

Our audit procedures included understanding and evaluating the key controls around the valuation performed by the Manager.

Refer to further details of the investment portfolios included in the financial statements, the accounting policy in note 3 and Note 20 Financial Risk Management.

Independent auditor's report to the members of Brooks Macdonald International Investment Funds Limited continued

Key audit matter

The fair value of the company and each of the fund's financial assets is based on quoted market prices as at the statement of financial position date. The quoted market price used to value these financial assets held by the company and funds is the mid-market price at the close of business on the last business day of the accounting period, as permitted by International Financial Reporting Standards ("IFRS") 13 (Fair Value Measurement).

Whilst the valuation of these financial assets is not considered complex, and does not involve significant judgements or estimates to be made by the directors, the market value is material to the company and funds. A material misstatement due to fraud or error could be material to the financial statements as a whole.

As a result, whilst we do not consider it to be a significant audit risk area, we consider the valuation of financial assets at fair value through profit or loss to be an area of focus in our audit and accordingly a key audit matter.

How our audit addressed the Key audit matter

We assessed the accounting policy for the valuation of financial assets at fair value through profit or loss for compliance with IFRS.

We performed testing to assess whether the investment valuation had been accounted for in accordance with the stated accounting policy and determined whether the accounting policy complied with accounting standards and had been consistently applied.

In addition to this, we compared all investment prices used by the Manager at period end to the prices obtained from an independent pricing source for reasonableness.

Based on our work performed, we did not identify any material matters to report to those charged with governance

How we tailored the audit scope

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the company, and funds, the accounting processes and controls, and the industry in which they operate.

Independent auditor's report to the members of Brooks Macdonald International Investment Funds Limited continued

Materiality

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

<i>Overall materiality</i>	
Company	£1,721,200 (2022: £1,831,000)
Euro High Income Fund	€60,100 (2022: €66,500)
High Income Fund	£1,088,900 (2022: £1,152,500)
Sterling Bond Fund	£580,260 (2022: £620,000)
<i>How we determined it</i>	1% of net assets attributable to holders of participating redeemable preference shares.
<i>Rationale for the materiality benchmark</i>	We believe that net assets is the most appropriate benchmark because this is the key metric of interest to investors. It is also a generally accepted measure used for companies in this industry.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality 75% (2022: 75%) of overall materiality and we determined the performance materiality for the financial statements as a whole as follow;

<i>Performance materiality</i>	
Company	£1,290,900 (2022: £1,373,500)
Euro High Income Fund	€45,075 (2022: €50,000)
High Income Fund	£816,675 (2022: £864,000)
Sterling Bond Fund	£435,075 (2022: £465,000)

In determining the performance materiality, we considered a number of factors – the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls - and concluded that an amount at the upper end of our normal range was appropriate.

We agreed with the board of directors that we would report to them misstatements identified during our audit above 5% of overall materiality, as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Independent auditor's report to the members of Brooks Macdonald International Investment Funds Limited continued

Reporting on other information

The directors are responsible for the other information. The other information comprises all the information included in the Annual Report and Audited Financial Statements (the "Annual Report") but does not include the financial statements and our auditor's report thereon.

The other information comprises all the information included in the Annual Report and Audited Financial Statements (the "Annual Report") but does not include the financial statements and our auditor's report thereon. The directors are responsible for the other information

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, 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 based on these responsibilities.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Directors' Responsibilities section, the directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with International Financial Reporting Standards, the requirements of Jersey law and for such internal control as the directors determine 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 directors are responsible for assessing the company and each fund'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 directors either intend to liquidate the company and funds or to cease operations, or have 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 will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company and funds' internal control.

Independent auditor's report to the members of Brooks Macdonald International Investment Funds Limited continued

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on company or each of the fund's ability to continue as a going concern over a period of at least twelve months from the date of approval of the financial statements. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Use of this report

This independent auditor's report, including the opinions, has been prepared for and only for the members as a body in accordance with Article 113A of the Companies (Jersey) Law 1991 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Report on other legal and regulatory requirements

Company Law exception reporting

Under the Companies (Jersey) Law 1991 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit;
- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records

We have no exceptions to report arising from this responsibility.

James de Veuille

For and on behalf of PricewaterhouseCoopers CI LLP

Chartered Accountants

Jersey, Channel Islands

29 January 2024

The maintenance and integrity of the company and funds website is the responsibility of the Manager; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

Legislation in Jersey governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Statements of Financial Position

As at 29 September 2023

	Notes	Company £	Euro High Income Fund €	High Income Fund £	Sterling Bond Fund £
Current Assets					
Cash and cash equivalents		3,369,317	81,112	2,199,796	1,099,224
Investment sales receivable		—	—	—	—
Financial assets at fair value through profit or loss		166,378,003	5,890,155	104,951,600	56,321,560
Other accrued income and other debtors	4	4,000,252	106,263	2,471,992	1,361,984
Total Assets		173,747,572	6,077,530	109,623,388	58,782,768
Current Liabilities					
Cancellation payable		116,263	8,868	64,259	44,319
Distribution payable	5	1,080,089	46,211	483,515	556,524
Accrued expenses and other creditors	6	350,162	11,756	184,002	155,970
Nominal shares	14	73,179	—	—	—
Total Liabilities*		1,619,693	66,835	731,776	756,813
Net assets attributable to holders of participating redeemable preference shares	17	172,126,879	6,010,695	108,891,612	58,025,955
Equity					
Ordinary share capital		1,000	—	—	—
Total Equity		1,000	—	—	—
Total Liabilities and Equity		173,747,572	6,077,530	109,623,388	58,782,768

* Excluding net assets attributable to holders of participating redeemable preference shares

The Financial Statements on pages 18 to 68 were approved by the Board of Directors on 24 January 2024 and are signed on their behalf by:

Ross Davey Willcox
Director

The notes on pages 38 to 68 form an integral part of these Financial Statements.

Statements of Financial Position continued

As at 30 September 2022

	Notes	Company £	Euro High Income Fund €	High Income Fund £	Sterling Bond Fund £
Current Assets					
Cash and cash equivalents		4,391,803	406,402	2,822,803	1,212,353
Investment sales receivable		400,000	—	400,000	—
Financial assets at fair value through profit or loss		176,075,867	6,267,015	110,529,890	60,046,214
Other accrued income and other debtors	4	4,433,457	120,775	2,608,813	1,572,463
Total Assets		185,301,127	6,794,192	116,361,506	62,831,030
Current Liabilities					
Cancellation payable		559,180	76,252	407,012	85,251
Distribution payable	5	1,102,390	46,003	505,771	556,248
Accrued expenses and other creditors	6	363,454	14,233	200,407	150,556
Nominal shares	14	145,192	—	—	—
Total Liabilities*		2,170,216	136,488	1,113,190	792,055
Equity					
Ordinary share capital		1,000	—	—	—
Total Equity		1,000	—	—	—
Net assets attributable to holders of participating redeemable preference shares	17	183,129,911	6,657,704	115,248,316	62,038,975
Total Liabilities and Equity		185,301,127	6,794,192	116,361,506	62,831,030

* Excluding net assets attributable to holders of participating redeemable preference shares

The notes on pages 38 to 68 form an integral part of these Financial Statements.

Statements of Comprehensive Income

For the period ended 29 September 2023

	Notes	Company £	Euro High Income Fund €	High Income Fund £	Sterling Bond Fund £
Operating Profit					
Net income/(loss) on financial assets at fair value through profit or loss	7	6,354,194	(23,650)	3,966,552	2,408,183
Investment income		10,062,503	239,427	6,417,910	3,436,632
Other income	8	24,408	16	8,434	15,960
Total operating expenses	9	(2,234,681)	(93,927)	(1,320,630)	(832,468)
Operating income		14,206,424	121,866	9,072,266	5,028,307
Finance Costs and distributions					
Distributions to holders of participating redeemable preference shares	5	(8,440,372)	(184,730)	(5,998,858)	(2,280,362)
Finance costs		(88)	(101)	—	—
Total finance costs and distributions		(8,440,460)	(184,831)	(5,998,858)	(2,280,362)
Income/(loss) before tax		5,765,964	(62,965)	3,073,408	2,747,945
Withholding tax on dividends and other investment income	18	—	—	—	—
Increase/(decrease) in net assets attributable to holders of participating redeemable preference shares from operations		5,765,964	(62,965)	3,073,408	2,747,945

For the year ended 30 September 2022

	Notes	Company £	Euro High Income Fund €	High Income Fund £	Sterling Bond Fund £
Operating Profit					
Net loss on financial assets at fair value through profit or loss	7	(63,699,958)	(1,641,203)	(41,500,875)	(20,806,482)
Investment income		10,781,277	273,156	7,528,241	3,021,256
Other income	8	841	—	259	582
Total operating expenses	9	(2,846,474)	(115,753)	(1,724,419)	(1,023,836)
Operating loss		(55,764,314)	(1,483,800)	(35,696,794)	(18,808,480)
Distributions					
Distributions to holders of participating redeemable preference shares	5	(8,664,784)	(202,906)	(6,303,089)	(2,188,382)
Loss before tax		(64,429,098)	(1,686,706)	(41,999,883)	(20,996,862)
Withholding tax on dividends and other investment income	18	(19,436)	—	(19,436)	—
Decrease in net assets attributable to holders of participating redeemable preference shares from operations		(64,448,534)	(1,686,706)	(42,019,319)	(20,996,862)

The notes on pages 38 to 68 form an integral part of these Financial Statements.

Statements of Changes in Net Assets Attributable to Holders of Participating Redeemable Preference Shares

For the period ended 29 September 2023

	Company £	Euro High Income Fund €	High Income Fund £	Sterling Bond Fund £
Net assets attributable to holders of participating redeemable preference shares at the beginning of the period	183,129,912	6,657,704	115,248,317	62,038,975
Creation of participating redeemable preference shares issued	2,563,439	58,761	2,053,002	459,398
Redemption of participating redeemable preference shares	(19,320,331)	(642,805)	(11,483,115)	(7,220,363)
Net decrease from share transactions	(16,756,892)	(584,044)	(9,430,113)	(6,760,965)
Increase/(decrease) in net assets attributable to holders of participating redeemable preference shares	5,765,964	(62,965)	3,073,408	2,747,945
Movement in currency translation	(12,106)	—	—	—
Net assets attributable to holders of participating redeemable preference shares as at 29 September 2023	172,126,879	6,010,695	108,891,612	58,025,955

For the year ended 30 September 2022

	Company £	Euro High Income Fund €	High Income Fund £	Sterling Bond Fund £
Net assets attributable to holders of participating redeemable preference shares at the beginning of the year	274,198,747	9,089,746	176,595,224	89,794,424
Creation of participating redeemable preference shares issued	2,764,929	264,264	1,896,597	644,097
Redemption of participating redeemable preference shares	(29,428,835)	(1,009,600)	(21,224,186)	(7,402,684)
Net decrease from share transactions	(26,663,906)	(745,336)	(19,327,589)	(6,758,587)
Decrease in net assets attributable to holders of participating redeemable preference shares	(64,448,534)	(1,686,706)	(42,019,319)	(20,996,862)
Movement in currency translation	43,604	—	—	—
Net assets attributable to holders of participating redeemable preference shares as at 30 September 2022	183,129,911	6,657,704	115,248,316	62,038,975

The notes on pages 38 to 68 form an integral part of these Financial Statements.

Cash Flow Statements

For the period ended 29 September 2023

	Company £	Euro High Income Fund €	High Income Fund £	Sterling Bond Fund £
Cash flows from operating activities				
Purchases of financial assets	(51,241,722)	(2,402,587)	(31,646,858)	(17,508,034)
Receipts from sale of investments	67,730,211	2,778,386	41,339,746	23,977,225
Due from broker	400,000	—	400,000	—
Investment income received	9,937,115	231,386	6,412,207	3,323,931
Prepayments	(876)	(20)	(544)	(314)
Interest received	6,559	—	3,461	3,098
Interest paid	(88)	(101)	—	—
Operating expenses paid	(2,247,823)	(96,404)	(1,337,034)	(827,054)
Net cash inflow from operating activities	24,583,376	510,660	15,170,978	8,968,852
Cash flows from financing activities				
Distributions paid to holders of participating redeemable preference shares issued	(8,461,472)	(184,522)	(6,021,114)	(2,280,086)
Proceeds received from issue of participating redeemable preference shares	2,563,439	58,761	2,053,002	459,398
Payments on redemption of participating redeemable preference shares	(19,704,016)	(710,189)	(11,825,868)	(7,261,295)
Foreign tax paid on income	—	—	—	—
Net cash outflow from financing activities	(25,602,049)	(835,950)	(15,793,980)	(9,081,983)
Net decrease in cash and cash equivalents	(1,018,673)	(325,290)	(623,002)	(113,131)
Cash and cash equivalents at the beginning of the period	4,391,803	406,402	2,822,803	1,212,353
Exchange (losses)/gains on cash and cash equivalents	(3,813)	—	(5)	2
Cash and cash equivalents as at 29 September 2023	3,369,317	81,112	2,199,796	1,099,224

The notes on pages 38 to 68 form an integral part of these Financial Statements.

Cash Flow Statements continued

For the year ended 30 September 2022

	Company £	Euro High Income Fund €	High Income Fund £	Sterling Bond Fund £
Cash flows from operating activities				
Purchases of financial assets	(93,935,800)	(2,312,087)	(58,971,260)	(33,002,677)
Receipts from sale of investments	123,037,509	3,357,121	80,176,141	40,012,768
Due from broker	(400,000)	—	(400,000)	—
Investment income received	10,531,653	268,954	7,131,809	3,171,630
Prepayments	3,333	102	2,194	1,052
Interest received	841	—	259	582
Operating expenses paid	(3,036,556)	(121,501)	(1,843,572)	(1,089,886)
Net cash inflow from operating activities	36,200,980	1,192,589	26,095,571	9,093,469
Cash flows from financing activities				
Distributions paid to holders of participating redeemable preference shares issued	(8,750,083)	(220,878)	(6,388,333)	(2,174,330)
Proceeds received from issue of participating redeemable preference shares	2,764,929	264,264	1,896,597	644,097
Payments on redemption of participating redeemable preference shares	(29,240,271)	(945,128)	(21,094,923)	(7,343,384)
Foreign tax paid on income	(19,436)	—	(19,436)	—
Net cash outflow from financing activities	(35,244,861)	(901,742)	(25,606,095)	(8,873,617)
Net increase in cash and cash equivalents	956,119	290,847	489,476	219,852
Cash and cash equivalents at the beginning of the year	3,425,111	115,555	2,333,335	992,501
Exchange gains/(losses) on cash and cash equivalents	10,573	—	(8)	—
Cash and cash equivalents as at 30 September 2022	4,391,803	406,402	2,822,803	1,212,353

The notes on pages 38 to 68 form an integral part of these Financial Statements.

Investment Portfolios of the Funds

Euro High Income Fund

As at 29 September 2023

	Holding 29.09.23	Market Value 29.09.23 €	% of Total Net Assets	Holding 30.09.22	Market Value 30.09.22 €	% of Total Net Assets
Asia and Middle East 4.81% (1.40%)						
DP WORLD 2.375% 250926	100,000	94,011	1.56	100,000	93,243	1.40
Westpac Bank 3.799% 2030	200,000	195,446	3.25	—	—	—
Australia and New Zealand 6.04% (5.39%)						
APT Pipelines 2% 2027	200,000	183,650	3.06	200,000	180,418	2.71
BHP Billiton Finance 3.125% 2033	200,000	179,506	2.99	200,000	178,428	2.68
Europe 49.47% (54.81%)						
ABN AMRO Bank N.V. 4.375% 2010	100,000	99,352	1.65	—	—	—
Allianz Financial 2.241% 2045	200,000	189,882	3.16	200,000	186,344	2.80
ArcelorMittal 4.875% 2026	100,000	101,348	1.69	—	—	—
AXA 3.875% FRN (Perp)	100,000	97,195	1.62	100,000	93,541	1.41
Banque Federative Credit Mutuel 1.75% 2029	200,000	173,610	2.89	200,000	169,744	2.55
Bayer Capital 2.125% 2029	100,000	88,137	1.47	100,000	86,105	1.29
Bayer Capital 2.375% 2079	100,000	94,751	1.58	100,000	87,238	1.31
BNP Paribas 1.5% 2028	—	—	—	150,000	135,410	2.03
BNP Paribas 4.032% FRN (Perp)	200,000	192,998	3.21	200,000	186,914	2.81
CNP Assurances 4.25% 2045	100,000	98,218	1.63	200,000	195,628	2.94
Commerzbank 4% 2030	100,000	95,910	1.60	100,000	91,154	1.37
Credit Agricole 1.75% 2029	200,000	174,108	2.90	200,000	171,142	2.57
Credit Agricole 4.5% 2025	—	—	—	100,000	94,885	1.43
Credit Suisse Group 0.65% 2029	—	—	—	200,000	141,738	2.13
Deutsche Telekom Intl Finance 7.5% 2033	100,000	127,201	2.12	—	—	—
Deutsche Telekom Intl Finance 7.5% 2033	—	—	—	100,000	129,545	1.95
Deutschland 6.25% 2024	—	—	—	200,000	211,358	3.17
Deutschland 6.5% 2027	150,000	168,936	2.81	—	—	—
EDF 4.625% 2030	150,000	152,487	2.54	150,000	154,031	2.31
Enel SPA 6.375% 2049	100,000	101,226	1.68	—	—	—
ENI SPA 3.625% 2029	—	—	—	200,000	192,842	2.90
Iberdrola 3.25% FRN (Perp)	200,000	195,160	3.25	200,000	189,114	2.84
Innogy Finance 5.75% 2033	100,000	111,489	1.85	—	—	—
Innogy Finance 5.75% 2033	—	—	—	100,000	110,250	1.66
NN Group 4.375 (Perp)	—	—	—	200,000	190,560	2.86
Orange 8.125% 2033	125,000	163,750	2.72	—	—	—
Orange 8.125% 2033	—	—	—	125,000	165,676	2.49
Orsted AS 6.25% FRN 3013	—	—	—	25,000	25,135	0.38
Société Générale 2.625% 2025	—	—	—	200,000	191,396	2.87
Société Générale 4.25% 2030	100,000	95,396	1.59	—	—	—
Total Capital International 2.625% FRN (Perp)	159,000	152,134	2.53	159,000	146,127	2.19
Valeo 3.25% 2024	100,000	99,663	1.66	200,000	198,382	2.98
Veolia Environment 4.625% 2027	100,000	102,193	1.70	100,000	104,245	1.57
VW Financial Services 4.25% 2029	100,000	97,598	1.62	—	—	—

Investment Portfolios of the Funds continued

Euro High Income Fund continued

As at 29 September 2023

	Holding 29.09.23	Market Value 29.09.23 €	% of Total Net Assets	Holding 30.09.22	Market Value 30.09.22 €	% of Total Net Assets
United Kingdom 21.57% (19.89%)						
Aviva 3.375% FRN 2045	100,000	95,536	1.59	100,000	94,777	1.42
Aviva 6.125% FRN 2043	—	—	—	100,000	101,375	1.52
British Sky Ltd 2.5% 2026	100,000	95,925	1.60	200,000	193,926	2.91
Channel Link Enterprises Inc 2.706% 2050	100,000	90,936	1.51	100,000	91,698	1.38
HBOS 4.5% FRN 2030	150,000	147,027	2.45	100,000	95,433	1.43
HSBC Holdings 2.5% 2027	200,000	189,036	3.15	200,000	184,666	2.77
Intermediate Capital Group 1.625% 2027	200,000	175,934	2.93	200,000	166,776	2.51
Kennedy-Wilson Holdings 3.25% 2025	—	—	—	200,000	169,326	2.54
Lloyds Bank 2.375% 2026	—	—	—	150,000	143,004	2.15
NatWest Group PLC 4.067% 2028	140,000	136,615	2.27	—	—	—
Phoenix Group Holdings 4.375% 2029	100,000	91,548	1.52	100,000	83,633	1.26
Santander UK Group Holdings PLC 3.53% 2028	100,000	95,111	1.58	—	—	—
Virgin Media 3.25% 2031	100,000	82,303	1.37	—	—	—
Virgin Money UK 4.625% 2028	100,000	96,434	1.60	—	—	—
United States 16.10% (12.65%)						
AT&T 2.6% 2029	100,000	90,548	1.51	—	—	—
Bank Of America Corporation 3.648% 2029	150,000	145,050	2.41	150,000	145,121	2.18
British Sky Ltd 2.5% 2026	—	—	—	200,000	180,162	2.71
Fidelity National Info Services 2% 2030	150,000	129,978	2.16	—	—	—
General Motors Financial Co. Inc. 4.3% 2029	140,000	135,437	2.25	—	—	—
International Flavours and Fragrances 1.8% 2026	150,000	135,989	2.26	—	—	—
JP Morgan Chase 2.875% 2028	150,000	142,688	2.37	150,000	139,754	2.10
Verizon Communications 3.25% 2026	—	—	—	185,000	184,582	2.77
Vodafone Group 2.875% 2037	100,000	82,131	1.37	100,000	83,219	1.25
Wal-Mart Stores 4.875% 2029	100,000	106,574	1.77	100,000	108,970	1.64
Total value of investments		5,890,155	97.99		6,267,015	94.14
Other assets		187,360	3.11		527,177	7.91
Total assets		6,077,515	101.10		6,794,192	102.05
Liabilities		(66,835)	(1.10)		(136,488)	(2.05)
Total Net Assets		6,010,680	100.00		6,657,704	100.00
		For the period ended 29.09.23			For the year ended 30.09.22	
Cost of investments purchased		€2,402,587			€2,312,087	
Proceeds from investments sold		€2,778,386			€3,357,121	

Investment Portfolios of the Funds

High Income Fund

As at 29 September 2023

	Holding 29.09.23	Market Value 29.09.23 €	% of Total Net Assets	Holding 30.09.22	Market Value 30.09.22 €	% of Total Net Assets
UK Corporate Bonds 68.48% (66.34%)						
Anglian Water (Osprey) Financing 4.5% 2026	—	—	—	1,000,000	949,280	0.82
Anglian Water (Osprey) Financing 6.625% 2029	—	—	—	2,000,000	2,054,760	1.78
Aviva 4.375% FRN 2049	317,000	275,888	0.25	317,000	252,690	0.22
Aviva 5.125% FRN 2050	1,200,000	1,062,756	0.98	1,200,000	979,956	0.85
Aviva 6.125% FRN 2036	1,750,000	1,740,043	1.60	—	—	—
Barclays Bank 3.25% 2033	3,850,000	2,970,006	2.73	3,850,000	2,728,649	2.37
BHP Billiton Finance 4.3% 2042	500,000	401,835	0.37	500,000	408,805	0.35
Broadgate Financing 4.821% 2036	1,340,000	1,239,822	1.14	1,340,000	1,231,594	1.07
BUPA Finance 5% 2026	1,500,000	1,436,460	1.32	1,500,000	1,325,340	1.15
Burford Capital 5% 2026	2,250,000	2,083,984	1.91	3,750,000	3,335,213	2.89
Circle Anglia Social Housing 7.25% 2038	1,400,000	1,557,346	1.43	1,400,000	1,593,928	1.38
Close Brothers Finance 2.75% 2026	2,000,000	1,798,260	1.65	2,000,000	1,722,420	1.49
Close Brothers Group PLC 7.75% 2028	500,000	508,250	0.47	—	—	—
Electricity North Western 8.785% 2026	1,452,000	1,553,538	1.43	1,452,000	1,566,998	1.36
GlaxoSmithKline 6.375% 2039	—	—	—	2,557,000	2,737,575	2.38
Glencore Finance 3.125% 2026	1,500,000	1,408,755	1.29	1,500,000	1,299,720	1.13
Great Rolling Stock 6.25% 2031	—	—	—	1,000,000	761,546	0.66
Heathrow Funding 6.45% 2033	1,000,000	1,021,550	0.94	1,000,000	966,490	0.84
Heathrow Funding 6.75% 2028	—	—	—	900,000	882,315	0.77
Heathrow Funding 7.125% 2024	1,000,000	1,001,750	0.92	1,000,000	987,540	0.86
HSBC Holdings 3% 2030	2,740,000	2,300,394	2.11	2,740,000	2,089,825	1.81
Integrated Accommodation 6.48% 2029	1,951,000	712,577	0.65	1,951,000	774,251	0.67
Investec 4.25% 2028	—	—	—	1,500,000	1,445,970	1.25
Investec 9.125% 2033	2,500,000	2,547,350	2.34	—	—	—
L&Q Housing Trust 2.625% 2028	1,425,000	1,250,837	1.15	1,425,000	1,205,322	1.05
Ladbroke's 5.125% 2023	—	—	—	1,500,000	1,480,485	1.28
LCR Finance 4.5% 2028	—	—	—	2,000,000	1,959,660	1.70
Liverpool Victoria 6.5% 2027	—	—	—	3,000,000	2,928,510	2.54
Lloyds Bank 1.75% 2024	—	—	—	894,000	829,212	0.72
Lloyds Bank 6.625% 2033	750,000	729,338	0.67	—	—	—
Lloyds Bank 8.5% 2049	2,500,000	2,311,800	2.12	—	—	—
Natwest Markets 6.375% 2027	2,200,000	2,224,838	2.04	—	—	—
Natwest Markets 7.416% 2033	1,000,000	993,960	0.91	—	—	—
Next Group 3.625% 2028	3,000,000	2,715,360	2.49	3,000,000	2,424,270	2.10
NGG Finance 5.625% FRN 2073	2,590,000	2,479,200	2.28	1,590,000	1,418,280	1.23
NIE Finance 6.375% 2026	—	—	—	1,500,000	1,503,690	1.30
Northumbrian Water 6.875% 2023	—	—	—	3,100,000	3,118,073	2.71
Notting Hill 5.25% 2042	3,000,000	2,696,640	2.48	1,500,000	1,400,805	1.22
Paragon Banking Group 4.375% 2031	1,500,000	1,234,395	1.13	1,500,000	1,409,655	1.22
Pension Insurance Corporation 4.625% 2031	1,000,000	827,400	0.76	1,000,000	736,940	0.64
Pension Insurance Corporation 5.625% 2030	865,000	768,994	0.71	865,000	697,095	0.60
Pension Insurance Corporation 8% 2026	1,400,000	1,434,062	1.32	1,400,000	1,353,800	1.17

Investment Portfolios of the Funds continued

High Income Fund continued

As at 29 September 2023

	Holding 29.09.23	Market Value 29.09.23 €	% of Total Net Assets	Holding 30.09.22	Market Value 30.09.22 €	% of Total Net Assets
UK Corporate Bonds continued						
Phoenix Group Holdings 5.625% 2031	500,000	440,590	0.40	750,000	594,795	0.52
Phoenix Group Holdings 5.867% 2043	1,500,000	1,389,240	1.28	1,500,000	1,269,810	1.10
Phoenix Group Holdings 6.625% 2025	1,500,000	1,497,015	1.37	1,500,000	1,406,835	1.22
Prudential 5% FRN 2055	1,900,000	1,617,679	1.49	1,900,000	1,431,327	1.24
Prudential 5.78% 2029	2,600,000	2,615,860	2.40	1,600,000	1,536,144	1.33
RL Finance Bonds 6.125% 2028	3,100,000	2,973,179	2.73	2,000,000	1,760,880	1.53
Sainsbury's 6% 2027	—	—	—	215,000	213,383	0.19
Santander UK 10.0625% (Perp)	500,000	671,660	0.62	500,000	766,360	0.66
Santander UK 7.098% 2027	1,850,000	1,867,557	1.72	—	—	—
Scottish Power 7% FRN 2043	2,500,000	2,384,550	2.19	2,500,000	2,255,900	1.96
Severn Trent 6.25% 2029	—	—	—	1,550,000	1,551,814	1.35
Southern Gas Networks 4.875% 2029	2,550,000	2,452,208	2.25	2,550,000	2,367,293	2.05
Southern Gas Networks 6.375% 2040	—	—	—	300,000	295,812	0.26
Standard Chartered 5.125% 2034	762,000	665,371	0.61	762,000	624,215	0.54
Tesco Property Finance 5.744% 2040	574,000	482,955	0.44	641,000	522,798	0.45
Thames Water Utilities 6.75% 2028	—	—	—	800,000	799,376	0.69
TP ICAP Plc 0.625% 2028	2,000,000	1,540,900	1.42	2,000,000	1,355,340	1.18
TP ICAP Plc 5.25% 2026	1,500,000	1,418,400	1.30	—	—	—
Unite (USAF) 3.921% 2030	1,516,000	1,454,056	1.34	1,516,000	1,431,832	1.24
Unite Group 3.5% 2028	837,000	739,523	0.68	837,000	677,711	0.59
Virgin Media 5% 2027	2,180,000	2,028,403	1.86	680,000	592,872	0.51
Virgin Money UK PLC 4% 2026	3,250,000	3,043,040	2.79	—	—	—
Western Power 5.75% 2032	—	—	—	1,500,000	1,425,255	1.24
Yorkshire Power 7.25% 2028	—	—	—	1,000,000	1,045,240	0.91
Overseas Borrowers 27.91% (29.55%)						
AT&T 4.875% 2044	—	—	—	600,000	500,052	0.43
AT&T 7% 2040	—	—	—	1,000,000	1,052,840	0.91
AXA 5.453% FRN (Perp)	2,123,000	2,057,102	1.89	2,123,000	1,963,775	1.70
Bank of America 7% 2028	3,000,000	3,164,730	2.91	3,250,000	3,305,803	2.87
Berkshire Hathaway 2.375% 2039	449,000	300,817	0.28	449,000	294,849	0.26
BNP Paribas 5.75% 2032	800,000	773,520	0.71	—	—	—
Citigroup 6.8% 2038	1,200,000	1,307,556	1.20	1,200,000	1,303,764	1.13
Comcast Corporation 5.5% 2029	3,000,000	3,018,180	2.77	3,000,000	2,912,880	2.53
Cooperatieve Rabobank 4.625% 2029	1,500,000	1,364,100	1.25	1,500,000	1,262,640	1.10
Cooperatieve Rabobank 5.25% 2027	936,000	903,081	0.83	936,000	840,696	0.73
CPPIB Capital Inc 1.125% 2029	—	—	—	3,000,000	2,311,800	2.01
CPUK Finance Ltd 3.69% 2028	840,000	736,478	0.68	840,000	696,738	0.60
E.ON International Finance 5.875% 2037	—	—	—	800,000	724,464	0.63
E.ON International Finance 6.75% 2039	500,000	519,960	0.48	—	—	—
EDF 5.125% 2050	3,000,000	2,355,690	2.16	3,000,000	2,455,260	2.13
Enel SPA 5.75% 2037	1,300,000	1,239,589	1.14	1,300,000	1,163,773	1.01

Investment Portfolios of the Funds continued

High Income Fund continued

As at 29 September 2023

	Holding 29.09.23	Market Value 29.09.23 €	% of Total Net Assets	Holding 30.09.22	Market Value 30.09.22 €	% of Total Net Assets
Overseas Borrowers continued						
Equinor ASA 6.875% 2031	2,673,000	2,911,913	2.67	2,673,000	2,883,445	2.50
General Motors Financial 5.15% 2026	2,000,000	1,948,440	1.79	—	—	—
Goldman Sachs 7.125% 2025	—	—	—	1,960,000	1,976,092	1.71
Goldman Sachs 7.25% 2028	1,077,000	1,128,621	1.04	1,077,000	1,091,324	0.95
Innogy Finance 6.125% 2039	1,450,000	1,425,597	1.31	1,450,000	1,338,698	1.16
MetLife Incorporated 5.375% 2024	—	—	—	1,000,000	986,910	0.86
Metropolitan Life Global Funding 3.5% 2026	3,250,000	3,069,203	2.82	—	—	—
Orsted AS 2.5% 2033	2,900,000	2,157,449	1.98	3,900,000	2,829,645	2.46
Wal-Mart Stores 5.25% 2035	—	—	—	1,411,000	1,386,773	1.20
Welltower Incorporated 4.8% 2028	—	—	—	850,000	762,015	0.67
Total value of investments		104,951,600	96.39		110,529,890	95.89
Other assets		4,666,814	4.28		5,831,616	5.08
Total assets		109,618,414	100.67		116,361,506	100.97
Liabilities		(731,776)	(0.67)		(1,113,190)	(0.97)
Total Net Assets		108,886,638	100.00		115,248,316	100.00
		For the period ended 29.09.23			For the year ended 30.09.22	
Cost of investments purchased		£31,646,858			£58,971,260	
Proceeds from investments sold		£41,334,187			£76,353,185	

Investment Portfolios of the Funds

Sterling Bond Fund

As at 29 September 2023

	Holding 29.09.23	Market Value 29.09.23 €	% of Total Net Assets	Holding 30.09.22	Market Value 30.09.22 €	% of Total Net Assets
UK Corporate Bonds 66.38% (60.42%)						
Anglian Water (Osprey) Financing 6.625% 2029	—	—	—	630,000	647,249	1.04
Aspire Defence Finance B 4.674% 2040	693,000	511,041	0.88	693,000	519,884	0.84
Aviva 4.375% FRN 2049	948,000	825,054	1.42	948,000	755,679	1.22
Aviva 6.125% 2036	950,000	944,595	1.63	200,000	184,678	0.30
Aviva PLC 6.125% 2036	—	—	—	—	—	—
Barclays Bank 3% 2026	—	—	—	389,000	334,202	0.54
Barclays Bank 3.25% 2033	1,967,000	1,517,403	2.62	1,967,000	1,394,092	2.25
BG Energy Capital 5.00% 2036	197,000	183,052	0.32	197,000	174,012	0.28
BG Energy Capital 5.125% 2025	—	—	—	500,000	482,680	0.78
Bond Admiral Group Plc 5.5% 2024	—	—	—	878,000	839,034	1.35
BUPA Finance 5% 2026	1,100,000	1,053,404	1.82	1,100,000	971,916	1.57
Circle Anglia Social Housing 7.25% 2038	179,000	199,118	0.34	179,000	203,795	0.33
Close Brothers Finance 2.75% 2026	1,000,000	899,130	1.55	1,000,000	861,210	1.39
Close Brothers Group PLC 7.75% 2028	250,000	254,125	0.44	—	—	—
CYBG Plc 3.375% 2026	500,000	469,615	0.81	500,000	442,670	0.71
CYBG Plc 4% 2026	1,350,000	1,264,032	2.18	600,000	533,448	0.86
Glencore Finance 3.125% 2026	1,500,000	1,408,755	2.43	1,500,000	1,299,720	2.10
Great Rolling Stock 6.25% 2031	—	—	—	575,000	437,889	0.71
Heathrow Funding 6.45% 2033	467,000	477,064	0.82	467,000	451,351	0.73
Heathrow Funding 7.125% 2024	1,000,000	1,001,750	1.73	1,000,000	987,540	1.59
HSBC Bank 5.375% 2030	—	—	—	295,000	276,978	0.45
HSBC Bank 5.375% 2033	—	—	—	150,000	127,839	0.21
HSBC Holdings 3% 2030	1,000,000	839,560	1.45	1,000,000	762,710	1.23
Hutchison Whampoa Finance UK 5.625% 2026	500,000	501,105	0.86	500,000	485,690	0.78
Investec 2.625% 2032	1,500,000	1,231,395	2.12	1,500,000	1,120,005	1.81
Investec 4.25% 2028	—	—	—	1,500,000	1,445,970	2.33
Investec 9.125% 2033	1,500,000	1,528,410	2.63	—	—	—
Liverpool Victoria 6.5% 2027	—	—	—	1,064,000	1,038,645	1.67
Lloyds Bank 1.75% 2024	—	—	—	454,000	421,099	0.68
Lloyds Bank 6.5% 2040	—	—	—	207,000	224,775	0.36
Lloyds Bank 6.625% 2033	1,500,000	1,458,675	2.51	—	—	—
Meadowhall 4.988% 2037	—	—	—	300,000	159,422	0.26
Morhomes Plc 3.4% 2038	—	—	—	496,000	367,576	0.59
National Grid Gas 2.625% 2038	100,000	62,628	0.11	100,000	61,505	0.10
Natwest Markets 6.375% 2027	1,500,000	1,516,935	2.61	—	—	—
Next Group 3.625% 2028	2,000,000	1,810,240	3.12	2,000,000	1,616,180	2.61
NIE Finance 6.375% 2026	—	—	—	567,000	568,395	0.92
Northern Gas Network 4.875% 2027	—	—	—	529,000	502,095	0.81
Northumbrian Water 6.875% 2023	—	—	—	500,000	502,915	0.81
Notting Hill 5.25% 2042	1,100,000	988,768	1.70	—	—	—
Pension Insurance Corp 5.625% 2030	800,000	711,208	1.23	800,000	644,712	1.04
Pension Insurance Corp 8% 2026	1,000,000	1,024,330	1.77	1,000,000	967,000	1.56

Investment Portfolios of the Funds continued

Sterling Bond Fund continued

As at 29 September 2023

	Holding 29.09.23	Market Value 29.09.23 €	% of Total Net Assets	Holding 30.09.22	Market Value 30.09.22 €	% of Total Net Assets
UK Corporate Bonds continued						
Phoenix Group Holdings 6.625% 2025	1,073,000	1,070,865	1.85	1,073,000	1,006,356	1.62
Prudential 5% FRN 2055	467,000	397,608	0.69	467,000	351,805	0.57
Prudential 5.625% 2051	1,362,000	1,213,515	2.09	1,362,000	1,100,442	1.77
Quadgas Finance 3.375% 2029	700,000	574,322	0.99	700,000	539,168	0.87
RL Finance Bonds 6.125% 2028	1,700,000	1,630,453	2.81	1,250,000	1,100,550	1.77
Santander UK 3.875% 2029	422,000	382,543	0.66	422,000	366,292	0.59
Santander UK 7.098% 2027	1,100,000	1,110,439	1.91	—	—	—
Scottish Power 7% FRN 2043	1,500,000	1,430,730	2.47	1,500,000	1,353,540	2.18
Sovereign Housing 5.705% 2039	—	—	—	124,000	124,642	0.20
Stagecoach Group 4% 2025	538,000	508,050	0.88	538,000	486,874	0.78
Tesco Property Finance 5.744% 2040	813,000	684,046	1.18	908,000	740,565	1.19
Thames Water Utilities 6.5% 2032	—	—	—	100,000	99,251	0.16
Thames Water Utilities 6.75% 2028	—	—	—	1,380,000	1,378,924	2.22
THFC Funding No.1 5.125% 2037	387,000	364,748	0.63	387,000	360,986	0.58
THFC Funding No.2 6.35% 2041	247,000	257,715	0.44	247,000	259,861	0.42
TP ICAP Plc 0.625% 2028	1,000,000	770,450	1.33	1,000,000	677,670	1.09
TP ICAP Plc 5.25% 2026	1,750,000	1,654,800	2.85	1,750,000	1,536,133	2.48
UK Treasury 4.5% 2042	750,000	718,740	1.24	—	—	—
Unite Group 3.5% 2028	414,000	365,786	0.63	414,000	335,212	0.54
United Utilities Water 5% 2035	—	—	—	120,000	110,260	0.18
Western Power 5.75% 2032	—	—	—	202,000	191,934	0.31
Whitbread Group Plc 3.375% 2025	2,500,000	2,361,325	4.07	2,500,000	2,229,850	3.59
Yorkshire Building Society 3.5% 2026	346,000	325,932	0.56	346,000	311,877	0.50
Overseas Borrowers 30.71% (36.37%)						
Abertis 3.375% 2026	400,000	369,044	0.64	400,000	340,248	0.55
America Movil 4.948% 2033	405,000	381,243	0.66	405,000	358,640	0.58
America Movil 5.75% 2030	—	—	—	425,000	408,332	0.66
APT Pipelines 3.5% 2030	484,000	407,383	0.70	484,000	386,140	0.62
AT & T Inc. 4.375% 2029	1,000,000	920,440	1.59	—	—	—
AT&T 5.2% 2033	—	—	—	269,000	239,953	0.39
AT&T 7% 2040	250,000	259,713	0.45	250,000	263,210	0.42
AXA 5.453% FRN (Perp)	996,000	965,084	1.66	996,000	921,300	1.49
AXA 6.686% FRN (Perp)	—	—	—	300,000	287,889	0.46
Banque Federative Credit Mutuel 1.5% 2026	—	—	—	500,000	414,825	0.67
Berkshire Hathaway 2.375% 2039	—	—	—	227,000	149,066	0.24
BHP Billiton Finance 6.5% 2077	—	—	—	1,208,000	1,209,752	1.95
BNP Paribas 5.75% 2032	400,000	386,760	0.67	—	—	—
Comcast Corporation 1.5% 2029	—	—	—	553,000	425,025	0.69
Comcast Corporation 1.875% 2036	—	—	—	330,000	214,639	0.35
Cooperatieve Rabobank 4.625% 2029	1,857,000	1,688,756	2.91	1,857,000	1,563,148	2.52
CPUK Finance Ltd 3.69% 2028	420,000	368,239	0.63	420,000	348,369	0.56

Investment Portfolios of the Funds continued

Sterling Bond Fund continued

As at 29 September 2023

	Holding 29.09.23	Market Value 29.09.23 €	% of Total Net Assets	Holding 30.09.22	Market Value 30.09.22 €	% of Total Net Assets
Overseas Borrowers continued						
Digital Stout Holding 3.75% 2030	340,000	286,321	0.49	340,000	271,085	0.44
Digital Stout Holding 4.25% 2025	600,000	587,346	1.01	600,000	564,642	0.91
E.ON International Finance 5.875% 2037	—	—	—	150,000	135,837	0.22
E.ON International Finance 6.375% 2032	—	—	—	492,000	479,848	0.77
E.ON International Finance 6.75% 2039	650,000	675,948	1.17	150,000	147,752	0.24
EDF 5.125% 2050	1,000,000	785,230	1.35	1,000,000	818,420	1.32
EDF 5.5% 2037	200,000	178,042	0.31	200,000	175,048	0.28
EDF 6.25% 2028	300,000	303,804	0.52	300,000	291,252	0.47
Enel Finance International 5.625% 2024	—	—	—	847,000	833,304	1.34
Equinor ASA 6.875% 2031	—	—	—	1,300,000	1,402,349	2.26
European Investment Bank (EIB) 5% 2039	—	—	—	—	—	—
European Investment Bank 5% 2039	1,294,000	1,299,681	2.24	1,294,000	1,369,673	2.21
Fidelity National Info Services 3.36% 2031	630,000	531,556	0.92	630,000	499,842	0.81
Gatwick Funding 4.625% FRN 2036	312,000	272,769	0.47	312,000	251,715	0.41
General Motors Financial 5.15% 2026	1,000,000	974,220	1.68	—	—	—
Innogy Finance 6.125% 2039	350,000	344,110	0.59	350,000	323,134	0.52
Metropolitan Life Global Funding 3.5% 2026	1,750,000	1,652,648	2.85	—	—	—
Orange 8.125% 2028	—	—	—	717,000	787,660	1.27
Orsted AS 2.5% 2033	1,100,000	818,345	1.41	1,100,000	798,105	1.29
Orsted AS 4.875% 2032	—	—	—	400,000	364,848	0.59
Orsted AS 5.75% 2040	—	—	—	400,000	387,580	0.62
Total Capital International 1.66% 2026	—	—	—	600,000	514,824	0.83
Veolia Environment 6.125% 2037	—	—	—	150,000	149,388	0.24
Verizon Communications 3.125% 2035	—	—	—	400,000	291,640	0.47
Verizon Communications 3.375% 2036	—	—	—	482,000	358,227	0.58
Vicinity Centres 3.375% 2026	468,000	439,606	0.76	468,000	415,898	0.67
Vinci SA 2.75% 2034	2,200,000	1,724,712	2.97	2,200,000	1,613,876	2.60
VW Financial Services 1.375% 2028	1,500,000	1,197,101	2.06	—	—	—
Welltower Incorporated 4.8% 2028	—	—	—	2,000,000	1,792,979	2.86

Investment Portfolios of the Funds

Sterling Bond Fund continued

As at 29 September 2023

	Market Value 29.09.23	% of Total Net Assets	Market Value 30.09.22	% of Total Net Assets
Total value of investments	56,321,560	97.09	60,046,214	96.79
Other assets	2,448,347	4.22	2,784,816	4.49
Total assets	58,769,907	101.31	62,831,030	101.28
Liabilities	(756,813)	(1.31)	(792,055)	(1.28)
Total Net Assets	58,013,094	100.00	62,038,975	100.00

	For the period ended 29.09.23	For the year ended 30.09.22
Cost of investments purchased	£17,508,034	£33,002,677
Proceeds from investments sold	£23,977,225	£40,012,768

Investment Portfolios of the Funds continued

Investments Purchased and Sold For period ended 29 September 2023

The following investments were both purchases and sold during the period.

Euro High Income Fund	Nominal
Deutschland 5.5% 2031	200,000
Lloyds Banking Group 3.125% 2030	140,000
Volkswagen Financial Services AG 3% 2025	175,000

High Income Fund	Nominal
Aviva PLC 6.125% 2036	1,750,000
The Goldman Sachs Group Inc. 3.625% 2029	1,500,000

Sterling Bond Fund	Nominal
Anglian Water (Osprey) Financing 4.5% 2026	1,200,000
Aviva PLC 6.125% 2036	750,000

Investment Portfolios of the Funds continued

Investment Dealing for the period ended 29 September 2023

During the period transactions representing more than 10% of the aggregate value of the transactions in the property of the Funds were carried out with the following counter-parties:

Euro High Income Fund

Bridport
Goldman Sachs
HSBC Holdings plc.
JP Morgan
Morgan Stanley
MUFG Bank (Europe) N.V
Oppenheimer

High Income Fund

BMO Capital Markets
Bridport
Goldman Sachs
HSBC Holdings plc.
JP Morgan
Morgan Stanley
Oppenheimer

Sterling Bond Fund

Bridport
Goldman Sachs
HSBC Holdings plc.
JP Morgan
Morgan Stanley
Oppenheimer

Investment Portfolios of the Funds continued

Summary of Material Portfolio Changes for the period ended 29 September 2023

This schedule refers to securities purchased and sold during the period.

The Directors consider that where applicable the disclosure of the largest purchases and sales is sufficient to reflect the nature of the operating activity of the Funds.

Euro High Income Fund

Purchases	Cost €	Sales	Proceeds €
Deutschland 5.5% 2031	252,360	Deutschland 5.5% 2031	246,950
Westpac Bank 3.799% 2030	200,000	Deutschland 6.25% 2024	208,870
Deutschland 6.5% 2027	174,632	NN Group 4.375 (Perp)	197,650
Volkswagen Financial Services AG 3% 2025	173,180	Société Générale 2.625% 2025	197,088
International Flavours and Fragrances 1.8% 2026	139,157	ENI SPA 3.625% 2029	194,308
NatWest Group PLC 4.067% 2028	138,754	Verizon Communications 3.25% 2026	185,553
General Motors Financial Co. Inc. 4.3% 2029	138,712	British Sky Ltd 2.5% 2026	182,500
Fidelity National Info Services 2% 2030	133,475	Volkswagen Financial Services AG 3% 2025	173,268
Lloyds Banking Group 3.125% 2030	131,488	Kennedy-Wilson Holdings 3.25% 2025	162,000
ArcelorMittal 4.875% 2026	101,050	Lloyds Bank 2.375% 2026	144,630
Enel SPA 6.375% 2049	100,000	BNP Paribas 1.5% 2028	134,631
VW Financial Services 4.25% 2029	99,767	Lloyds Banking Group 3.125% 2030	130,025
Virgin Money UK 4.625% 2028	99,666	Credit Suisse Group 0.65% 2029	104,340
Société Générale 4.25% 2030	99,480	Aviva 6.125% FRN 2043	100,000
ABN AMRO Bank 4.375% 2010	99,460	Valeo 3.25% 2024	99,500
Santander UK Group Holdings PLC 3.53% 2028	95,479	CNP Assurances 4.25% 2045	98,650
AT&T 2.6% 2029	94,600	Credit Agricole 4.5% 2025	96,550
Virgin Media 3.25% 2031	82,375	British Sky Ltd 2.5% 2026	96,373
HBOS 4.5% FRN 2030	48,954	Orsted AS 6.25% FRN 3013	25,500

Investment Portfolios of the Funds continued

Summary of Material Portfolio Changes for the period ended 29 September 2023 continued

High Income Fund

Purchases	Cost £	Sales	Proceeds £
Metropolitan Life Global Funding 3.5% 2026	3,086,200	International bonds: Northumbrian Water, 6.875% 2023	3,512,400
CYBG Plc 4% 2026	3,027,538	GlaxoSmithKline Capital PLC 6.375% 2039	2,923,572
Natwest Markets 6.375% 2027	2,587,500	Liverpool Victoria 6.5% 2027	2,913,300
Investec 9.125% 2033	2,522,250	CPPIB Capital Inc. 1.3125% 2029	2,453,980
Lloyds Bank 8.5% 2049	2,498,500	Anglian Water Services Financing PLC 6.625% 2029	2,168,000
General Motors Financial 5.15% 2026	1,985,540	LCR Finance PLC 4.5% 2028	2,076,240
Santander UK 7.098% 2027	1,850,000	The Goldman Sachs Group Inc. 7.125% 2025	2,056,216
Aviva PLC 6.125% 2036	1,765,453	Severn Trent Utilities Finance PLC 6.25%	1,624,927
Notting Hill 5.25% 2042	1,512,390	NIE Finance 6.375% 2026	1,551,360
Virgin Media 5% 2027	1,376,145	Western Power 5.75% 2032	1,548,300
The Goldman Sachs Group Inc. 3.625% 2029	1,372,050	Ladbroke's 5.125% 2023	1,500,000
TP ICAP Plc 5.25% 2026	1,330,470	Investec 4.25% 2028	1,489,713
RL Finance Bonds 6.125% 2028	1,083,500	Walmart Inc. 5.25% 2035	1,442,889
Prudential 5.78% 2029	1,038,670	Burford Capital 5% 2026	1,350,750
Natwest Markets 7.416% 2033	1,000,000	The Goldman Sachs Group Inc. 3.625% 2029	1,349,565
NGG Finance 5.625% FRN 2073	976,250	Yorkshire Power Finance Ltd. 7.25% 2028	1,084,300
BNP Paribas 5.75% 2032	814,160	AT&T 7% 2040	1,044,100
Lloyds Bank 6.625% 2033	748,583	MetLife Inc. 5.375% 2024	1,007,600
E.ON International Finance 6.75% 2039	573,490	Anglian Water Services, 4.5% 2026	1,003,450
Close Brothers Group PLC 7.75% 2028	498,170	Heathrow Funding Ltd. 6.75% 2026	918,675

Investment Portfolios of the Funds continued

Summary of Material Portfolio Changes for the period end 29 September 2023 continued

Sterling Bond Fund

Purchases	Cost £	Sales	Proceeds £
UK Treasury 4.5% 2042	1,669,785	Welltower Incorporated 4.8% 2028	1,919,100
Metropolitan Life Global Funding 3.5% 2026	1,661,800	Investec 4.25% 2028	1,489,713
Natwest Markets 6.375% 2027	1,552,500	Equinor ASA 6.875% 2031	1,476,007
Investec 9.125% 2033	1,513,350	Thames Water Utilities 6.75% 2028	1,316,175
Lloyds Bank 6.625% 2033	1,497,165	BHP 6.5% 2077	1,208,000
VW Financial Services 1.375% 2028	1,217,400	Anglian Water (Osprey) Financing 4.5% 2026	1,196,496
Anglian Water (Osprey) Financing 4.5% 2026	1,149,708	Liverpool Victoria 6.5% 2027	1,033,250
Notting Hill 5.25% 2042	1,109,086	Admiral Group PLC 5.5% 2024	870,405
Santander UK 7.098% 2027	1,100,000	Orange 8.125% 2028	847,494
General Motors Financial 5.15% 2026	997,600	ENEL Finance International NV. 5.625% 2024	843,892
AT & T Inc. 4.375% 2029	911,450	UK Treasury 4.5% 2042	726,060
Aviva PLC 6.125% 2036	756,623	Anglian Water Services Financing PLC 6.625% 2029	682,920
CYBG Plc 4% 2026	698,663	NIE Finance 6.375% 2026	586,414
E.ON International Finance 6.75% 2039	573,490	Total Capital International 1.66% 2026	545,316
RL Finance Bonds 6.125% 2028	443,250	Northern Gas Networks 4.875% 2027	534,290
BNP Paribas 5.75% 2032	407,080	E.ON International Finance B.V. 6.375% 2032	530,671
Close Brothers Group PLC 7.75% 2028	249,085	BG Energy Capital PLC 5.125% 2025	507,515
		International bonds: Northumbrian Water 6.875% 2023	502,000
		Comcast 1.5% 2029	464,022
		Great Rolling Stock 6.25% 2031	463,324

Notes to the Financial Statements

For the period ended 29 September 2023

1. The Company

The Company is domiciled and incorporated as a limited company in Jersey, Channel Islands under the Companies (Jersey) Law 1991, as amended, and is listed on The International Stock Exchange with a secondary listing on the Malta Stock Exchange. Full details of the Company, Investment Objectives and Policy and Report of the Directors are stated on pages 2 to 8.

2. Basis of Preparation

2.1 Basis of preparation

The Financial Statements of the Company and the Funds have been prepared in accordance with IFRS as issued by the IASB. Within the Financial Statements the Company represents the total value of the Funds combined, with the exception of the statements of financial position which also includes the nominal share values. The Financial Statements of the Company and the following Funds are prepared on the going concern basis:

- Euro High Income Fund
- High Income Fund
- Sterling Bond Fund

The Directors have also chosen to adopt areas of the Statement of Recommended Practice 'Financial Statements of UK Authorized Funds' issued in May 2014 by the IMA where this does not conflict with other reporting requirements.

The policies set out below have been consistently applied to all period/years presented (unless otherwise stated).

The Financial Statements have been prepared under the historical cost convention, as modified by the revaluation of investments, held at fair value through the profit or loss and in accordance with the Companies (Jersey) Law 1991, as amended, and with the Collective Investment Funds (Recognized Funds) (Rules) (Jersey) Order 2003, as amended. Jersey is not part of the United Kingdom ('UK') and the Company is not regulated by the Financial Conduct Authority ('FCA') or the Prudential Regulation Authority ('PRA') of the UK.

The capital of the Company comprises various classes of Shares each relating to a separate Fund consisting of securities, cash, other assets and liabilities. These Financial Statements presents the statements of financial position, statements of comprehensive income, statements of changes in net assets attributable to holders of participating redeemable preference shares, cash flow statements, investment portfolios of the funds, and notes to the Financial Statements, change in net asset value per share, distribution tables and performance records. At the statement of financial position date the following funds were in existence: Euro High Income Fund, High Income Fund, and Sterling Bond Fund. The Directors may from time to time create further classes (Funds).

The Company's annual accounting date is the last dealing day of September. The dealing day is defined as any business day in Jersey other than Saturdays. Sundays, Bank Holidays and the last business day before Christmas. The Annual Report together the Audited Financial Statements are presented for the financial period ending 29 September 2023 (2022: 30 September 2022).

The comparative data is not entirely comparable since the financial information for the current period covers the period from 1 October 2022 to 29 September 2023, while the prior year's financial information covers the period from 1 October 2021 to 30 September 2022.

The net assets attributable to holders of participating redeemable preference shares are classified as financial liabilities and therefore, in the opinion of the Directors, the Capital of the Company is only represented by the Founders' Shares. Details of the Founders' Shares are disclosed in Notes 3 and 14.

Where assets of an individual Fund are insufficient to meet the Funds liabilities, then any liabilities that remain undischarged will revert to the Company as a whole and be allocated amongst the other Funds.

2.2 Significant accounting estimates and judgements

The Company makes assumptions and estimates that affect the reported amounts of assets and liabilities at the statement of financial position date. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The accounting policies deemed significant to the Company's results and financial position, are discussed in the following notes. There are no significant estimates and judgements that have a material effect on the Financial Statements.

Notes to the Financial Statements continued

For the period ended 29 September 2023

2. Basis of Preparation continued

2.3 Going concern

The Financial Statements of the Company and Funds have been prepared in accordance with IFRS on a going concern basis. The Directors have a reasonable expectation that the Company will continue as a going concern for the foreseeable future. Strategic options are being considered to maximise the efficiency of the Funds and minimise ongoing operational expenditure. These considerations are at an early stage and, if any are actively pursued, will be subject to Director, Shareholder and regulatory approvals as required in due course.

3. Summary of Significant Accounting Policies

The principal accounting policies applied in the preparation of these Financial Statements are set out below. These policies have been applied consistently to all periods presented, unless otherwise stated in the following text:

The Directors also monitor new standards and ensure that they are applied where relevant.

3.1 Standards, amendments and interpretations

There are no standards, interpretations or amendments to existing standards that are effective for the first time for the financial period beginning 1 October 2022 that have had a material impact on the Company.

3.2 The following new and revised standards, amendments and interpretations have been published but are not yet effective:

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 January 2023, and have not been early adopted in preparing these Financial Statements. None of these are expected to have a material effect on the Financial Statements of the Fund.

IAS 1, 'Presentation of Financial Statements' on classification of liabilities as current or non-current. The International Accounting Standards Board issued amendments to paragraphs 69 and 70 to specify the requirements for classifying liabilities as current or non-current. (effective periods commencing on or after 1 January 2024).

Disclosure of Accounting Policies - In February 2021, the International Accounting Standards Board issued amendments to IAS 1 and IFRS Practice Statement 2 making materiality judgements, in which it provides guidance and examples to help entities apply materiality judgements to accounting policy disclosure. (effective periods commencing on or after 1 January 2023).

Definition of Accounting Estimates - In February 2021, the International Accounting Standards Board issued amendments to IAS 8, in which it introduces a new definition of 'accounting estimates'. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. (effective periods commencing on or after 1 January 2023).

There are no other standards, interpretations or amendments to existing standards that are not yet effective that would be expected to have a significant impact on the Company.

Functional currency and presentational currency

Items included in the Company's Financial Statements are measured using the currency of the primary economic environment in which it operates (the 'functional currency'). The Directors have adopted Sterling as the functional and presentational currency which reflects the Company's primary economic environment in which financial assets are invested and the regulatory environment of the majority of investors, being UK based. The Company has adopted Sterling as its presentational and functional currency for High Income Fund and Sterling Bond Fund as the majority of shares in each Fund have been subscribed for in Sterling and all non-dealing related fees and expenses are paid in Sterling.

The Company has adopted Euro as its presentational and functional currency for the Euro High Income Fund as the shares in the Fund have been subscribed for in Euros and the majority of non-dealing related fees and expenses are paid in Euro.

Share premium and share capital currency translation

Share premium and share capital transactions are translated into Sterling at the exchange rate ruling at the time of the transaction.

Segmental reporting

The Company, at the statement of financial position date, is organised into three business segments or Funds, each focusing on achieving returns by investing in a range of investments as described in the Investment Objectives and Policy on page 3.

Notes to the Financial Statements continued

For the period ended 29 September 2023

3. Summary of Significant Accounting Policies continued

Segmental reporting continued

The Company issues shares which are allocated to the Fund selected by the investor. A separate account is maintained for each Fund, to which proceeds of issue, the income arising from those proceeds and expenses are allocated. Upon redemption shareholders are entitled to their proportion of the net assets held in the Fund in which their shares have been designated. A statement of financial position, statement of comprehensive income, statement of changes in net assets attributable to holders of participating redeemable preference shares and cash flow statement have been prepared for each Fund as well as for the Company as a whole, and these are collective investment vehicles for our purposes.

The Board has considered the requirements of IFRS 8 'Operating Segments'. The Board is of the view that the Funds are engaged in a single unified business, being to invest in Bonds. The Board of Directors, as a whole, has been identified as constituting the chief operating decision maker of the Funds.

Foreign currency translation

Assets and liabilities denominated in currencies other than the functional currency of the Fund are translated at the rate of exchange ruling at the statement of financial position date. The currency profits or losses arising on translation, together with currency profits or losses realised during the period, are recognised in the statement of comprehensive income.

The rate of exchange to Sterling from Euro ruling at 29 September 2023 used for the conversion of statement of financial position items was 1.1538 (2022: 1.1395) and the average rate for the period used for the conversion of the statement of comprehensive income was 1.1513 (2022: 1.1785).

Financial assets and financial liabilities at fair value through profit or loss

(a) Classification

The Company classifies its investments based on both the Company's business model for managing those financial assets and the contractual cash flow characteristics of the financial assets. The portfolio of financial assets is managed and performance is evaluated on a fair value basis.

The Company is primarily focused on fair value information and uses that information to assess the assets' performance and to make decisions. The contractual cash flows of the Company's debt securities are solely principal and interest and are held in order to collect principal plus interest resulting in the business model "hold to collect and sell". The Company values the debt instruments at fair value through profit and loss. Under the business model derivatives are also measured at fair value through profit or loss.

(b) Recognition

Purchases and sales are recognised on the trade date (the date on which the Company commits to purchase or sell the asset).

(c) Measurement

Financial assets and financial liabilities at fair value through profit or loss are initially recognised at fair value, and transaction costs for all financial assets and financial liabilities carried at fair value through profit or loss are expensed in the statement of comprehensive income as incurred. Subsequent to initial recognition, all financial assets and financial liabilities at fair value through profit or loss are measured at fair value.

Gains and losses arising from changes in the fair value of financial assets or financial liabilities at fair value through profit or loss are recognised in the statement of comprehensive income in the period in which they arise.

IFRS 13 requires the Company to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

Derivative assets and liabilities are offset as they meet the requirements of IAS 32.42, being that Sterling Bond Fund currently has a legally enforceable right to set-off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Creations receivable and Redemptions payable

Creations receivable represent the amount due from investors for the issue of participating shares. Redemptions payable represent the amount payable to investors following a cancellation of participating shares. These are recognised at fair value.

Notes to the Financial Statements continued

For the period ended 29 September 2023

3. Summary of Significant Accounting Policies continued

Investment sales receivable and Investment purchases payable

Investment sales receivable represent securities sold that have been contracted for but not yet settled or delivered on the statement of financial position date.

Investment purchases payable represent securities purchased that have been contracted for but not yet settled or delivered on the statement of financial position date.

These amounts are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method less impairment.

When calculating the effective interest rate, the Fund estimates cash flows considering all contractual terms of the financial instrument but does not consider future credit losses.

The calculation includes all fees and points paid or received between parties to the contract that are an integral part of the effective interest rate, including transaction costs and all other premiums or discounts.

A provision for impairment of amounts due on investment sales receivable is established when there is objective evidence that the Fund will not be able to collect all amounts due from the relevant broker. Significant financial difficulties of the broker, probability that the broker will enter bankruptcy or financial reorganisation, and default in payments are considered indicators that the amount due from the broker is impaired.

Revenue recognition

Investment income is recognised in the statement of comprehensive income on a time proportionate basis for all debt instruments using the Effective Interest Rate method ('EIR'). This is a method of calculating the amortised cost of a financial asset or financial liability and of allocating the interest income or interest expense over the relevant period.

Bank interest is recognised in the statement of comprehensive income on a time proportionate basis using the EIR method. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts throughout the expected life of the financial asset or liability, or, when appropriate, a shorter period, to the net carrying amount of the financial asset or financial liability.

Transaction costs

The purchase and sale of financial assets at fair value through profit and loss are subject to transaction costs, which include broker commission, dealing charges and stamp duty. All transaction costs are expensed at the point of purchase or sale.

Transaction costs for the period are set out in Note 9.

Fair value estimation

The fair value of financial instruments traded in active markets (such as publicly traded derivatives and trading securities) is based on quoted market prices at the statement of financial position date.

The quoted market price used for financial assets and financial liabilities held by the Fund is the current mid-market price in line with IFRS 13 financial assets and financial liabilities at fair value at close of business on the last business day of the accounting period.

A sinkable bond is a type of debt that is backed by a fund set aside by the issuer. The issuer reduces the cost of borrowing over time by buying and retiring a portion of the bonds periodically on the open market, drawing upon the fund to pay for the transactions. A sinking factor adjustment is applied on certain securities and fair valued based on quoted market prices.

Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks which are subject to an insignificant risk of changes in value, and also include bank overdrafts.

Notes to the Financial Statements continued

For the period ended 29 September 2023

3. Summary of Significant Accounting Policies continued

Share capital

- (i) The Founders' Shares have been subscribed for by the Manager and are 'non-participating'. The holders thereof are entitled only to income arising on the assets represented by the Founders Shares. These Shares are classified as Ordinary Share capital in the statement of financial position.

- (ii) Unclassified Shares may be issued as either participating redeemable preference shares ('Participating Shares') or Nominal Shares. Participating Shares are redeemable at the shareholder's option and are classified as financial liabilities.

Participating Shares are carried at the redemption amount that is payable if the holder exercises the right to redeem Shares at the statement of financial position date.

Participating Shares are issued and redeemed at the holder's option at prices based on each Fund's net asset value per Share at the time of issue or redemption. Each Fund's net asset value per Share is calculated by dividing the net assets attributable to the holders of participating redeemable preference shares with the total number of Participating Shares in issue.

In accordance with the provisions of the Company's regulations, investments are valued based on the latest traded market price for the purpose of determining the net asset value per Share for subscriptions and redemptions.

The Shares are divided into Funds according to the type of investment in which the proceeds of the issue of Shares in each Fund are invested. A separate portfolio of investments is maintained for each Fund.

Each holder of a Participating Share is entitled on a poll, to one vote for each Participating Share held. Participating Shares have a right to dividends declared. If any dividends are paid, different amounts of dividends may be payable in respect of different Funds.

- (iii) Nominal Shares have been accounted for in accordance with the Companies (Jersey) Law 1991, as amended and corresponding amounts have been included in debtors and financial liabilities. A Nominal Share will be created when a Participating Share is cancelled. A Nominal Share will be cancelled when a Participating Share is created until the number of Nominal Shares falls to zero. Nominal Shares will only be issued to the Manager. Nominal Shares carry no right to dividends, each holder of the Nominal Shares is entitled, on a poll, to one vote irrespective of the shares held.

- (iv) Both issued Nominal and Participating Shares have a nominal value of £ 0.01 per Share.

Share premium

The premium on issues and redemptions of Participating Shares is accounted for within the Share premium account which forms part of the net assets attributable to holders of participating redeemable preference Shares. Details are shown in Notes 15 and 17.

Distributions payable to holders of participating redeemable preference shares

Distributions to holders of Participating Shares are recognised as finance costs when they are ratified by the Directors.

Fixed Interest Funds Distributions

In respect of High Income Fund distributions are calculated on a monthly basis and in respect of Euro High Income Fund and Sterling Bond Fund distributions are calculated on a quarterly basis. A distributable amount includes both investment income and bank interest received. Revenue expenses deducted include management fees, custodian fees, registrar fee and management expenses. Transaction charges are in the first instance charged against revenue but then fully offset against capital and therefore do not form part of the distributable amount. In respect of High Income Fund and Euro High Income Fund the management fees and registrar fees are fully offset against capital. This charge against capital effectively reduces the capital reserves of the fund. Any dividend unclaimed after a period of ten years from the date of declaration of such dividend will be forfeited by the shareholder and will revert to that Fund. All expenses are set out in Note 9.

Accrued income and expenses

Accrued income and expenses are recognised initially at fair value and subsequently stated at amortised cost using the EIR.

As at 29 September 2023 the Fund held no commitments in respect of an obligation resulting from the occurrence of one or more future events not wholly within the Fund's control.

Notes to the Financial Statements continued

For the period ended 29 September 2023

4. Other Accrued Income and Other Debtors

	Company £	Euro High Income Fund €	High Income Fund £	Sterling Bond Fund £
Period ended 29 September 2023				
Accrued income	3,906,005	106,183	2,465,614	1,348,366
Founders shares	1,000	—	—	—
Nominal shares	73,179	—	—	—
Prepayments	2,219	64	1,405	756
Distributions unclaimed over 10 years old	17,849	16	4,973	12,862
Total other accrued income and other debtors	4,000,252	106,263	2,471,992	1,361,984
Year ended 30 September 2022				
Accrued income	4,285,924	120,730	2,607,953	1,572,021
Founders shares	1,000	—	—	—
Nominal shares	145,192	—	—	—
Prepayments	1,341	45	860	442
Total other accrued income and other debtors	4,433,457	120,775	2,608,813	1,572,463

Notes to the Financial Statements continued

For the period ended 29 September 2023

5. Distributions

The distributions take account of income received on the creation of shares and income deducted on the cancellation of shares, and comprise:

	Company £	Euro High Income Fund €	High Income Fund £	Sterling Bond Fund £
Period ended 29 September 2023				
31 October 2022	503,697	—	503,697	—
30 November 2022	500,941	—	500,941	—
31 December 2022	1,124,030	45,711	498,884	584,647
31 January 2023	515,314	—	515,314	—
28 February 2023	511,001	—	511,001	—
31 March 2023	1,115,504	44,710	505,077	571,145
30 April 2023	502,015	—	502,015	—
31 May 2023	494,323	—	494,323	—
30 June 2023	1,061,857	46,379	489,797	532,233
31 July 2023	488,654	—	488,654	—
31 August 2023	485,553	—	485,553	—
29 September 2023	1,080,089	46,211	483,515	556,524
Total distributions	8,382,978	183,011	5,978,771	2,244,549
Income paid on cancellation of shares	66,363	1,927	26,458	38,232
Income received on creation of shares	(8,969)	(208)	(6,371)	(2,419)
Net distributions for the period	8,440,372	184,730	5,998,858	2,280,362
Fees charged to capital	(1,117,845)	(61,229)	(1,062,443)	(2,220)
Net distributions after taxation	7,322,527	123,501	4,936,415	2,278,142

Notes to the Financial Statements continued

For the period ended 29 September 2023

5. Distributions continued

The distributions take account of income received on the creation of shares and income deducted on the cancellation of shares, and comprise:

	Company £	Euro High Income Fund €	High Income Fund £	Sterling Bond Fund £
Year ended 30 September 2022				
31 October 2021	575,369	—	575,369	—
30 November 2021	569,230	—	569,230	—
31 December 2021	1,144,847	59,158	555,253	539,862
31 January 2022	550,841	—	550,841	—
28 February 2022	525,888	—	525,888	—
31 March 2022	1,085,017	49,558	514,904	528,382
30 April 2022	508,703	—	508,703	—
31 May 2022	504,773	—	504,773	—
30 June 2022	1,106,407	48,187	501,038	563,890
31 July 2022	499,183	—	499,183	—
31 August 2022	492,136	—	492,136	—
30 September 2022	1,102,390	46,003	505,771	556,248
Total distributions	8,664,784	202,906	6,303,089	2,188,382
Income paid on cancellation of shares	62,481	3,166	36,192	23,603
Income received on creation of shares	(8,202)	(1,437)	(4,306)	(2,677)
Net distributions for the year	8,719,063	204,635	6,334,975	2,209,308
Fees charged to capital	(1,458,568)	(79,459)	(1,387,971)	(3,173)
Net distributions after taxation	7,260,495	125,176	4,947,004	2,206,135

Notes to the Financial Statements continued

For the period ended 29 September 2023

6. Accrued Expenses and Other Creditors

	Company £	Euro High Income Fund €	High Income Fund £	Sterling Bond Fund £
Period ended 29 September 2023				
Due to Manager	189,932	6,263	98,686	85,818
Due to Custodian	17,988	1,261	10,326	6,569
Other Creditors	142,242	4,232	74,990	63,583
Total accrued expenses and other creditors	350,162	11,756	184,002	155,970
	Company £	Euro High Income Fund €	High Income Fund £	Sterling Bond Fund £
Year ended 30 September 2022				
Due to Manager	129,931	7,831	25,308	97,751
Due to Custodian	9,776	573	5,807	3,466
Other Creditors	223,747	5,829	169,292	49,339
Total accrued expenses and other creditors	363,454	14,233	200,407	150,556

Notes to the Financial Statements continued

For the period ended 29 September 2023

7. Net gains/(losses) on financial assets at fair value through profit or loss

The net gain/(loss) on investments during the period/year comprise:

	Company £	Euro High Income Fund €	High Income Fund £	Sterling Bond Fund £
Period ended 29 September 2023				
Proceeds from sales of investments during the period	67,724,651	2,778,386	41,334,187	23,977,225
Original cost of investments sold during the period	(78,367,405)	(3,186,052)	(47,370,737)	(28,229,339)
Realised foreign exchange losses	(3)	—	(5)	2
Realised losses during the period	(10,642,757)	(407,666)	(6,036,555)	(4,252,112)
Realised gains on investments sold during the period	1,140,221	1,130	364,850	774,389
Realised losses on investments sold during the period	(11,782,977)	(408,796)	(6,401,405)	(5,026,501)
Movement in unrealised gains for the period	156,122	7,460	111,318	38,324
Movement in unrealised losses for the period	16,840,829	376,556	9,891,789	6,621,971
Net gains/(losses) on investments	6,354,194	(23,650)	3,966,552	2,408,183
Year ended 30 September 2022				
Proceeds from sales of investments during the year	123,037,509	3,357,121	80,176,141	40,012,768
Original cost of investments sold during the year	(128,294,395)	(3,515,693)	(84,560,947)	(40,750,296)
Realised foreign exchange losses	(9)	—	(9)	—
Realised losses during the year	(5,256,895)	(158,572)	(4,384,815)	(737,528)
Realised gains on investments sold during the year	4,583,910	168,244	3,042,702	1,398,448
Realised losses on investments sold during the year	(9,840,805)	(326,816)	(7,427,517)	(2,135,976)
Movement in unrealised gains for the year	(15,227,365)	(474,297)	(11,082,294)	(3,742,618)
Movement in unrealised losses for the year	(43,215,698)	(1,008,334)	(26,033,766)	(16,326,336)
Net losses on investments	(63,699,958)	(1,641,203)	(41,500,875)	(20,806,482)

Notes to the Financial Statements continued

For the period ended 29 September 2023

8. Other Income

	Company £	Euro High Income Fund €	High Income Fund £	Sterling Bond Fund £
Period ended 29 September 2023				
Bank interest	6,559	—	3,461	3,098
Distributions unclaimed over 10 years old	17,849	16	4,973	12,862
Total other income	24,408	16	8,434	15,960
Year ended 30 September 2022				
Bank interest	841	—	259	582
Total other income	841	—	259	582

Notes to the Financial Statements continued

For the period ended 29 September 2023

9. Operating Expenses

	Notes	Company £	Euro High Income Fund €	High Income Fund £	Sterling Bond Fund £
Period ended 29 September 2023					
Payable to the Manager:					
Annual management fees	10	1,609,889	55,725	1,013,767	547,720
Registrar fees	10	141,960	4,281	46,196	92,045
Payable to the Custodian:					
Custodian fees	11	107,052	5,868	63,589	38,367
Safe custody fees	11	40,032	4,507	22,579	13,538
Other expenses:					
Administration expenses		230,170	18,762	109,208	104,662
Audit fee		48,986	1,799	30,783	16,644
Broker commission, dealing charges and stamp duty		5,763	1,224	2,479	2,221
Directors fee		38,599	1,336	24,307	13,132
Directors insurance		12,230	425	7,722	4,139
Total expenses		2,234,681	93,927	1,320,630	832,468
Total Expense Ratio *			1.45%	1.14%	1.32%
Total Cost Ratio **			0.02%	0.00%	0.02%

* The Total Expense Ratio, represents the management fee and total operating expenses less the dealing and broker charges, expressed as an annualised percentage of the average daily net asset values during the period.

** The Total Cost Ratio represents the dealing and broker charges only, expressed as an annualised percentage of the average daily net asset values during the period.

Notes to the Financial Statements continued

For the period ended 29 September 2023

9. Operating Expenses continued

A detailed view of transaction costs is shown below.

	Company £	Euro High Income Fund €	High Income Fund £	Sterling Bond Fund £
Period ended 29 September 2023				
Purchase Transaction costs by asset class				
Treasury Gilts				
Deal charges	13	—	—	13
As a percentage of purchase cost	0.00%	0.00%	0.00%	0.00%
Bonds				
Deal charges	1,086	383	490	263
As a percentage of purchase cost	0.00%	0.02%	0.00%	0.00%
Cost of investments purchased before transaction costs	51,241,722	2,402,587	31,646,858	17,508,034
Cost of investments purchased after transaction costs	51,242,808	2,402,970	31,647,348	17,508,297
Sale Transaction costs by asset class				
Treasury Gilts				
Deal charges	13	—	—	13
As a percentage of sale proceeds	0.00%	0.00%	0.00%	0.00%
Bonds				
Deal charges	2,251	488	930	897
As a percentage of sale proceeds	0.00%	0.02%	0.00%	0.00%
Proceeds from investments sold before transaction costs	67,724,651	2,778,386	41,334,187	23,977,225
Proceeds from investments sold after transaction costs	67,726,902	2,778,874	41,335,117	23,978,122

Notes to the Financial Statements continued

For the period ended 29 September 2023

9. Operating Expenses continued

	Notes	Company £	Euro High Income Fund €	High Income Fund £	Sterling Bond Fund £
Year ended 30 September 2022					
Payable to the Manager:					
Annual management fees	10	2,092,959	70,793	1,332,367	700,521
Registrar fees	10	160,695	6,523	53,340	101,820
Payable to the Custodian:					
Custodian fees	11	140,531	8,091	84,886	48,780
Safe custody fees	11	49,575	4,917	28,833	16,570
Other expenses:					
Administration expenses		306,897	20,116	166,590	123,239
Audit fee		42,260	1,617	26,563	14,325
Broker commission, dealing charges and stamp duty		7,257	2,144	2,265	3,173
Directors fee		34,948	1,182	22,233	11,712
Directors insurance		11,352	370	7,342	3,696
Total expenses		2,846,474	115,753	1,724,419	1,023,836
Total Expense Ratio *			1.41%	1.13%	1.28%
Total Cost Ratio **			0.03%	0.00%	0.00%

* The Total Expense Ratio, represents the management fee and total operating expenses less the dealing and broker charges, expressed as an annualised percentage of the average daily net asset values during the year.

** The Total Cost Ratio represents the dealing and broker charges only, expressed as an annualised percentage of the average daily net asset values during the year.

Notes to the Financial Statements continued

For the period ended 29 September 2023

9. Operating Expenses continued

A detailed view of transaction costs is shown below.

	Company £	Euro High Income Fund €	High Income Fund £	Sterling Bond Fund £
Year ended 30 September 2022				
Purchase Transaction costs by asset class				
Treasury Gilts				
Deal charges	—	—	—	—
As a percentage of purchase cost	0.00%	0.00%	0.00%	0.00%
Bonds				
Deal charges	1,450	382	588	538
As a percentage of purchase cost	0.00%	0.02%	0.00%	0.00%
Cost of investments purchased before transaction costs	93,935,522	2,312,087	58,971,260	33,002,677
Cost of investments purchased after transaction costs	93,936,974	2,312,469	58,971,848	33,003,215
Sale Transaction costs by asset class				
Treasury Gilts				
Deal charges	112.5	0	50	63
As a percentage of sale proceeds	0.00%	0.00%	0.00%	0.00%
Bonds				
Deal charges	4,472	702	1,337	2,539
As a percentage of sale proceeds	0.00%	0.02%	0.00%	0.01%
Proceeds from investments sold before transaction costs	123,054,879	3,357,121	80,193,914	40,012,768
Proceeds from investments sold after transaction costs	123,059,351	3,357,823	80,195,251	40,015,307

Notes to the Financial Statements continued

For the period ended 29 September 2023

10. Related Party Transactions

Parties are considered to be related if one party has the ability to control the other party or exercise influence over the party in making financial or operating decisions. The following are considered by the Directors of the Company to be related parties:

- The Manager, Brooks Macdonald International Fund Managers Limited.
- The Investment Manager, Brooks Macdonald Asset Management (International) Limited.
- Key management personnel.

The fees received by the Manager are set out in Note 9. The Investment Manager is paid by the Manager. Details of amounts due to the Manager at the end of the period are shown in Note 6.

(a) Management and Registrar fees

The Manager of the Company is part of the Brooks Macdonald Group. The Manager is entitled to a daily fee equal to the annual rate set out below by reference to the net assets of each Fund calculated daily and paid monthly by the Company.

Euro High Income Fund	0.875%
High Income Fund	0.875%
Sterling Bond Fund	0.875%

The Directors and the Manager may agree a higher fee for any Fund subject to a maximum annual rate of 1.5% of the mid-market value of net assets of the Fund. If such a higher fee is agreed, shareholders of the relevant Fund will be given at least three months written notice before it comes into effect.

The Manager is entitled to a fee payable by the Company of £12.00 for each shareholding which appears on the Share Register on the last business day of each annual and half yearly accounting period. The Manager and the Company may agree a higher fee.

Details of amounts due to the Manager at the period end are shown in Note 6.

(b) Fees charged to capital

In order to maximise the income available for distribution to shareholders, per the prospectus the Management and Registrar fees for the High Income and the Euro Income Fund are charged to the capital of these Funds.

(c) Key management personnel

Mr. M.P. Farley was appointed as a non-executive director of the Manager with effect from 27 October 2023.

Mr. R. J. Hughes resigned as a Director of the Manager, effective 7 December 2023, and as the Chief Executive Officer of Brooks Macdonald Asset Management (International) Limited, effective 22 January 2024.

Mr. M. Hucker resigned as a Director of the Manager with effect from 30 September 2023.

(d) Directors' fees

Directors who are employees of the Brooks Macdonald and JTC Groups do not receive any remuneration from the Company. All non-executive Directors currently receive a maximum fee of £25,000 per annum for each Director. Directors fees expense for the period ended 29 September 2023 was £38,599 (year ended 30 September 2022: £34,948). Directors fees outstanding at period end was £9,850 (2022: £9,163).

11. Custodian

The fees received by the Custodian are set out in Note 9. Details of amounts due to the Custodian at the period/year end are shown in Note 6.

The Custodian is entitled to an annual fee payable monthly by the Company, in respect of each Fund, at the rates set out in the tables on the next page by reference to the net asset value of each Fund calculated on a mid-market basis.

In accordance with Clause 8 of the Custodian Agreement the Custodian fees rates have been revised with effect from 1 August 2023. The revised fee structure incorporates a reduction of the basis point fee rate across Funds and adoption of consistent tranches. The rates before and after the revision are set out in the tables on the next page.

Notes to the Financial Statements continued

For the period ended 29 September 2023

11. Custodian continued

Old fee structure

Per the old fee structure Custodian fees were subject to a minimum overall fee of £20,000 per annum for the Company as a whole which was apportioned between the Funds on a basis approved by the auditors.

The Custodian was entitled to transaction charges as such as was agreed with the Manager from time to time.

The Custodian was entitled to reimbursement by each Fund of its expenses in connection with its duties as Custodian and to make transaction charges to cover the cost of effecting settlement of stock and cash.

These fees were subject to a maximum rate of 0.25% for any Fund.

Custodian Fee Rates

	Up to £10M	NAV of each Fund £10M to £25M	£25M Plus
High Income Fund	0.100%	0.075%	0.050%
Sterling Bond Fund	0.100%	0.075%	0.050%
	Up to €15M	NAV of each Fund €15M to €40M	€40M Plus
Euro High Income Fund	0.100%	0.075%	0.050%

New fee structure

Per the new fee structure Custodian fees are subject to a minimum overall fee of £60,000 per annum for the Company as a whole to be apportioned between the sub funds.

The Custodian shall charge an annual fixed fee of £350 per sub fund to cover general disbursements incurred in the normal course of business. The Custodian shall also be entitled to recover all other out of pocket expenses reasonably incurred in the performance of its duties.

Minimum fees, fixed fees and time spent fees are subject to an increase of either 6.5% per annum, or annual increase in Jersey inflation rate + 3% per annum at 1st January each year.

Custodian Fee Rates

	Up to £50M	NAV of each Fund £50M to £100M	£100M Plus
High Income Fund	0.050%	0.035%	0.025%
Sterling Bond Fund	0.050%	0.035%	0.025%
	Up to €50M	NAV of each Fund €50M to €100M	€100M Plus
Euro High Income Fund	0.050%	0.035%	0.025%

12. Controlling Party

In the opinion of the Directors, there is no ultimate controlling party of the Company as defined by IAS 24 Related Party Disclosures.

13. Equalisation

The price of a participating share includes an equalisation payment calculated by dividing the net undistributed income of the Fund by the number of Shares in issue at the time when the prices are calculated. The payment of the first distribution after the issue of a Share includes an amount of equalisation calculated by averaging the amounts received by way of equalisation during the period to which the distribution relates.

Notes to the Financial Statements continued

For the period ended 29 September 2023

14. Share Capital

Company	29 September 2023 £	30 September 2022 £
Authorised Share Capital:		
1,000 Founders Shares of £1	1,000	1,000
750,000,000 Unclassified Shares of 1p	7,500,000	7,500,000
	7,501,000	7,501,000
Issued Ordinary Share Capital:		
Founders Shares	1,000	1,000
Nominal Shares:		
Balance brought forward	145,192	279,212
Creations	242,479	336,934
Redemptions	(314,492)	(470,954)
Balance carried forward	73,179	145,192
Participating Shares:		
Balance brought forward	2,461,124	2,767,107
Creations	36,185	30,951
Redemptions	(242,479)	(336,934)
Balance carried forward	2,254,830	2,461,124

Participating Shares of the Fund

	Shares	£	Shares	£
High Income Fund	172,683,913	1,726,839	187,322,800	1,873,228
Sterling Bond Fund	47,770,327	477,703	53,280,400	532,804
Total Sterling Funds	220,454,240	2,204,542	240,603,200	2,406,032

Participating Shares of the Fund

	Shares	€	Shares	€
Euro High Income Fund	5,028,417	92,854	5,509,337	98,347

	Shares	£	Shares	£
Total Company (Sterling equivalent)	225,482,656	2,254,830	246,112,537	2,461,124

Notes to the Financial Statements continued

For the period ended 29 September 2023

15. Share Premium

	30 September 2022 £	30 September 2021 £
Participating Shares of the Fund		
High Income Fund	207,340,182	216,623,910
Sterling Bond Fund	70,459,299	77,165,162
Total Sterling Funds	277,799,481	293,789,072
Participating Shares of the Fund	€	€
Euro High Income Fund	9,598,449	10,177,000
Total Company (Sterling equivalent)	282,822,805	299,314,912
Balance brought forward	299,314,912	325,727,534
Premium on creations	2,527,255	2,733,960
Premium on redemptions	(19,019,362)	(29,146,582)
Balance carried forward	282,822,805	299,314,912

Notes to the Financial Statements continued

For the period ended 29 September 2023

16. Capital Reserves

	Notes	Company £	Euro High Income Fund €	High Income Fund £	Sterling Bond Fund £
Net realised gains on investments brought forward as at 30 September 2022		11,534,290	(28,426)	6,182,895	5,442,812
Net realised losses for the period	7	(10,642,757)	(407,666)	(6,036,555)	(4,252,112)
Net realised gains/(losses) on investments carried forward as at 29 September 2023		891,533	(436,092)	146,340	1,190,700
Net unrealised losses on investment carried forward as at 30 September 2022		(48,558,346)	(437,660)	(31,300,657)	(16,870,746)
Net unrealised gains for the period	7	16,996,951	384,016	10,003,107	6,660,295
Net unrealised losses on investment carried forward as at 29 September 2023		(31,561,395)	(53,644)	(21,297,550)	(10,210,451)
Total realised and unrealised losses		(30,669,862)	(489,736)	(21,151,210)	(9,019,751)
Distributions unclaimed over 10 years old brought forward as at 30 September 2022		101,240	1,957	18,581	80,961
Net movement in the period		17,849	16	4,973	12,862
Distributions unclaimed over 10 years old carried forward as at 29 September 2023		119,089	1,973	23,554	93,823
Fees charged to Capital brought forward as at 30 September 2022		(51,153,339)	(2,026,573)	(49,442,528)	(32,971)
Net movement in the period		(1,117,845)	(61,229)	(1,062,443)	(2,220)
Fees charged to Capital carried forward as at 29 September 2023		(52,271,184)	(2,087,802)	(50,504,971)	(35,191)
Capital reserves as at 29 September 2023		(82,821,957)	(2,575,565)	(71,632,627)	(8,961,119)

Under the Reporting Fund Regime, broker commission, dealing charges and stamp duty are not allowable expenses. The Directors have therefore, transferred these expenses from the Net undistributed income reserve to a separate broker charges reserve.

Notes to the Financial Statements continued

For the period ended 29 September 2023

17. Net assets attributable to holders of participating redeemable preference shares

Period ended 29 September 2023	Notes	Company £	Euro High Income Fund €	High Income Fund £	Sterling Bond Fund £
Participating Share capital	14	2,254,830	92,854	1,726,839	477,703
Share premium	15	282,822,805	9,598,449	207,340,182	70,459,299
Capital reserves	16	(82,821,957)	(2,575,565)	(71,632,627)	(8,961,119)
Dilution levies		316,215	30,772	218,071	71,475
Undistributed loss*		(25,326,264)	(951,085)	(22,761,995)	(1,741,041)
Distributions		(8,440,372)	(184,730)	(5,998,858)	(2,280,362)
Movement in currency translation		3,321,622	—	—	—
As at 29 September 2023		172,126,879	6,010,695	108,891,612	58,025,955

Year ended 30 September 2022

Share capital	14	2,461,124	98,347	1,873,228	532,804
Share premium	15	299,314,912	10,177,000	216,623,910	77,165,162
Capital reserves	16	(88,076,155)	(2,490,701)	(74,541,708)	(11,379,944)
Dilution levies		316,552	30,772	218,071	71,476
Undistributed loss*		(25,622,151)	(954,808)	(22,622,096)	(2,162,141)
Distributions		(8,669,536)	(202,906)	(6,303,089)	(2,188,382)
Movement in currency translation		3,405,165	—	—	—
As at 30 September 2022		183,129,911	6,657,704	115,248,316	62,038,975

*The distributions detailed in Note 5 have been declared by the Directors using a dividend policy based on the accruals method of accounting for income on debt instruments, as opposed to the EIR method of accounting for investment income which is the basis used for recognition of income on debt instruments as explained in the accounting policies. Future distributions will continue to be made on the basis of the existing distribution policy.

Undistributed loss under the accruals method as at 29 September 2023 amounts to £5,763 (30 September 2022 undistributed loss amounts to £7,257).

Notes to the Financial Statements continued

For the period ended 29 September 2023

18. Taxation

In accordance with IAS 12 Income Taxes, investment income is shown gross of withholding tax. The withholding tax suffered is recorded on the taxation line as set out below:

	29 September 2023	30 September 2022
Foreign tax on income for the period/year	£nil	£19,436

The Company is liable to be charged at a tax rate of 0% under Schedule D under the Income Tax (Jersey) Law 1961, as amended (the 'Income Tax Law') in respect of:

- (i) the income or profits of any trade carried on by the Company in Jersey or elsewhere,
- (ii) any interest of money, whether yearly or otherwise, or other annual payment paid to the Company, whether such payment is made within or outside of Jersey,
- (iii) dividends and other distributions of a company regarded as resident in Jersey paid to the Company,
- (iv) income arising to the Company from securities outside of Jersey, and
- (v) any other income of the Company that is not derived from the ownership or disposal of land in Jersey.

It is not expected that the Company will be in receipt of income charged to tax under any Schedule under Income Tax Law other than Schedule D. As such the Company is no longer subject to the payment of tax in Jersey.

The Funds are required to submit an income tax return annually under Article 16 of the Income Tax Law. The income tax return for the year of assessment 2022 is required to be delivered by 31 December 2023. Jersey resident individuals should note that any income received from the Fund(s) will be paid gross and will be taxable under Schedule D Case III (D3) of the Income Tax (Jersey) Law 1961, as amended.

19. Financial risk management

Strategy in using financial instruments

The Company's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), liquidity risk, counter-party risk, capital risk and certain other risks. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance. Each Fund is able to use derivative financial instruments to moderate certain risk exposures.

Each Fund's investment objectives and policy are stated on page 3. To achieve these objectives the Company's assets and liabilities comprise financial instruments held in accordance with each Fund's investment objectives and policy.

These may include:

- Investments including equity and non-equity Shares, bonds and floating rate securities
- Cash, liquid resources and short term debtors and creditors that arise directly from the investment activities
- Hedging instruments, such as forward exchange contracts and traded options, which a Fund may enter into for the purpose of managing the risks arising from the Fund's investment activities

Market risk

All securities investments present a risk of loss of capital. The Investment Manager moderates this risk through a careful selection of investments within specified limits. The maximum risk resulting from investments is determined by the fair value of those investments. The overall market position and therefore the risk exposure for each Fund are governed by the Prospectus, the Collective Investment Funds (Recognized Funds) (Rules) (Jersey) Order 2003, as amended and the investment objectives for each Fund. These positions are monitored on a daily basis by the Investment Manager.

Notes to the Financial Statements continued

For the period ended 29 September 2023

19. Financial risk management continued

The investments are principally bonds and cash, dependent on each Fund's investment policy. The Fund is exposed to bond price risk. The value of these 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 bond or be caused by general market factors (such as interest rates, government policy or the health of the underlying economy) which could affect the entire portfolio of a Fund. The period/year end portfolio information of each Fund are detailed on pages 24 to 37.

The Investment Manager controls this risk on a Fund by Fund basis and monitors the movements in the bonds and interest rates against the relevant bond indices and market interest rates respectively.

Price Risk

The price risk of the funds are best measured by the average duration of each Fund, which expresses the sensitivity of bond prices if interest rates change. The Manager considers that a reasonably possible movement in the GBP market risk components would be equivalent to a 6% and EUR market risk would be equivalent to a 4.5% movement in bond indices and a 1% movement in market interest rates.

The table below summarises, for each of the Funds, the impact of increases / (decreases) in the bond indices, and market interest rates on the net asset value as at 29 September 2023. The analysis is based on the assumption that the bond indices increase / (decrease) by 6% (GBP) or 4.5% (EUR), and market interest rates increase / (decrease) by 1%, with all other variables held constant. The analysis also assumes that the movement in the portfolios of each Fund has perfect positive correlation with bond indices and market interest rates.

As at 29 September 2023	Value (base currency)	Bonds 6% Movement in bond index	Cash 1% Movement in interest rate
Euro High Income Fund	6,010,680	265,057	811
High Income Fund	108,886,638	3,297,096	21,998

	Value (base currency)	Bonds 4.5% Movement in bond index	Cash 1% Movement in interest rate
Sterling Bond Fund	58,013,094	3,379,294	10,992

As at 30 September 2022	Value (base currency)	Bonds 6% Movement in bond index	Cash 1% Movement in interest rate
Euro High Income Fund	6,657,704	282,016	4,064
High Income Fund	115,248,316	6,631,793	28,228

	Value (base currency)	Bonds 4.5% Movement in bond index	Cash 1% Movement in interest rate
Sterling Bond Fund	62,038,975	3,602,773	12,124

Where non-monetary financial instruments - for example, where debt securities - are denominated in currencies other than base currency of the Fund, the price initially expressed in foreign currency and then converted into the base currency of the Fund will also fluctuate because of changes in foreign exchange rates. Refer to Foreign currency risk below.

The Fund's policy is to manage price risk through diversification and selection of securities and other financial instruments within specified limits set by the Board of Directors. The majority of the net assets attributable to holders of redeemable shares is expected to be invested in debt securities.

The Fund's policy also limits individual bond securities to no more than 5% of net assets attributable to holders of redeemable shares. The maximum that can be held in any individual Government or Public security is 35% of net assets attributable to holders of redeemable shares.

Notes to the Financial Statements continued

For the period ended 29 September 2023

19. Financial risk management continued

The Fund's debt securities are publicly traded and are included on regulated securities and regulated derivatives markets. The Fund's policy requires that the overall market position is monitored on a daily basis by the Investment Manager.

At 29 September 2023, the fair value of bonds and related derivatives exposed to price risk were as follows:

	29 September 2023	30 September 2022
Bonds market value	166,378,003	176,075,867
Derivative assets market value	—	—
Derivative liabilities market value	—	—
Total market value	166,378,003	176,075,867

The Fund also manages its exposure to price risk by benchmarking the portfolio to that of the Bloomberg Sterling Non-Gilts Bond Index for Sterling Bond Fund and High Income Fund, and Bloomberg Euro-Aggregate: Corporates Index for the Euro High Income Fund.

Foreign currency risk

A portion of the underlying financial assets of the Funds may be denominated in currencies other than the base currency with the effect that the statement of financial position and each Fund's total return can be significantly affected by currency movements. An investment in a currency other than the shareholders' own base currency will be subject to the movement of foreign exchange rates, which may cause additional favourable or unfavourable changes in value.

In respect of foreign currency exposure, derivative instruments will only be utilised where a forward exchange or currency option is used for the purpose of reduction of foreign currency risk, in order to hedge this exposure back to the base currency of the Fund.

The Company is not currently involved in any currency hedging transactions. In accordance with the Company's policy, the Investment Manager monitors each Fund's currency position on a daily basis. None of the underlying financial assets of the Funds were denominated in a currency other than base currency at 29 September 2023.

Interest rate risk

Each Fund receives income from its various investments. For the Sterling Bond Fund, Euro High Income Fund and High Income Fund, the income is received from investments in bonds and loan stock.

In accordance with the Funds policy, the Manager monitors the Fund's overall interest rate sensitivity on a daily basis, and the Board of Directors reviews it on a quarterly basis.

The interest bearing financial assets and liabilities held in the Funds expose them to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on their financial position and cash flows.

The table overleaf summarises the effect of interest rate risks on each Fund. It includes the Fund's assets and trading liabilities at fair values, categorised by the earlier of contractual re-pricing or maturity dates. The table provides the interest rate profile of each Fund's asset and liabilities.

The income received by each Fund is primarily fixed in nature and shown in the table on the next page. Income is derived from the securities held in the portfolio of each Fund which may be varied from time to time in accordance with its investment objectives and policy.

Notes to the Financial Statements continued

For the period ended 29 September 2023

19. Financial risk management continued

The interest rate profile of each Fund's financial assets at 29 September 2023 was:

Fund	Currency	Total 000's	Fixed rate interest securities 000's	Floating rate interest securities 000's	Interest Free Assets 000's	Other Interest Bearing Assets 000's	Interest Free Liabilities 000's
Euro High Income	Euro	6,011	3,771	2,120	106	81	67
High Income	Sterling	108,887	104,952	—	2,467	2,200	732
Sterling Bond	Sterling	58,013	56,322	—	1,349	1,099	757

Fund	Currency	Weighted average coupon rate %	Weighted average effective interest rate %	Weighted average year for which the rate is fixed (years)
Euro High Income	Euro	3.65	4.32	10.22
High Income	Sterling	5.48	6.68	9.65
Sterling Bond	Sterling	4.82	6.42	8.38

The interest rate profile of each Fund's financial assets at 30 September 2022 was:

Fund	Currency	Total 000's	Fixed rate interest securities 000's	Floating rate interest securities 000's	Interest Free Assets 000's	Other Interest Bearing Assets 000's	Interest Free Liabilities 000's
Euro High Income	Euro	6,658	5,243	1,024	121	406	136
High Income	Sterling	115,248	97,296	13,233	5,832	—	1,113
Sterling Bond	Sterling	62,039	56,049	3,997	2,785	—	792

Fund	Currency	Weighted average coupon rate %	Weighted average effective interest rate %	Weighted average year for which the rate is fixed (years)
Euro High Income	Euro	3.43	4.32	14.43
High Income	Sterling	5.39	7.07	9.26
Sterling Bond	Sterling	4.85	7.16	9.59

Notes to the Financial Statements continued

For the period ended 29 September 2023

19. Financial risk management continued

Credit risk

The Fund is exposed to credit risk, which 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. The main concentration to which the Fund is exposed arises from the Fund's investments in debt securities. The Fund is also exposed to counterparty credit risk on trading derivative products, cash and cash equivalents, amounts due from brokers and other receivable balances. Impairment provisions would be provided for losses that have been incurred by the statement of financial position date. As at 29 September 2023 no impairment provisions were required and there was no money overdue (2022: £Nil).

The majority of interest bearing instruments must have a credit rating of 'Investment Grade' as provided by Moody's Investor Services Limited, Standard and Poor's or Fitch Ratings Limited. These instruments could include inter alia money market instruments, bonds, gilts, corporate bonds etc.

The Fund also restricts its exposure to credit losses on trading derivative instruments it holds by entering into these transactions solely through the Investment Manager. Gilt futures are centrally cleared and traded on an exchange. The exchange and clearing house therefore act as an intermediary for both sides entering into the contract and the payment of the initial margin and variation margin. There is therefore a negligible counterparty risk. All of the derivative assets and liabilities of the Fund are held with this counterparty and the margin balance maintained by the Fund is for the purpose of providing collateral on derivative positions.

At the statements of financial position date the Funds held the following percentages in non-investment grade assets:

	29 September 2023	30 September 2022
Euro High Income Fund	6.24%	6.05%
High Income Fund	8.22%	6.17%
Sterling Bond Fund	0.00%	0.00%

In accordance with each Fund's policy, the Investment Manager monitors the Fund's credit position on a daily basis.

Certain transactions that the Funds enter into expose them to the risk that the counter-party will not deliver the investment (purchase) or cash (sale) after the Fund has fulfilled its responsibilities. It is the policy of the Manager to buy and sell investments only through approved brokers. Credit risk exposure is balanced by the regulatory obligation of the counter parties.

The risk to Shareholders is that one or more Funds will not have enough cash to cover redemptions. To counter this risk each Fund's cash is managed to meet its liabilities. Temporary borrowings from eligible institutions for cash management purposes are permitted and are repayable out of the property of a Fund. All sums borrowed will not exceed more than 10% of the value of the property of that Fund. The borrowing of foreign currency is permitted with the aim of reducing or eliminating risk arising by reason of fluctuations in exchange rates. There is no intention to use borrowing for the purposes of gearing. Gearing is the borrowing of money to purchase assets. Borrowings during the period did not exceed the 10% limit.

The Custodian has also entered into a sub-custodian agreement with State Street Bank and Trust Company, London Branch. Under the terms of that sub-custodian agreement, the Sub-Custodian will hold certain assets of the Company on behalf of the Custodian.

The assets of the Company will be held in compliance with applicable laws and specific provisions as agreed in the sub-custodian agreement between the Custodian and the Sub-Custodian. These will include requirements designed to protect the Company's assets in the event of the insolvency or bankruptcy, but they do not guarantee this effect.

Notes to the Financial Statements continued

For the period ended 29 September 2023

19. Financial risk management continued

Credit risk (continued)

Cash balances held with the State Street Bank and Trust Company, London Branch (the 'Sub-Custodian') will not be segregated from the Sub-Custodian's own accounts or held on trust for the Custodian. This exposes investors to risk if the Sub-Custodian becomes insolvent, since the Custodian (who has entered into the contract with the Sub-Custodian) will rank as an unsecured creditor along with all other deposit holders in respect of any claim. Accordingly, there is no guarantee that the Custodian would ever be able to recover monies held in such cash accounts on the Company's behalf. The Custodian did not hold any cash balance at period end.

Capital risk

Where the objective of the underlying Fund seeks to provide high or good levels of income, the investment policy which supports this may result in a reduction in the capital value of the underlying Fund's Shares, linked to both actual and anticipated changes in interest rate.

Capital risk management

The net assets attributable to holders of participating redeemable preference shares are classified as financial liabilities and therefore, in the opinion of the Directors, the capital of the Company is only represented by the Founders Shares. Details of the Founders Shares are shown in Notes 3 and 14.

Due to the nature and requirement of the Founders' Shares the Directors have decided that no active capital risk management is required.

Fair value estimation

The fair value of financial assets and liabilities traded in active markets are based on quoted market prices at the close of trading on the period end date. The quoted market price used for financial assets held by the Company is the current mid-price, these are updated each morning at 10am and represented in the Fund's daily share prices; the appropriate quoted market price for financial liabilities is the current asking price. When the Company holds derivatives with offsetting market risks, it uses mid-market prices as a basis for establishing fair values for the offsetting risk positions and applies this bid or asking price to the net open position, as appropriate.

If a significant movement in fair value occurs subsequent to the close of trading on the period end date, valuation techniques will be applied to determine the fair value.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from a fund manager exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions at an arm's length basis.

IFRS 13 states the Company to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

Notes to the Financial Statements continued

For the period ended 29 September 2023

19. Financial risk management continued

The fair value hierarchy table is shown below.

Financial assets at fair value through profit and loss

29 September 2023

Fund	Level 1 £	Level 2 £	Level 3 £	Totals £
High Income Fund	104,951,600	—	—	104,951,600
Sterling Bond Fund	56,321,560	—	—	56,321,560

Fund	Level 1 €	Level 2 €	Level 3 €	Totals €
Euro High Income Fund	5,890,155	—	—	5,890,155

30 September 2022

Fund	Level 1 £	Level 2 £	Level 3 £	Totals £
High Income Fund	110,529,890	—	—	110,529,890
Sterling Bond Fund	60,046,214	—	—	60,046,214

Fund	Level 1 €	Level 2 €	Level 3 €	Totals €
Euro High Income Fund	6,267,015	—	—	6,267,015

The level in the fair value hierarchy within which the fair value measurement is categorised in its entirety is determined on the basis of the lowest level input that is significant to the fair value measurement in its entirety. For this purpose, the significance of an input is assessed against the fair value measurement in its entirety.

If a fair value measurement uses observable inputs that require significant adjustment based on unobservable inputs, that measurement is a level 3 measurement. Assessing the significance of a particular input to the fair value measurement in its entirety requires judgement, considering factors specific to the asset or liability. The determination of what constitutes 'observable', requires significant judgement by the Directors. The Directors consider observable data to be that market data that is readily available, regularly distributed or updated, reliable and verifiable, not proprietary, and provided by independent sources that are actively involved in the relevant market.

There have been no transfers between levels. The financial assets at fair value through profit or loss of the Company are all quoted in active markets and therefore fall under level 1 as previously defined.

Derivatives

Derivatives will only be used where they accord with existing investment objectives and policy. They may not be used for the purpose of reducing risk independently of investment strategy in respect of the underlying physical assets or for merely speculative purposes. Derivatives will only be used for efficient portfolio management including the management of duration risk.

Derivatives may not be used for the purpose of gearing or leveraging or for purposes of producing, enhancing or generating income. No derivative can be traded on an "Over the Counter" basis, and no uncovered positions are allowed.

Notes to the Financial Statements continued

For the period ended 29 September 2023

19. Financial risk management continued

The underlying Funds may hold the following derivatives:

(a) Futures

Futures are contractual obligations to buy or sell financial instruments on a future date at a specified price established in an organised market. The futures contracts are collateralised by cash or marketable securities. Changes in the futures contracts value are settled daily with the exchange. Interest rate futures are contractual obligations to receive or pay a net amount based on changes in interest rates at a future date at a specified price, established in an organised financial market. Futures are settled on a net basis.

(b) Options

An option is a contractual arrangement under which the seller (writer) grants the purchaser (holder) the right, but not the obligation, either to buy (a call option) or sell (a put option) at or by a set date or during a set period, a specific amount of securities or a financial instrument at a predetermined price.

The seller receives a premium from the purchaser in consideration for the assumption of future securities prices. Where options are held by the underlying Funds, they are exchange-traded. The Funds are exposed to credit risk on purchased options only to the extent of their carrying amount, which is their fair value. Options are settled on a gross basis.

The notional amounts of certain types of financial instrument provide a basis for comparison with instruments recognised on the statements of financial position, but they do not necessarily indicate the amounts of future cash flows involved or the current fair value of the instruments and do not therefore indicate the Company's exposure to credit or market price risks. The derivative instruments become favourable (assets) or unfavourable (liabilities) as a result of fluctuations in market interest rates or foreign exchange rates relative to their terms. The aggregate contractual or notional amount of derivative financial instruments on hand, the extent to which instruments are favourable or unfavourable, and thus the aggregate fair values of derivative financial assets and liabilities can fluctuate significantly from time to time.

During the period the Company did not enter into any derivative contracts.

Liquidity risk

Liquidity risk is the risk that the Fund may not be able to generate sufficient cash resources to settle its obligations in full as they fall due or can only do so on terms that are materially disadvantageous.

The Company is exposed to daily cash redemptions of Participating Shares which are redeemed on demand at the holder's option, and also to the settlement of margin calls on derivatives. It therefore invests all of its assets in investments that are traded in an active market and can be readily disposed of. From time to time assets held could become illiquid due to in-active trading.

At 29 September 2023 the percentage of the assets within the portfolios which are subject to special arrangements arising from their illiquid nature is Nil (2022: Nil). As such each Fund's financial assets are considered to be readily realisable for cash. The Manager manages each Fund's cash to meet its liabilities. Where investments cannot be realised in time to meet any redemptions of Participating Shares, each Fund may borrow up to 10% of its value to ensure settlement of its liabilities. Any such borrowings did not exceed the 10% limit.

In accordance with the Company's policy, the Investment Manager monitors each Fund's liquidity position on a daily basis.

Cross Fund Liability

Shareholders should be aware that in the event of the Company being unable to meet liabilities attributable to any particular Fund or share class out of the assets attributable to such Fund or share class, the excess liabilities may have to be met out of the assets attributable to the other Funds or share classes.

Notes to the Financial Statements continued

For the period ended 29 September 2023

19. Financial Risk Management continued

Liquidity risk continued

Period ended 29 September 2023

Net assets attributable to Holders of Participating Redeemable Preference Shares

(less than 1 month)

Cancellation payable

(less than 1 month)

Investment purchase payable

(less than 1 month)

Proposed dividend

(less than 1 month)

(1 month to 3 months)

Accrued expenses and other payables

(less than 1 month)

(1 month to 3 months)

Total financial liabilities

Company £	Euro High Income Fund €	High Income Fund £	Sterling Bond Fund £
172,182,208	6,010,680	108,886,638	58,013,094
116,263	8,868	64,259	44,319
—	—	—	—
483,515	—	483,515	—
596,574	46,211	—	556,524
280,985	9,729	161,506	111,049
69,177	2,027	22,496	44,921
173,728,722	6,077,515	109,618,414	58,769,907

Year ended 30 September 2022

Net assets attributable to Holders of Participating Redeemable Preference Shares

(less than 1 month)

Cancellation payable

(less than 1 month)

Investment purchase payable

(less than 1 month)

Proposed dividend

(less than 1 month)

(1 month to 3 months)

Accrued expenses and other payables

(less than 1 month)

(1 month to 3 months)

Total financial liabilities

Company £	Euro High Income Fund €	High Income Fund £	Sterling Bond Fund £
183,275,103	6,657,704	115,248,316	62,038,975
559,180	76,252	407,012	85,251
—	—	—	—
505,771	—	505,771	—
596,619	46,003	—	556,248
318,272	14,158	177,992	127,854
45,182	75	22,415	22,702
185,300,127	6,794,192	116,361,506	62,831,030

None of the Alternative Investment Fund's assets are subject to special arrangements arising from their illiquid nature in accordance with Article 23(4)(a) of Directive 2011/61/EU.

Notes to the Financial Statements continued

For the period ended 29 September 2023

20. Events After The Period End Date

There are no events after reporting that has arisen in the interval between the end of the financial period and the date of this report, any other item, transaction or event of a material nature likely in the opinion of the Directors, to affect significantly the operations of the Company, the results of those operations, or the state of affairs of the Company, in subsequent financial periods/years.

Unaudited Performance Records

For the period ended 29 September 2023

Euro High Income Fund

Shares in the Fund were first offered to the public in October 2006 at an offer price of 178.90 cents per share

Calendar Year/Period	Highest Offer Price c	Lowest Bid Price c	Income per Share c	Income per €1,000 Invested at 31/12/12 €
2013	169.10	161.70	7.45	50.78
2014	170.30	161.70	6.51	44.38
2015	173.50	159.70	4.94	33.67
2016	163.90	158.10	4.70	32.04
2017	163.00	159.90	4.96	33.81
2018	160.80	154.40	4.80	32.72
2019	161.30	149.30	4.50	30.67
2020	158.90	143.90	3.01	20.52
2021	156.08	147.60	3.98	27.13
2022	147.39	120.46	2.53	17.27
29.09.23	123.88	119.37	2.68	18.25

High Income Fund

Shares in the Fund were first offered to the public in June 1995 at an offer price of 100p per share.

Calendar Year/Period	Highest Offer Price p	Lowest Bid Price p	Income per Share p	Income per £1,000 Invested at 31/12/12 £
2013	91.66	85.23	4.82	58.82
2014	89.56	85.55	4.78	58.33
2015	92.53	85.86	4.59	55.95
2016	86.21	83.74	4.37	53.33
2017	90.65	87.58	3.13	38.19
2018	88.86	83.68	3.79	46.25
2019	88.90	82.21	3.60	43.93
2020	89.20	78.42	2.58	31.48
2021	89.08	81.90	3.33	40.63
2022	81.78	60.39	2.36	28.80
29.09.23	68.20	61.70	2.52	17.18

Unaudited Performance Records continued

For the period ended 29 September 2023

Sterling Bond Fund

Shares in the Fund were first offered to the public in July 2001 at an offer price of 148.6p per share.

Calendar Year/Period	Highest Offer Price p	Lowest Bid Price p	Income per Share p	Income per £1,000 Invested at 31/12/12 £
2013	151.60	140.10	5.91	44.30
2014	151.30	140.20	5.78	43.33
2015	156.80	144.70	5.40	40.48
2016	147.50	142.20	5.50	41.23
2017	158.90	150.90	4.50	33.73
2018	156.10	148.60	4.00	29.99
2019	160.60	146.20	3.85	28.86
2020	162.30	139.70	2.66	19.94
2021	164.93	152.55	3.63	27.23
2022	152.74	115.13	3.02	22.65
29.09.23	130.58	118.34	3.37	22.98

Unaudited Change in Net Asset Value per Share

For the period ended 29 September 2023

Year/ Period	Net Asset Value of Fund	Number of Shares in Issue	Opening net asset value per share	Return before operating charges*	Operating charges
Euro High Income Fund					
30.09.21	€9,089,746	6,063,964	153.16	0.79	(2.12)
30.09.22	€6,657,704	5,509,337	149.90	(26.93)	(2.10)
29.09.23	€6,010,695	5,028,417	120.84	2.42	(1.87)
High Income Fund					
30.09.21	£176,595,224	212,595,362	87.02	(0.61)	(1.00)
30.09.22	£115,248,316	187,322,800	83.07	(19.07)	(0.92)
29.09.23	£108,891,612	172,683,913	61.52	5.25	(0.76)
Sterling Bond Fund					
30.09.21	£89,794,424	58,050,962	159.63	(1.27)	(2.08)
30.09.22	£62,038,975	53,280,400	154.68	(35.30)	(1.92)
29.09.23	£58,025,955	47,770,327	116.44	10.53	(1.74)

* refer to Investment Manager report on pages 9 to 10 for performance commentary.

Unaudited Change in Net Asset Value per Share

For the period ended 29 September 2023

Year/ Period	Return after operating charges	Distributions on shares	Appreciation / (Depreciation) on capital assets	Closing net asset value per share	Retained income per share
Euro High Income Fund					
30.09.21	(1.33)	(4.07)	2.14	149.90	0.06
30.09.22	(29.03)	(3.68)	3.65	120.84	0.69
29.09.23	0.55	(3.67)	1.81	119.53	1.19
High Income Fund					
30.09.21	(1.61)	(3.55)	1.20	83.06	(0.02)
30.09.22	(19.99)	(3.36)	1.80	61.52	0.44
29.09.23	4.49	(3.47)	0.52	63.06	0.58
Sterling Bond Fund					
30.09.21	(3.35)	(3.72)	2.13	154.69	(0.02)
30.09.22	(37.22)	(4.11)	3.09	116.44	(0.41)
29.09.23	8.78	(4.77)	1.02	121.47	0.26

Unaudited Distribution Tables

For the period ended 29 September 2023

Euro High Income Fund

	Gross income	Equalisation payable	Distribution paid current period (cents)	Distribution paid prior period (cents)
1st Quarter				
Group 1	0.838	—	0.838	0.963
Group 2	0.534	0.304	0.853	0.963
2nd Quarter				
Group 1	0.853	—	0.853	0.846
Group 2	0.324	0.529	0.853	0.846
3rd Quarter				
Group 1	0.905	—	0.905	0.853
Group 2	0.400	0.505	0.905	0.853
4th Quarter				
Group 1	0.919	—	0.919	0.835
Group 2	0.399	0.520	0.919	0.835

1st Quarter

Group 1: Shares purchased prior to 1 October 2022

Group 2: Shares purchased between 1 October 2022 and 31 December 2022

2nd Quarter

Group 1: Shares purchased prior to 1 January 2023

Group 2: Shares purchased between 1 January 2023 and 31 March 2023

3rd Quarter

Group 1: Shares purchased prior to 1 April 2023

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

4th Quarter

Group 1: Shares purchased prior to 1 July 2023

Group 2: Shares purchased between 1 July 2023 and 29 September 2023

Unaudited Distribution Tables continued

For the period ended 29 September 2023

High Income Fund

	Gross income	Equalisation payable	Distribution paid current period (pence)	Distribution paid prior period (pence)
31 October 2022				
Group 1	0.270	—	0.270	0.273
Group 2	0.162	0.108	0.270	0.273
30 November 2022				
Group 1	0.270	—	0.270	0.273
Group 2	0.142	0.128	0.270	0.273
31 December 2022				
Group 1	0.270	—	0.270	0.270
Group 2	0.108	0.162	0.270	0.270
31 January 2023				
Group 1	0.280	—	0.280	0.270
Group 2	0.114	0.166	0.280	0.270
28 February 2023				
Group 1	0.280	—	0.280	0.260
Group 2	0.129	0.151	0.280	0.260
31 March 2023				
Group 1	0.280	—	0.280	0.260
Group 2	0.278	0.002	0.280	0.260
30 April 2023				
Group 1	0.280	—	0.280	0.260
Group 2	0.111	0.169	0.280	0.260
31 May 2023				
Group 1	0.280	—	0.280	0.260
Group 2	0.170	0.110	0.280	0.260
30 June 2023				
Group 1	0.280	—	0.280	0.260
Group 2	0.199	0.081	0.280	0.260
31 July 2023				
Group 1	0.280	—	0.280	0.260
Group 2	0.114	0.166	0.280	0.260
31 August 2023				
Group 1	0.280	—	0.280	0.260
Group 2	0.193	0.087	0.280	0.260
29 September 2023				
Group 1	0.280	—	0.280	0.270
Group 2	0.108	0.172	0.280	0.270

Unaudited Distribution Tables continued

For the period ended 29 September 2023

High Income Fund

31 October 2022

Group 1: Shares purchased prior to 1 October 2022

Group 2: Shares purchased between 1 October 2022 and 31 October 2022

30 November 2022

Group 1: Shares purchased prior to 1 November 2022

Group 2: Shares purchased between 1 November 2022 and 30 November 2022

31 December 2022

Group 1: Shares purchased prior to 1 December 2022

Group 2: Shares purchased between 1 December 2022 and 31 December 2022

31 January 2023

Group 1: Shares purchased prior to 1 January 2023

Group 2: Shares purchased between 1 January 2023 and 31 January 2023

28 February 2023

Group 1: Shares purchased prior to 1 February 2023

Group 2: Shares purchased between 1 February 2023 and 29 February 2023

31 March 2023

Group 1: Shares purchased prior to 1 March 2023

Group 2: Shares purchased between 1 March 2023 and 31 March 2023

30 April 2023

Group 1: Shares purchased prior to 1 April 2023

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

31 May 2023

Group 1: Shares purchased prior to 1 May 2023

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

31 June 2023

Group 1: Shares purchased prior to 1 June 2023

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

31 July 2023

Group 1: Shares purchased prior to 1 July 2023

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

31 August 2023

Group 1: Shares purchased prior to 1 August 2023

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

29 September 2023

Group 1: Shares purchased prior to 1 September 2023

Group 2: Shares purchased between 1 September 2023 and 29 September 2023

Unaudited Distribution Tables continued

For the period ended 29 September 2023

Sterling Bond Fund

	Gross income	Equalisation payable	Distribution paid current period (pence)	Distribution paid prior period (pence)
1st Quarter				
Group 1	1.120	—	1.120	0.943
Group 2	0.708	0.412	1.120	0.943
2nd Quarter				
Group 1	1.124	—	1.124	0.943
Group 2	0.579	0.545	1.124	0.943
3rd Quarter				
Group 1	1.082	—	1.082	1.304
Group 2	0.462	0.620	1.082	1.304
4th Quarter				
Group 1	1.165	—	1.165	1.044
Group 2	0.706	0.459	1.165	1.044

1st Quarter

Group 1: Shares purchased prior to 1 October 2022

Group 2: Shares purchased between 1 October 2022 and 31 December 2022

2nd Quarter

Group 1: Shares purchased prior to 1 January 2023

Group 2: Shares purchased between 1 January 2023 and 31 March 2023

3rd Quarter

Group 1: Shares purchased prior to 1 April 2023

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

4th Quarter

Group 1: Shares purchased prior to 1 July 2023

Group 2: Shares purchased between 1 July 2023 and 29 September 2023

Notice of Meeting

For the period ended 29 September 2023

Notice is hereby given that the 40th Annual General Meeting of Brooks Macdonald International Investment Funds Limited will be held at: 28 Esplanade, St Helier, Jersey, on Wednesday, 13 March 2024 at 9.30 a.m. for the following purposes:

Agenda

Ordinary Business

1. To appoint the Chairman of the meeting.

2. To read the convening notice.

3. RESOLUTION 1

To receive and if deemed appropriate, adopt the Annual Report and Audited Financial Statements of the Company for the period ended 29 September 2023.

4. RESOLUTION 2

To consider, and if deemed appropriate, re-elect Ross Davey Willcox as a Director of the Company.

5. RESOLUTION 3

To consider, and if deemed appropriate, re-elect Michael Peter Farley as a Director of the Company.

6. RESOLUTION 4

To consider, and if deemed appropriate, re-elect Richard John Hughes as a Director of the Company.

7. RESOLUTION 5

To consider, and if deemed appropriate, re-elect Brian Charles James as a Director of the Company.

8. RESOLUTION 6

To re-appoint PricewaterhouseCoopers CILLP as Auditors of the Company and to authorise the Directors to agree their remuneration.

NOTES:

A Member entitled to attend and vote at this Meeting may appoint one or more Proxies to attend and, on a poll, vote instead of him. A Proxy need not be a Member of the Company. To be valid, the completed form of proxy or letter of authority must be deposited at the Company's registered office or emailed to BMI.COSEC@JTCGROUP.COM not less than 48 hours before the appointed time for holding the meeting, or any adjournment thereof.

In the case of joint holders the vote of the senior shall be accepted to the exclusion of the vote of the other joint holders(s).

The quorum requirements is two members present in person or by proxy. If a quorum is not present, the meeting shall stand adjourned to Wednesday, 20 March 2024 at 9.30 a.m. at the same venue and at such adjourned meeting the shareholder's present in person or by proxy shall be the quorum.

By Order of the Board

JTC Fund Solutions (Jersey) Limited, Secretary
28 Esplanade
St Helier
Jersey
JE2 3QA

24 January 2024

Brooks Macdonald International Investment Funds Limited Form of Proxy

BLOCK LETTERS PLEASE.

FULL NAME(S)

ADDRESS:

I/We being a Member of the above named company hereby appoint the Chairman of the Meeting(see note1.) as my/our proxy to attend and vote for me/us on my/our behalf at the 40th Annual General Meeting of the Company to be held on Wednesday, 13 March 2024 at 9.30 a.m. and at any adjournment thereof.

Ordinary Resolutions:

1. To receive and if deemed appropriate, adopt the Annual Report and Audited Financial Statements of the Company for the period ended 29 September 2023.
2. To consider, and if deemed appropriate, re-elect Ross Davey Willcox as a Director of the Company.
3. To consider, and if deemed appropriate, re-elect Michael Peter Farley as a Director of the Company.
4. To consider, and if deemed appropriate, re-elect Richard John Hughes as a Director of the Company.
5. To consider, and if deemed appropriate, re-elect Brian Charles James as a Director of the Company.
6. To re-appoint PricewaterhouseCoopers CI LLP as Auditors of the Company and to authorise the Directors to agree their remuneration.

FOR	AGAINST

NOTES:

1. If you wish to appoint another person to be your proxy instead of the Chairman of the Meeting, you should delete the words "the Chairman of the Meeting", and write the name of your proxy in the space provided and initial the alteration.
2. Except as otherwise indicated by you, the proxy vote, or abstain from voting, at the meeting or any adjournment thereof as the proxy thinks fit.
3. In the case of a corporation, the form of proxy must be executed under its common seal or under the hand of an officer or attorney duly authorised in writing.
4. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the vote of the joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the Register of Members.
5. To be valid, forms of proxy must reach the registered office of the Company 28 Esplanade, St Helier, Jersey. JE2 3QA, not later than 48 hours before the time appointed for the meeting (or any adjourned meeting). Please note that we accept emailed scanned copies of the Form of Proxy, emailed to BMICOSEC@JTCGROUP.COM. Any power of attorney or other authority under which the form of proxy is signed must be sent with the form of proxy.

Signature

Date