

PHOENIX UNIT TRUST MANAGERS

MANAGER'S ANNUAL REPORT

For the year: 1 October 2021 to 30 September 2022

PUTM BOTHWELL ULTRA SHORT DURATION FUND



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*These collectively comprise the Authorised Fund Manager's Report.

Investment review

Dear Investor

Welcome to the PUTM Bothwell Ultra Short Duration Fund report for the 12-month period to 30 September 2022.

Performance Review

Over the review period, the Bothwell Ultra Short Duration Fund returned 0.6% (Source: abrdn from 30/09/21 to 30/09/22). This was compared to a return of 0.7% from its benchmark index (SONIA, source: abrdn from 30/09/21 to 30/09/22).

In the table below, you can see how the Fund performed against its benchmark index.

Standardised Past Performance

	30 Sep 21 - 30 Sept 22 % growth	16 Dec 20 - 30 Sep 21 % growth
PUTM Bothwell Ultra Short Duration Fund	0.6%	0.1%
Benchmark Index	0.7%	0.0%

Source: Fund performance is abrdn to 30/09/22. Benchmark index performance is abrdn to 30/09/22.

Past performance is not a guide to future performance.

The value of units and the income from them can go down as well as up and is not guaranteed. You may not get back the full amount invested.

Please note that all past performance figures are calculated without taking the initial charge into account.

Investment review

Portfolio Review

The Fund underperformed the index over the period.

Early in the period, the limiting of portfolio-weighted average maturity delivered capital protection from curve steepening. Our strong allocation to floating-rate securities allowed the Fund to reset very quickly to the higher-yield environment, following the surprise base rate increase in December 2021.

However, market volatility has created a challenging environment and has dominated portfolio performance over the past 12 months. Volatility reached such extreme levels towards the end of the period that the Bank of England was forced to step in to maintain the orderly function of gilt markets. The Fund was positioned defensively at this time, with an increased allocation to money market instruments and higher cash levels.

Although this volatility, particularly in credit spreads, has been a drag on performance, portfolio returns have moved higher (in line with market yields) and continue to benefit from the higher levels of income generation at current market rates. The Fund continues to outperform gilt and credit benchmarks in the 1-3 year space, where both duration and credit spread moves have led to negative returns. Capital preservation remains a key strategy, while positioning with low duration and strong liquidity during the period has been beneficial.

Market Outlook and Fund Strategy

The past twelve months have been marked by severe political turmoil and unprecedented market volatility, and the outlook for the UK is exceptionally uncertain at this time. As a result, the Fund remains underweight interest rate risk in order to mitigate against the rise in yields. We will remain agile, as such extremes in pricing should provide an opportunity to invest along the curve; however, sizing these trades will be key given the volatility we have seen recently.

Portfolio of investments (unaudited)

Investments held at 30 September 2022

Holding	Investment	Market value £000	Percentage of total net assets %
	Corporate Bonds (30/09/21 - 20.26%)		23.44
£15,000,000	Bank of Nova Scotia FRN 26/01/2026	15,163	1.18
£15,000,000	Banque Fédérative du Crédit Mutuel FRN 26/01/2025	14,838	1.15
£13,423,000	Barclays Bank FRN 09/01/2023	13,425	1.04
£9,350,000	Barclays Bank FRN 15/05/2023	9,356	0.73
£7,500,000	Clydesdale Bank FRN 22/03/2026	7,495	0.58
£8,401,000	Commonwealth Bank of Australia FRN 16/01/2025	8,394	0.65
£30,270,000	Coventry Building Society 1.5% 23/01/2023	29,969	2.32
£15,000,000	HSBC Bank FRN 08/03/2023	15,032	1.17
£15,000,000	HSBC Bank FRN 20/09/2023	15,001	1.16
£5,760,000	Lloyds Bank FRN 16/05/2024	5,773	0.45
£8,334,000	Metropolitan Life Global Funding FRN 28/09/2023	8,331	0.65
£12,701,000	National Australia Bank FRN 04/02/2025	12,672	0.98
£6,000,000	National Bank of Canada FRN 14/06/2023	5,997	0.46
£4,000,000	Nationwide Building Society FRN 12/04/2023	4,002	0.31
£14,100,000	Nationwide Building Society FRN 15/12/2023	14,029	1.09
£8,251,000	Nationwide Building Society FRN 10/01/2025	8,260	0.64
£10,000,000	Nationwide Building Society FRN 20/04/2026	9,993	0.77
£6,667,000	Royal Bank of Canada FRN 22/09/2023	6,701	0.52
£14,002,000	Royal Bank of Canada FRN 30/01/2025	13,964	1.08
£35,792,000	Santander FRN 16/11/2022	35,789	2.77
£13,520,000	Toronto Dominion Bank FRN 30/01/2023	13,517	1.05
£19,000,000	Toronto Dominion Bank FRN 22/04/2025	18,919	1.47
£5,937,000	Toyota Motor Finance Netherland 1.375% 23/05/2023	5,806	0.45
£10,000,000	Westpac Banking FRN 26/07/2023	9,988	0.77
	Mortgage Bonds (30/09/21 - 15.47%)		16.61
£5,125,000	Bavarian Sky FRN 20/04/2028	582	0.05
£30,793,000	Bavarian Sky FRN 20/08/2029	28,749	2.23
£11,667,000	Bumper 2021-1 Finance FRN 20/12/2030	8,861	0.69
£8,401,000	Economic Master Issuer 2020-1 FRN 25/06/2072	5,874	0.46
£12,600,000	Economic Master Issuer FRN 25/06/2073	12,386	0.96
£4,752,000	Friary No.7 FRN 21/10/2070	4,744	0.37
£8,626,000	Gosforth Funding 2018 FRN 25/08/2060	3,244	0.25
£22,783,000	Holmes Master Issuer FRN 15/10/2054	10,256	0.79
£36,139,000	Holmes Master Issuer FRN 15/10/2054	25,791	2.00
£31,272,000	Penarth Master Issuer FRN 18/03/2025	31,251	2.42
£38,500,000	Silver Arrow Compartment FRN 20/10/2027	19,972	1.55

Portfolio of investments (unaudited)

Investments held at 30 September 2022

Holding	Investment	Market value £000	Percentage of total net assets %
	Mortgage Bonds (continued)		
£17,451,000	Silverstone Master Issuer FRN 21/01/2070	13,956	1.08
£25,895,000	Silverstone Master Issuer FRN 21/01/2070	19,927	1.54
£50,322,000	Silverstone Master Issuer FRN 21/01/2070	28,691	2.22
	Public Authorities (30/09/21 - 1.47%)		0.85
£11,000,000	Korea Development Bank 1.75% 15/12/2022	10,948	0.85
	Supranational Bonds (30/09/21 - 0.81%)		0.99
£12,725,000	International Bank for Reconstruction and Development FRN 13/12/2022	12,722	0.99
	Money Market (30/09/21 - 9.89%)		3.78
£48,805	Aberdeen Standard Liquidity Fund (Lux) – Seabury Sterling Class Z-1+	48,731	3.78
	Certificates of Deposit (30/09/21 - 17.81%)		9.36
£8,000,000	Barclays Bank 2.9% 22/02/2023	7,966	0.62
£8,000,000	Barclays Bank 2.05% 24/03/2023	7,910	0.61
£10,000,000	Den Norske Bank 0.85% 10/01/2023	9,937	0.77
£20,000,000	Den Norske Bank 1.5% 06/03/2023	19,797	1.53
£6,000,000	Dz Bank 2.09% 09/05/2023	5,929	0.46
£8,000,000	National Australia Bank 2.19% 25/04/2023	7,893	0.61
£8,000,000	National Australia Bank 2.72% 14/06/2023	7,883	0.61
£10,000,000	National Australia Bank 3.55% 21/08/2023	9,852	0.76
£8,000,000	Nordea Bank Finland 3.1% 22/06/2023	7,918	0.61
£7,000,000	Nordea Bank Finland 4.24% 18/09/2023	6,947	0.54
£11,000,000	Rabobank International 2.1% 20/03/2023	10,890	0.84
£10,000,000	Royal Bank Of Canada 0.83% 03/01/2023	9,937	0.77
£8,000,000	Royal Bank Of Canada 4.40% 22/09/2023	7,949	0.63
	Commercial Paper (30/09/21 - 5.89%)		7.91
£7,000,000	Australia 0% 04/01/2023	6,937	0.54
£8,000,000	Bank of Montreal 0% 10/02/2023	7,942	0.62
£8,000,000	Bank of Montreal 0% 09/06/2023	7,762	0.60
£8,000,000	Banque Fédérative du Crédit Mutuel 0% 24/04/2023	7,794	0.60
£11,000,000	Den Norske Bank 0% 10/03/2023	10,813	0.84
£8,000,000	National Australia Bank 0% 05/05/2023	7,785	0.60
£11,000,000	National Bank of Canada 0% 04/01/2023	10,906	0.85
£27,000,000	Op Corporate Bank 0% 06/02/2023	26,657	2.07
£8,000,000	Op Corporate Bank 0% 22/08/2023	7,641	0.59
£8,000,000	Rabobank International 0% 04/05/2023	7,786	0.60

Portfolio of investments (unaudited)

Investments held at 30 September 2022

Holding	Investment	Market value £000	Percentage of total net assets %
	Portfolio of investments	811,930	62.94
	Net other assets	478,138	37.06
	Net assets	1,290,068	100.00

Unless otherwise stated, all investments are approved securities being either officially listed in a member state or traded on or under the rules of an eligible securities market.

+ SICAV (open ended investment scheme registered outside the UK).

Credit Ratings	£000	%
Investment grade	500,651	38.81
Unrated	39,717	3.08
Total investment in bonds	540,368	41.89

Top ten purchases and sales

For the year ended 30 September 2022

Purchases	Cost £000	Sales	Proceeds £000
Aberdeen Standard Liquidity Fund (Lux) –		Aberdeen Standard Liquidity Fund (Lux) –	
Seabury Sterling Class Z-1	96,940	Seabury Sterling Class Z-1	204,703
Den Norske Bank 1.5%		HSBC Bank FRN 14/09/2022	51,600
06/03/2023	40,000	LMA AB 0% 06/01/2022	37,384
Silver Arrow Compartment FRN		LMA AB 0% 01/10/2021	35,992
20/10/2027	38,500	Bank of Tokyo 0% 07/02/2022	35,000
LMA 0% 14/10/2022	35,935	Bank of Tokyo 0% CD	
Bank of Tokyo 0% 07/02/2022	34,993	21/02/2022	35,000
Bank of Tokyo 0% 21/02/2022	34,990	Norinchukin Bank 0% 20/10/2021	35,000
MUFG Bank 0% 21/03/2022	34,987	MUFG Bank 0% 21/03/2022	35,000
Coventry Building Society 1.5%		Toronto Dominion Bank FRN	
23/01/2023	30,125	24/06/2022	34,888
Matchpoint Finance 0%		OP Corporate Bank 0%	
21/02/2022	29,991	12/09/2022	31,000
Sheffield Receivables 0% 21/01/2022	29,983		
Subtotal	<u>406,444</u>	Subtotal	<u>535,567</u>
Other purchases	<u>1,817,950</u>	Other sales	<u>2,042,457</u>
Total purchases for the year	<u><u>2,224,394</u></u>	Total sales for the year	<u><u>2,578,024</u></u>

Statistical information

Comparative table

	Class 'B' Accumulation	
	30/09/22	30/09/21**
	pence	pence
Change in net assets per unit		
Opening net asset value per unit	100.12	100.00
Return before operating charges*	0.56	0.13
Operating charges	(0.01)	(0.01)
Return after operating charges*	0.55	0.12
Distributions on accumulation units	(0.86)	(0.15)
Retained distributions on accumulation units	0.86	0.15
Closing net asset value per unit	100.67	100.12
* after direct transaction costs of;	—	—

Performance

Return after charges	0.55%	0.12%
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Other information

Closing net asset value (£000)	1,290,068	1,582,567
Closing number of units	1,281,442,858	1,580,613,144
Operating charges	0.01%	0.02%
Direct transaction costs	0.00%	0.00%

Prices⁺

Highest unit price (pence)	100.74	100.20
Lowest unit price (pence)	100.10	99.15

**The Fund and Class 'B' Accumulation launched on 15 December 2020.

⁺High and low price disclosures are based on quoted unit prices. Therefore, the opening and closing NAV prices may fall outside the high/low price threshold.

Statistical information

Investment objective

The Fund aims to provide a total return (a combination of capital growth and income) by outperforming SONIA (before fees) by 0.27% to 0.47% per annum over any given 3 year period.

Investment policy

The Fund aims to achieve its objective by investing a minimum of 70% in a diversified portfolio of liquid transferable securities such as investment grade short term bonds (which either pay fixed or variable income), money market instruments, asset backed securities and mortgage backed securities available within and outside the UK from UK or non-UK issuers. These may be issued or guaranteed by UK government, other sovereign governments or their agencies, supranational issuers, banks, corporates or other commercial issuers. The Fund may invest in fixed rate instruments with a duration of up to 2 years and floating rate instruments with a weighted average maturity of up to 5 years. However, it may only hold these instruments in weighted proportions which means the total duration of the Fund's portfolio shall not exceed one year. The maturity for Asset Backed Securities and/or amortising assets is determined by the expected maturity of such assets rather than the legal maturity at issuance of such securitisations.

In order to pursue its investment policy, the Fund may also invest the Fund's assets in cash, near cash, deposits and units in collective investment schemes. The Fund may make limited use of stock lending, repos and reverse repos.

Derivatives may be used for efficient portfolio management.

Investment strategy

The Fund's holdings will typically consist of individual bonds but derivatives (including currency forwards and interest rate and credit default swaps) may be used to gain or reduce (hedge) exposure. The Fund is actively managed and the investment manager invests the Fund's assets using the principle of risk diversification to achieve the objective, through active duration and yield curve management. Non-Sterling denominated assets will typically be hedged back to sterling to minimise exposure to currency rate movements.

Revenue distribution and pricing

Units of the Fund are available as Class 'B' Accumulation units (where revenue is reinvested to enhance the unit price). There will be two potential distributions in each accounting year: an interim distribution as at 31 March and a final distribution as at 30 September.

At each distribution the net revenue after deduction of expenses, from the investments of the Fund, is apportioned amongst the unitholders. Unitholders receive a tax voucher giving details of the distribution and the Manager's Report no later than two months after these dates.

Statistical information

Risk and reward profile

The Risk and Reward Indicator table demonstrates where the Fund ranks in terms of its potential risk and reward. The higher the rank the greater the potential reward but the greater the risk of losing money. It is based on past data, may change over time and may not be a reliable indication of the future risk profile of the Fund. The shaded area in the table below shows the Fund's ranking on the Risk and Reward Indicator.



This Fund is ranked at 1 (30/09/21: 1) because funds of this type have experienced low rises and falls in value in the past.

The above figure applies to the following unit class:

- Class 'B' Accumulation

Please note that even the lowest risk class can lose you money and that extreme market circumstances can mean you suffer severe losses in all cases. Please note the Fund's risk category may change in the future. The indicator does not take into account the following risks of investing in this Fund:

- Bonds are affected by changes in interest rates, inflation and any decline in creditworthiness of the bond issuer. Bonds that produce a higher level of income usually also carry greater risk as such bond issuers may have difficulty in paying their debts.
- Although the Investment Manager will use currency trades to reduce exchange rate risk on investments not priced in Sterling, this may not completely eliminate the Fund's exchange rate risk.
- The Fund may use derivatives to reduce risk or cost or to generate additional capital or income at low risk, or to meet its investment objective.

For more information on the Risk and Reward profiles of our Funds, please refer to the most up to date relevant fund and Unit Class Key Investor Information Documents (KIIDs). These are available online at www.phoenixunittrust.co.uk.

Annual financial statements

For the year ended 30 September 2022

Statement of total return

	Notes	30/09/22 £000	30/09/21 £000
Income			
Net capital losses	4	(4,632)	(363)
Revenue	5	12,979	2,528
Expenses	6	(208)	(195)
Interest payable and similar charges		–	(1)
Net revenue before taxation		12,771	2,332
Taxation	7	–	–
Net revenue after taxation		12,771	2,332
Total return before distributions		8,139	1,969
Distributions	8	(12,842)	(2,390)
Change in unitholders' funds from investment activities		(4,703)	(421)

Statement of change in unitholders' funds

	30/09/22 £000	30/09/21 £000
Opening net assets	1,582,567	–
Amounts receivable on issue of units	14,523	299
Amounts receivable on in-specie transfer*	–	1,607,639
Amounts payable on cancellation of units	(313,931)	(27,318)
	(299,408)	1,580,620
Change in unitholders' funds from investment activities	(4,703)	(421)
Retained distributions on accumulation units	11,612	2,368
Closing net assets	1,290,068	1,582,567

*Represents the value of units created by in-specie transfer of assets during the period.

Annual financial statements

As at 30 September 2022

Balance sheet

	Notes	£000	30/09/22 £000	£000	30/09/21 £000
Assets:					
Fixed assets:					
Investments			811,930		1,133,096
Current assets:					
Debtors	9	5,317		1,275	
Cash and bank balances	10	<u>635,960</u>		<u>502,838</u>	
Total current assets			<u>641,277</u>		<u>504,113</u>
Total assets			<u>1,453,207</u>		<u>1,637,209</u>
Liabilities:					
Creditors:					
Other creditors	11	<u>(163,139)</u>		<u>(54,642)</u>	
Total creditors			<u>(163,139)</u>		<u>(54,642)</u>
Net assets			<u>1,290,068</u>		<u>1,582,567</u>
Unitholders' funds			<u>1,290,068</u>		<u>1,582,567</u>

Notes to the financial statements

Note 1 Accounting policies

(a) Basis of preparation

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

These financial statements are prepared on a going concern basis. The Manager has made an assessment of the Fund's ability to continue as a going concern, and is satisfied it has the resources to continue in business for the foreseeable future and is not aware of any material uncertainties that may cast significant doubt on this assessment. This assessment is made for a period of 12 months from when the financial statements are authorised for issue and considers liquidity, declines in global capital markets, known redemption levels, expense projections and key service provider's operational resilience.

(b) Valuation of investments

The quoted investments of the Fund have been valued at bid dealing prices as at close of business on 30 September 2022, the last valuation point in the accounting year, in accordance with the Trust Deed.

Investments in collective investment schemes have been valued at bid price for dual priced funds or the single price for single priced funds. Where these investments are managed by the Manager or an associate of the Manager, the holdings have been valued at the cancellation price for dual priced funds or the single price for single priced funds. This price is the last available published price at the year end.

(c) Foreign exchange

Transactions in foreign currencies during the year are translated into Sterling (the functional currency of the Fund), at the rates of exchange ruling on the transaction date. Amounts held in foreign currencies have been translated at the rate of exchange ruling at close of business, 30 September 2022, the last valuation point in the accounting year.

(d) Revenue

Interest receivable on bank deposits is accounted for on a receipts basis and money market funds is accounted for on an accruals basis. Interest receivable from debt securities is accounted for on an effective interest rate basis. Accrued interest purchased or sold is excluded from the cost of the security and is accounted for as revenue.

(e) Expenses

Expenses are accounted for on an accruals basis. Expenses of the Fund are charged against revenue, except for the safe custody fees and costs associated with the purchase and sale of investments, which are charged to capital.

Notes to the financial statements

Note 1 Accounting policies (continued)

(f) Taxation

The Fund satisfied the rules of SI 2006/964, Reg 19 throughout the period. All distributions made are therefore made as interest distributions. The Fund has no corporate tax liability as interest distributions are tax deductible.

(g) Deferred taxation

Deferred tax is provided at current rates of corporation tax on all timing differences which have originated but not reversed by the Balance sheet date. Deferred tax is not recognised on permanent differences.

Deferred tax assets are recognised only to the extent that the Manager considers it is more likely than not that there will be taxable profits from which underlying timing differences can be deducted.

Note 2 Distribution policies

(a) Basis of distribution

Revenue produced by the Fund's investments accumulates during each accounting period. If, at the end of each accounting period, revenue exceeds expenses, the net revenue of the Fund is available to be accumulated to unitholders.

The Fund is more than 60% invested in qualifying investments (as defined by SI 2006/964, Reg 20) and will pay an interest distribution.

(b) Unclaimed distributions

Distributions remaining unclaimed after six years are paid into the Fund as part of the capital property.

(c) Interest from debt securities

Future cash flows on all assets are considered when calculating revenue on an effective interest rate basis and where, in the Manager's view there is doubt as to the final maturity value, an estimate of the final redemption proceeds will be made in determining those cash flows. The impact of this will be to reduce the revenue from debt securities, and therefore the revenue distributed, whilst preserving capital within the Fund.

(d) Expenses

In determining the net revenue available for distribution, charges in relation to the safe custody are ultimately borne by capital.

Note 3 Risk management policies

The risks arising from the Fund's financial instruments are market price risk, interest rate risk, foreign currency risk, liquidity risk, credit risk and counterparty risk. The Manager's policies for managing these risks are summarised below and have been applied throughout the year.

(a) Market price risk

Market price risk arises mainly from uncertainty about future prices of financial instruments held. It represents the potential loss the Fund might suffer through holding market positions in the face of price movements. The Fund's investment portfolio is exposed to market fluctuations which are monitored by the Manager in pursuit of the investment objectives and policies. Adherence to investment guidelines and to investment and

Notes to the financial statements

Note 3 Risk management policies (continued)

borrowing powers set out in the Trust Deed, the Prospectus and in the Collective Investment Schemes Sourcebook ("the Sourcebook") mitigates the risk of excessive exposure to any particular type of security or issuer.

(b) Interest rate risk

The Fund's assets are comprised of partly fixed interest rate securities. There is therefore a risk that the capital value of investments will vary as a result of the market's sentiment regarding future interest rates.

Expectations of future rates may result in an increase or decrease in the value of investments held. In general, if interest rates rise the revenue potential of the Fund also rises but the value of fixed interest rate securities will decline. A decline in interest rates will in general have the opposite effect.

Any transactions in fixed interest securities must be used in accordance with the investment objective of the Fund and must be deemed by the Investment Manager to be economically appropriate. Regular production of portfolio risk reports highlight concentrations of risk, including interest rate risk, for this Fund.

Interest receivable on bank deposits or payable on bank overdraft positions will be affected by fluctuations in interest rates.

(c) Foreign currency risk

The Fund has no significant exposure to foreign currency risk.

(d) Liquidity risk

The Fund's assets are comprised of mainly readily realisable securities. If insufficient cash is available to finance unitholder redemptions then securities held by the Fund may need to be sold. The risk of low market liquidity, through reduced trading volumes, may affect the ability of the Fund to trade financial instruments at values previously indicated by financial brokers. From time to time, liquidity may also be affected by stock specific or economic events. To manage these risks the Manager performs market research in order to achieve the best price for any transactions entered into on behalf of the Fund. All stocks are valued daily but those stocks identified as being less liquid are reviewed on a regular basis for pricing accuracy.

(e) Credit risk

At the Balance sheet date some 23.44% of the Fund's assets were held in corporate bonds, 16.61% in mortgage bonds, 0.85% in public authorities and 0.99% in supranational bonds.

Corporate, mortgage, public authorities and supranational bonds involve the risk that the bond issuer will be unable to meet its liability to pay interest or redeem the bond. The Fund Manager selects bonds taking into account the credit rating, bearing in mind the Fund's objective.

(f) Counterparty risk

Certain transactions in securities that the Fund enters into expose it to the risk that the counterparty will not deliver the investment (purchase) or cash (sale) after the Fund has fulfilled its responsibilities. The Fund only buys and sells investments through brokers which have been approved by the Manager as an acceptable counterparty. This list is reviewed annually.

Notes to the financial statements

Note 4 Net capital losses

The net capital losses during the year comprise:

	30/09/22	30/09/21
	£000	£000
Losses on non-derivative securities	(4,483)	(228)
Currency losses	(148)	(135)
Handling charges	(1)	–
Net capital losses	<u>(4,632)</u>	<u>(363)</u>

Note 5 Revenue

	30/09/22	30/09/21
	£000	£000
Interest on debt securities	10,960	2,323
Bank interest	16	–
Liquidity interest	2,003	205
Total revenue	<u>12,979</u>	<u>2,528</u>

Note 6 Expenses

	30/09/22	30/09/21
	£000	£000
(a) Payable to the Manager or associates of the Manager and agents of either of them:		
Manager's periodic charge	<u>83</u>	<u>95</u>
(b) Payable to the Trustee or associates of the Trustee and agents of either of them:		
Trustee's fees	<u>40</u>	<u>32</u>
(c) Other expenses:		
Audit fee	10	10
Safe custody charges	71	58
Printing & stationery	1	–
Professional fees	<u>3</u>	<u>–</u>
	<u>85</u>	<u>68</u>
Total expenses	<u>208</u>	<u>195</u>

Notes to the financial statements

Note 7 Taxation

	30/09/22 £000	30/09/21 £000
(a) Analysis of tax charge for the year	–	–
Total taxation (Note 7(b))	–	–
(b) Factors affecting the tax charge for the year		
The tax assessed for the year is lower than that calculated when the standard rate of corporation tax for Authorised Unit Trusts is applied to total revenue return. The differences are explained below:		
Net revenue before taxation	12,771	2,332
Corporation tax at 20% (30/09/21: 20%)	2,554	466
Effects of:		
Deductible interest distributions	(2,554)	(466)
Total tax charge for the year (Note 7(a))	–	–

Authorised Unit Trusts are exempt from tax on capital gains in the UK.

- (c) Provision for deferred taxation
No deferred tax asset has been recognised in the year or the prior year.

Note 8 Distributions

The distributions take account of amounts added on the issue of units and amounts deducted on the cancellation of units, and comprise:

	30/09/22 £000	30/09/21 £000
Interim	3,548	–
Final	8,064	2,368
	11,612	2,368
Amounts deducted on cancellation of units	1,247	22
Amounts added on issue of units	(17)	–
Net distribution for the year	12,842	2,390
Net revenue after taxation	12,771	2,332
Expenses taken to capital	71	58
Net distribution for the year	12,842	2,390

Details of the distribution per unit are set out in the tables on page 22.

Note 9 Debtors

	30/09/22 £000	30/09/21 £000
Creations awaiting settlement	2,500	–
Accrued income	2,817	1,275
Total debtors	5,317	1,275

Note 10 Cash and bank balances

	30/09/22 £000	30/09/21 £000
Cash and bank balances	148	82
Call deposit account	26,001	26,004
Certificates of deposits	220,493	221,658
Commercial papers	137,836	128,097
Time deposits	251,482	126,997
Total cash and bank balances	635,960	502,838

Notes to the financial statements

Note 11 Other creditors

	30/09/22 £000	30/09/21 £000
Cancellations awaiting settlement	163,074	-
Purchases awaiting settlement	-	54,533
Manager's periodic charge payable	19	71
Trustee's fees payable	13	17
Safe custody charges payable	23	11
Audit fee payable	10	10
Total other creditors	<u>163,139</u>	<u>54,642</u>

Note 12 Reconciliation of units

	Class 'B' Accumulation
Opening units issued at 01/10/21	1,580,613,144
Units issued	14,499,292
Units cancelled	(313,669,578)
Closing units at 30/09/22	<u>1,281,442,858</u>

Note 13 Contingencies and commitments

At 30 September 2022 the Fund had no outstanding calls on partly paid shares, no potential underwriting commitments or any other contingent liabilities (30/09/21: £nil).

Note 14 Related party transactions

The Manager is a related party to the Fund by virtue of its controlling influence.

The Manager is part of the Phoenix Group. Phoenix Life Limited which is also part of the Phoenix Group, is a material unitholder in the Fund and therefore a related party, holding 100% of the units in Class 'B' Accumulation at the year end (30/09/21: 100%).

Manager's periodic charge paid to the Manager, Phoenix Unit Trust Managers Limited, or its associates, is shown in Note 6(a) and details of the units issued and cancelled by the Manager are shown in the Statement of change in unitholders' funds and Note 8.

Any balances due to/from the Manager or its associates at 30 September 2022 in respect of these transactions are shown in Notes 9 and 11.

Note 15 Financial instruments

In accordance with the investment objective, the Fund holds certain financial instruments. These comprise:

- securities held in accordance with the investment objective and policies;
- derivative transactions which the Fund may also enter into, the purpose of which is to manage the currency and market risks arising from the Fund's investment activities; and
- cash and short term debtors and creditors arising directly from operations.

Counterparty exposure

There was no counterparty exposure held at the year end.

Currency exposure

There was no currency exposure in the current year.

Notes to the financial statements

Note 16 Financial instruments

Interest profile

The interest rate risk profile of financial assets and liabilities at 30 September 2022 was:

Currency	Fixed rate financial assets £000	Floating rate financial assets £000	Financial assets not carrying interest £000	Total £000
Sterling	269,554	1,178,336	5,317	1,453,207
	269,554	1,178,336	5,317	1,453,207

Currency	Floating rate financial liabilities £000	Financial liabilities not carrying interest £000	Total £000
Sterling	–	(163,139)	(163,139)
	–	(163,139)	(163,139)

The interest rate risk profile of financial assets and liabilities at 30 September 2021 was:

Currency	Fixed rate financial assets £000	Floating rate financial assets £000	Financial assets not carrying interest £000	Total £000
Sterling	427,387	1,208,547	1,275	1,637,209
	427,387	1,208,547	1,275	1,637,209

Currency	Floating rate financial liabilities £000	Financial liabilities not carrying interest £000	Total £000
Sterling	–	(54,642)	(54,642)
	–	(54,642)	(54,642)

Interest rates earned/paid on deposits are earned/paid at a rate linked to LIBOR (London Interbank Offered Rate) or international equivalent. Interest was also earned on the investments in the Aberdeen Standard Liquidity Fund.

Note 17 Financial instruments

Sensitivity analysis

Interest rate risk sensitivity

Changes in interest rates or changes in expectation of future interest rates may result in an increase or decrease in the the market value of the investments held. A one percent increase in interest rates (based on current parameters used by the Manager's Investment Risk department) would have the effect of decreasing the return and net assets by £1,548,082 (30/09/21: £12,502,280). A one percent decrease would have an equal and opposite effect.

Foreign currency risk sensitivity

As the majority of the Fund's financial assets are in the base currency of the Fund (Sterling), the Fund is only subject to limited exposure to fluctuations in foreign currency and therefore, no sensitivity analysis has been provided.

Market price risk sensitivity

A five percent increase in the value of the Fund's portfolio would have the effect of increasing the return and net assets by £40,596,483 (30/09/21: £56,654,790). A five percent decrease would have an equal and opposite effect.

Notes to the financial statements

Note 18 Fair value of investments

The fair value of the Fund's investments has been determined using the hierarchy below. This complies with the 'Amendments to FRS 102 – Fair value hierarchy disclosures' issued by the Financial Reporting Council in March 2016.

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

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

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

For the year ended 30/09/22

Level	1	2	3	Total
Investment assets	£000	£000	£000	£000
Bonds	23,670	739,529	–	763,199
Money markets/Time deposits	48,731	–	–	48,731
	72,401	739,529	–	811,930

For the period ended 30/09/21

Level	1	2	3	Total
Investment assets	£000	£000	£000	£000
Bonds	35,949	940,562	–	976,511
Money markets/Time deposits	156,585	–	–	156,585
	192,534	940,562	–	1,133,096

Note 19 Portfolio transaction costs

For the year ended 30/09/22

	Value £000	Commission £000	%	Taxes £000	%	Other expenses £000	%	Total costs £000
Analysis of total purchases costs								
Bond transactions	2,127,454	–	–	–	–	–	–	2,127,454
Money markets	96,940	–	–	–	–	–	–	96,940
Total	2,224,394	–	–	–	–	–	–	2,224,394
	Value £000	Commission £000	%	Taxes £000	%	Other expenses £000	%	Total costs £000
Analysis of total sales costs								
Bond transactions	5,301	–	–	–	–	–	–	5,301
Money markets	204,703	–	–	–	–	–	–	204,703
Corporate actions	2,368,020	–	–	–	–	–	–	2,368,020
Total	2,578,024	–	–	–	–	–	–	2,578,024

Commission, taxes and other expenses as % of average net assets:

Commission	0.00%
Taxes	0.00%
Other expenses	0.00%

Notes to the financial statements

Note 19 Portfolio transaction costs (continued)

For the period ended 30/09/21

	Value £000	Commission £000	%	Taxes £000	%	Other expenses £000	%	Total costs £000
Analysis of total purchases costs								
Bond transactions	1,500,709	–	–	–	–	–	–	1,500,709
Money markets	395,189	–	–	–	–	–	–	395,189
In-specie transactions	1,365,221	–	–	–	–	–	–	1,365,221
Total	<u>3,261,119</u>	<u>–</u>		<u>–</u>		<u>–</u>		<u>3,261,119</u>
	Value £000	Commission £000	%	Taxes £000	%	Other expenses £000	%	Total costs £000
Analysis of total sales costs								
Money markets	238,583	–	–	–	–	–	–	238,583
Corporate actions	1,536,644	–	–	–	–	–	–	1,536,644
Total	<u>1,775,227</u>	<u>–</u>		<u>–</u>		<u>–</u>		<u>1,775,227</u>

Commission, taxes and other expenses as % of average net assets:

Commission 0.00%

Taxes 0.00%

Other expenses 0.00%

The purchases and sales of securities incurred no direct transaction costs during the year or prior year. Portfolio transaction costs are incurred by the Fund when buying and selling underlying investments. These costs vary depending on the class of investment, country of exchange and method of execution.

These costs can be classified as either direct or indirect transaction costs:

Direct transaction costs: Broker commissions, fees and taxes.

Indirect transaction costs: "Dealing spread" - the difference between buying and selling prices of the underlying investments.

At the Balance sheet date the portfolio dealing spread was 0.07% (30/09/21: 0.06%) being the difference between the respective bid and offer prices for the Fund's investments.

Distribution tables

For the year ended 30 September 2022

Interest distributions

Interim distribution in pence per unit

Group 1: units purchased prior to 1 October 2021

Group 2: units purchased 1 October 2021 to 31 March 2022

	Gross income	Equalisation	2022 pence per unit paid 31 May*
Class 'B' Accumulation			
Group 1	0.2284	—	0.2284
Group 2	0.2146	0.0138	0.2284

Final distribution in pence per unit

Group 1: units purchased prior to 1 April 2022

Group 2: units purchased 1 April 2022 to 30 September 2022

	Gross income	Equalisation	2022 pence per unit payable 30 Nov	2021 pence per unit paid 30 Nov*
Class 'B' Accumulation				
Group 1	0.6293	—	0.6293	0.1498
Group 2	0.4362	0.1931	0.6293	0.1498

* The Fund launched on 15 December 2020, so there are no comparatives.

Equalisation

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

Responsibilities of the manager and the trustee

- a) The Manager of the Fund is required by the Financial Conduct Authority's Collective Investment Schemes Sourcebook ('the Sourcebook') to prepare financial statements for each annual accounting period which give a true and fair view of the financial position of the Fund at the end of that period and the net revenue or expense and the net gains or losses on the property of the Fund for the period then ended.

In preparing these financial statements, the Manager is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are prudent and reasonable;
- state whether applicable accounting standards have been followed subject to any material departure disclosed and explained in the financial statements; and
- prepare the financial statements on the basis that the Fund will continue in operation unless it is inappropriate to presume this.

The Manager is also required to manage the Fund in accordance with the Trust Deed, the Prospectus and the Sourcebook, maintain proper financial records to enable them to ensure that the financial statements comply with the Statement of Recommended Practice for Authorised Funds as issued by the IA in May 2014 (amended June 2017) and the Sourcebook and take reasonable steps for prevention and detection of fraud and other irregularities.

- b) The Depositary in its capacity as Trustee of the PUTM Bothwell Ultra Short Duration Fund must ensure that the Trust is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Financial Services and Markets Act 2000, as amended, (together "the Regulations"), the Trust Deed and Prospectus (together "the Scheme documents") as detailed below.

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

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

The Depositary must ensure that:

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

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

Trustee's report and directors' statement

Statement of the Depositary's Responsibilities in Respect of the Scheme and Report of the Depositary to the Unitholders of the PUTM Bothwell Ultra Short Duration Fund ("the Trust") for the Period Ended 30th September 2022.

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

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

London
27 January 2023

HSBC Bank plc

Directors' statement

In accordance with the requirements of the Collective Investment Schemes Sourcebook as issued and amended by the Financial Conduct Authority, we hereby certify the report on behalf of the Directors of Phoenix Unit Trust Managers Limited.

Birmingham
27 January 2023

Craig Baker, Director
Brid Meaney, Director

Independent auditor's report to the unitholders of the PUTM Bothwell Ultra Short Duration Fund

Opinion

We have audited the financial statements of the PUTM Bothwell Ultra Short Duration Fund ("the Fund") for the year ended 30 September 2022 which comprise the Statement of Total Return, the Statement of Change in Unitholders' Funds, the Balance Sheet, the Distribution Tables and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 'The Financial Reporting Standard applicable to the UK and Republic of Ireland'(United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the financial position of the Fund as at 30 September 2022 and of the net revenue and the net capital loss on the scheme property of the Fund for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice.

Basis for opinion

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

We are independent of the Fund in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (FRC) Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Our responsibilities and the responsibilities of the Manager with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Fund's ability to continue as a going concern.

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our auditor's report thereon. The Manager is responsible for the other information contained within the Annual Report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

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

Independent auditor's report to the unitholders of the PUTM Bothwell Ultra Short Duration Fund

We have nothing to report in this regard.

Opinions on other matters prescribed by the rules of the Collective Investment Schemes Sourcebook of the Financial Conduct Authority ("the FCA")

In our opinion:

- the financial statements have been properly prepared in accordance with the Statement of Recommended Practice relating to Authorised Funds, the rules of the Collective Investment Schemes Sourcebook of the Financial Conduct Authority and the Trust Deed;
- there is nothing to indicate that proper accounting records have not been kept or that the financial statements are not in agreement with those records; and
- the information given in the Manager's report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matter in relation to which the Collective Investment Schemes Sourcebook of the Financial Conduct Authority rules requires us to report to you if, in our opinion:

- we have not received all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit

Responsibilities of the Manager

As explained more fully in the Manager's responsibilities statement set out on page 23, the Manager is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Manager is responsible for assessing the 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 Manager either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud.

The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

Independent auditor's report to the unitholders of the PUTM Bothwell Ultra Short Duration Fund

Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Fund and determined that the most significant are United Kingdom Generally Accepted Accounting Practice, the Investment Management Association Statement of Recommended practice (the "IMA SORP"), the FCA Collective Investment Schemes Sourcebook, the Fund's Trust Deed and the Prospectus.
- We understood how the Fund is complying with those frameworks through discussions with the Manager and the Fund's administrator and a review of the Fund's documented policies and procedures.
- We assessed the susceptibility of the Fund's financial statements to material misstatement, including how fraud might occur by considering the risk of management override, specifically management's propensity to influence revenue and amounts available for distribution.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved review of the reporting to the Manager with respect to the application of the documented policies and procedures and review of the financial statements to test compliance with the reporting requirements of the Fund.
- Due to the regulated nature of the Fund, the Statutory Auditor considered the experience and expertise of the engagement team to ensure that the team had the appropriate competence and capabilities to identify non-compliance with the applicable laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report. This description forms part of our auditor's report.

Use of our report

This report is made solely to the unitholders of the Fund, as a body, pursuant to Paragraph 4.5.12 of the rules of the Collective Investment Schemes Sourcebook of the Financial Conduct Authority.

Our audit work has been undertaken so that we might state to the unitholders of the Fund those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Fund and the unitholders of the Fund as a body, for our audit work, for this report, or for the opinions we have formed.

Ernst & Young LLP
Statutory Auditor
Edinburgh
27 January 2023

Corporate information (unaudited)

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

Phoenix Unit Trust Managers Limited is part of the Phoenix Group.

Ignis Investment Services Limited is part of the Standard Life Aberdeen plc group and its subsidiaries.

Unit prices appear daily on our website www.phoenixunittrust.co.uk.

Administration & Dealing: 0345 584 2803 (between the hours of 9am & 5pm).

Remuneration

The Manager has adopted a remuneration policy, up-to-date details of which can be found on www.phoenixunittrust.co.uk. This statement describes how remuneration and benefits are calculated and identifies the committee which oversees and controls this policy. A paper copy of these details can be requested free of charge from the Manager.

This statement fulfils Phoenix Unit Trust Managers Limited's ('the Manager') obligations as an authorised UK UCITS Manager in respect of compliance with the UCITS V Remuneration Code and contains relevant remuneration disclosures.

PUTM Unit Trusts are managed by Phoenix Unit Trust Managers Limited, which is a subsidiary of Phoenix Life Limited, part of The Phoenix Group plc ('the Group').

The Remuneration Committee ('the Committee') of the Group has established a Remuneration Policy which applies to all entities of the Group. The guiding principles of this policy ensure sound and effective risk management so as not to encourage risk-taking outside of the Group's risk appetite, and support management in the operation of their business through identification of minimum control standards and key controls. The Committee approves the list of UK UCITS Code Staff annually and identified UK UCITS Code Staff are annually notified of their status and the associated implications.

Further information on the Group Remuneration Policy can be found in the Group annual reports and accounts which can be found on www.phoenixgroup.com.

The below table provides detail of remuneration provided, split between fixed and variable remuneration, for UK UCITS Code Staff (defined as all staff whose professional activities have material impact on the risk profiles of the fund it manages).

As at 31 December 2021

	Headcount	Total remuneration
Phoenix Unit Trust Managers	2	90,655.88
of which		
Fixed Remuneration	2	59,744.92
Variable Remuneration	1	30,910.96
Carried Interest	n/a	
Highest paid Director's Remuneration		40,843.47

The Directors are employed by fellow entities of the Group. The total compensation paid to the Directors of the Manager is in respect of services to the Manager, irrespective of which entity within the Phoenix Group has paid the compensation.

Please note that due to the employment structure and resourcing practices of the Group, the staff indicated in this table may also provide services to other companies in the Group.

Corporate information (unaudited)

The table states the actual number of employees who are fully or partly involved in the activities of the Manager, no attempt has been made to apportion the time spent specifically in support of each fund as this data is not captured as part of the Manager's normal processes.

The remuneration disclosed is the total remuneration for the year and has been apportioned between the provisions of services to the Manager and not the Fund.

Total remuneration can include any of the following;

- Fixed pay and annual/long term incentive bonuses.
- Where fixed pay is directly attributable to PUTM Unit Trusts (for example, fees for Phoenix Unit Trust Managers Limited), 100% of those fees.
- For other individuals, pro-rated using the average AUM of PUTM Unit Trusts (as a proportion of the aggregate average AUM of The Phoenix Group plc) as proxy.

Senior Management includes – PUTM Board and PUTM Executive Committees.

Other Code Staff includes all other UCITS Code Staff not covered by the above.

Assessment of Value

We are required to perform an annual assessment of the value for money for each unit class of PUTM Bothwell Ultra Short Duration Fund. This has been performed based on the information available as at 30 September 2022.

We have performed this review having regard to a wide range of factors. In doing so, we have made comparison with the other unit classes of the relevant fund, with the unit classes and sub-funds within our fund ranges and also with comparable unit classes and sub-funds in the rest of the market.

Broadly speaking, assessment of value requires consideration of a combination of factors, including the return achieved, the price paid, the risk taken and the quality and range of services provided by the asset manager. This also needs to be considered in the context of the investment objectives and policy for the Fund, the target investor and the recommended holding period.

In considering cost, regard needs to be had to the total cost of investing, including any adviser charges, platform charges, adviser fees and the on-going annual management charge. Regard also needs to be had to the degree of active management; as an investor, you would not be receiving value, if you were being charged fees for active portfolio management, where in fact, the Fund's composition of performance is staying very close to a benchmark. These factors also need to be considered in the context of the size of the portfolio and the ability of larger funds to benefit from economies of scale. As regards performance, it is important that performance is considered over an appropriate timescale given the Fund's objectives, and should be measured net of fees.

Based on our assessment of the value of each unit class, PUTM are comfortable that the Fund meets the required Assessment of Value criteria. No immediate action is required.

Further details of the Assessment of Value can be found at the following link:

<https://www.phoenixunittrust.co.uk/report-and-accounts.aspx>

Risks

The price of units and the revenue from them can go down as well as up and investors may not get back the amount they invested, particularly in the case of early withdrawal. Tax levels and reliefs are those currently applicable and may change. The value of any tax relief depends on personal circumstances.

Management charges on some funds are charged to capital and therefore a reduction in capital may occur.

Depending on the fund, the value of your investment may change with currency movements.

Corporate information (unaudited)

Manager

Phoenix Unit Trust Managers Limited (PUTM)
1 Wythall Green Way
Wythall
Birmingham B47 6WG
Tel: 0345 584 2803
Registered in England – No.03588031
Authorised and regulated by the Financial Conduct Authority.

Directors

Brid Meaney	PUTM Director, Chief Executive Phoenix Life;
Craig Baker	PUTM Director, Head of Investment Management Phoenix Life;
Timothy Harris	Non Executive Director of PUTM;
Nick Poyntz-Wright	Non Executive Director of PUTM.

Registrar and correspondence address

Phoenix Unit Trust Managers Limited
Floor 1, 1 Grand Canal Square
Grand Canal Harbour
Dublin 2
Ireland
Authorised and regulated by the Financial Conduct Authority.

Investment Adviser

Ignis Investment Services Limited
1 George Street
Edinburgh EH2 2LL
Registered in Scotland – No.SC101825
Authorised and regulated by the Financial Conduct Authority.

Trustee

HSBC Bank plc
1-2 Lochside Way
Edinburgh Park
Edinburgh EH12 9DT
Authorised by the Prudential Regulation Authority
and regulated by the Financial Conduct Authority and the
Prudential Regulation Authority.

Independent Auditor

Ernst & Young LLP
Atria One
144 Morrison Street
Edinburgh EH3 8EX

Authorised status

This Fund is an Authorised Unit Trust scheme under section 243 of the Financial Services & Markets Act 2000 and is categorised under the Collective Investment Schemes Sourcebook as a UK UCITS fund.

Notes

Notes

Contact: **Client Services**

Call: **0345 584 2803**

Correspondence Address: **Floor 1, 1 Grand Canal Square, Grand Canal Harbour, Dublin 2, Ireland**

Visit: **phoenixunittrust.co.uk**

Telephone calls may be monitored and/or recorded for the purposes of security, internal training, accurate account operation, internal customer monitoring and to improve the quality of service.

Please note the Key Investor Information Document (KIID), the Supplementary Information Document (SID) and the full prospectus are available free of charge. These are available by contacting Client Services on 0345 584 2803.

Phoenix Unit Trust Managers Limited does not accept liability for any claims or losses of any nature arising directly or indirectly from use of the data or material in this report. The information supplied is not intended to constitute investment, tax, legal or other advice.

Phoenix Unit Trust Managers Limited* is a Phoenix Group Company. Registered in England No 3588031.
Registered office: 1 Wythall Green Way, Wythall, Birmingham B47 6WG.

*Authorised and regulated by the Financial Conduct Authority.