

PHOENIX UNIT TRUST MANAGERS

MANAGER'S ANNUAL REPORT

For the year: 1 September 2023 to 31 August 2024

PUTM BOTHWELL TACTICAL ASSET ALLOCATION FUND



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

Investment review

Dear Investor

Welcome to the PUTM Bothwell Tactical Asset Allocation Fund (the 'Fund') annual report for the 12 months to 31 August 2024.

Performance Review

Over the review period, the PUTM Bothwell Tactical Asset Allocation Fund returned 6.06%. This compares with a return of 5.31% by its Benchmark Index, SONIA. (source: BlackRock, gross of fees and expenses).

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

As BlackRock assumed investment management responsibilities on 1 April 2020, it has a limited performance history.

Standardised Past Performance

	Aug 23 - Aug 24 % growth	Aug 22 - Feb 23 % growth	Aug 21 - 22 % growth	Apr -Aug 21* % growth	Aug 19 -20 % growth
PUTM Bothwell Tactical Asset Allocation Fund	6.06	7.61	0.73	1.11	2.08
Benchmark Index	5.31	3.78	0.58	0.05	0.03

Source: Fund and Benchmark Index performance are from BlackRock. Note all returns shown are GBP hedged gross returns.

*Please note, the Fund Manager was appointed in April 2020, hence no previous performance figures are available.

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 and Market Review

The Fund generated returns of 6.06% (gross of fees) over the period. The Fund makes use of both discretionary and systematic macro techniques in seeking to exploit inefficiencies across global markets by taking long and short positions across equities, fixed income, and currencies. The below is a discussion of key performance drivers over the period.

The portfolio's discretionary macro views added to performance over the twelve-month period. Positioning was organized across six key macroeconomic themes: Global Reflation, BoJ Withdrawal, Japanese Recovery, European Resilience, The Old Normal, and Fiscal Dominance.

From an asset class perspective, the portfolio started the period overweight US and European equities. The portfolio was also positioned underweight duration in the US, Germany and Japan, and maintained an overweight position in the EUR, CAD, and AUD against the USD. At the end of April, we removed some duration underweight in the US and Germany as market pricing of growth moved more in line with our expectations. We reduced our US equity overweight at the end of June on the same view. In early August, we added an overweight to Japanese equities after a sharp and uncoordinated equity market selloff occurred on the back of a slightly hawkish central bank combined with an overstatement of the implications of some nuanced data releases.

Additionally, we increased the underweight to US 30-year bonds as rates had moved materially over August and into September, briefly dropping below 4%. We felt this move underappreciated economic growth in the US and saw it at odds with pricing on the equity side of the market. At the end of the quarter, we reduced cyclical exposure held through European equities as data weakness alongside resilient equity pricing provided a good opportunity to reduce risk.

The portfolio's general equity long added to performance over the period with the strongest contributor being US and Japanese equities, as the market rebounded after a sharp market selloff. From a currency perspective, a short USD also added to performance as the Fed began its cutting cycle with a 50-basis point cut and the dollar weakened relative to other G10 currencies. The portfolios fixed income short was additive earlier in period, but was more challenged later in the summer as markets priced a benign inflation narrative and weaker growth.

Across the Fund's Systematic positions, the relative value equity strategies were positive contributors over the period. Relative value equity positioning was positive this year. The Fund positioned long Japanese and Italian equities for most of the period, where growth and pricing insights looked attractive.

Within Emerging Markets, The Fund positioned long Mexican rates and short South African rates, and was caught wrong sided by elections over the summer in those countries over the period. Within Developed Markets, the Fund positioned long Bunds versus short Treasuries later in the period, and US growth data over the period surprised to the downside, causing material Treasury outperformance. In aggregate, systematic positioning detracted from returns.

Market Outlook and Fund Strategy

Market pricing eschewed the recessionary fears of last month and embraced a benign narrative of disinflationary growth during the first half of September. Our Soft Landing Pricing Factor rose to its highest level in 20 years. While macro data has been broadly supportive of this view over recent quarters, we believe that market pricing of this outturn is becoming stretched and investors are crowding into the thesis. Specifically, as we discuss in more detail below, we believe that economic growth is realizing a more robust pace than many sources of survey data suggest, the Federal Reserve (Fed) has endorsed a loosening of financial conditions back to 2021 levels, fiscal policy remains a tailwind, and there are signs that underlying price stability progress has already stalled solidly above central bank targets. As such, we anticipate that asset prices will place incrementally more probability on outcomes in which inflation remains persistent and reflation unfolds rather than embedding even greater expectations of a soft landing.

In light of the above, we increased the size of our underweight position at the long-end of the US yield curve and portfolios are positioned for asset prices to embed a higher likelihood of nominal economic growth proceeding at an elevated pace rather than conforming to a soft landing. Our core macro views have remained broadly constant over the course of the year ensuring that swings in market pricing have generally represented an opportunity to add risk to portfolios. In particular, the process of highly levered investors (many of whom operate with centrally-imposed tight stop loss protocols) crowding into common insights appears to have created increasingly frequent bouts of volatility in response to relatively small amounts of macro information. We believe that the broad-based endorsement of the prospects for a soft landing across market participants creates the potential for similar fragility and have used the associated move in pricing to position portfolios to benefit from investors moving probability mass away from that scenario to an outturn in which long-dated bond yields move higher. We also remain overweight developed market equities and underweight the U.S. dollar.

Portfolio of investments (unaudited)

Investments held at 31 August 2024

Holding	Investment	Market value £000	Percentage of total net assets %
	Government Bonds (31/08/23 – 73.44%)		68.68
£67,000,000	UK Treasury 0.125% 30/01/2026	63,716	12.06
£50,000,000	UK Treasury 0.25% 31/01/2025	49,214	9.32
£50,000,000	UK Treasury 0.625% 07/06/2025	48,614	9.21
£50,000,000	UK Treasury 1.5% 22/07/2026	47,761	9.04
£50,000,000	UK Treasury 2% 07/09/2025	48,850	9.25
£55,000,000	UK Treasury 3.5% 22/10/2025	54,425	10.31
£50,000,000	UK Treasury 5% 07/03/2025	50,113	9.49
	Money Market (31/08/23 – 18.56%)		17.42
£770,000	BlackRock Institutional Cash Series Sterling Liquidity Agency Accumulation+	91,987	17.42
	Interest Rate Swaps – Capital Protection (31/08/23 – 0.09%)		(0.39)
(AUD 3,500,000)	Morgan Stanley 4.533% 18/09/2029	(59)	(0.01)
AUD 3,500,000	Morgan Stanley BBSW 18/09/2029		
(AUD 6,500,000)	Morgan Stanley 4.55% 18/09/2029	(113)	(0.02)
AUD 6,500,000	Morgan Stanley BBSW 18/09/2029		
(AUD 4,000,000)	Morgan Stanley 4.39% 18/09/2029	(54)	(0.01)
AUD 4,000,000	Morgan Stanley BBSW 18/09/2029		
(AUD 7,000,000)	Morgan Stanley 4.397% 18/09/2029	(96)	(0.02)
AUD 7,000,000	Morgan Stanley BBSW 18/09/2029		
(AUD 1,500,000)	Morgan Stanley 4.307% 18/09/2029	(17)	0.00
AUD 1,500,000	Morgan Stanley BBSW 18/09/2029		
(AUD 4,000,000)	Morgan Stanley 4.354% 18/09/2029	(51)	(0.01)
AUD 4,000,000	Morgan Stanley BBSW 18/09/2029		
(AUD 13,189,048)	Morgan Stanley 4.302% 18/09/2029	(152)	(0.03)
AUD 13,189,048	Morgan Stanley BBSW 18/09/2029		
(AUD 8,500,000)	Morgan Stanley 3.879% 18/09/2029	(14)	(0.01)
AUD 8,500,000	Morgan Stanley BBSW 18/09/2029		
(AUD 8,500,000)	Morgan Stanley 3.867% 18/09/2029	(11)	(0.01)
AUD 8,500,000	Morgan Stanley BBSW 18/09/2029		
(AUD 4,800,000)	Morgan Stanley 3.920% 18/09/2029	(12)	0.00
AUD 4,800,000	Morgan Stanley BBSW 18/09/2029		
(AUD 7,200,000)	Morgan Stanley 3.934% 18/09/2029	(21)	(0.01)
AUD 7,200,000	Morgan Stanley BBSW 18/09/2029		
(AUD 6,000,000)	Morgan Stanley 3.89% 18/09/2029	(11)	0.00
AUD 6,000,000	Morgan Stanley BBSW 18/09/2029		
(CAD 1,000,000)	Morgan Stanley 3.419% 18/09/2029	(14)	(0.01)
CAD 1,000,000	Morgan Stanley CORRA 18/09/2029		
(CAD 9,000,000)	Morgan Stanley 3.425% 18/09/2029	(125)	(0.02)
CAD 9,000,000	Morgan Stanley CORRA 18/09/2029		
(CAD 8,000,000)	Morgan Stanley 3.463% 18/09/2029	(119)	(0.03)
CAD 8,000,000	Morgan Stanley CORRA 18/09/2029		

Portfolio of investments (unaudited)

Investments held at 31 August 2024

Holding	Investment	Market value £000	Percentage of total net assets %
Interest Rate Swaps – Capital Protection (continued)			
(CAD 8,000,000)	Morgan Stanley 3.658% 18/09/2029	(159)	(0.03)
CAD 8,000,000	Morgan Stanley CORRA 18/09/2029		
(CAD 8,000,000)	Morgan Stanley 3.68% 18/09/2029	(164)	(0.03)
CAD 8,000,000	Morgan Stanley CORRA 18/09/2029		
EUR 4,000,000	Morgan Stanley 2.811% 18/09/2029	55	0.01
(EUR 4,000,000)	Morgan Stanley EURIB 18/09/2029		
EUR 5,000,000	Morgan Stanley 2.785% 18/09/2029	63	0.01
(EUR 5,000,000)	Morgan Stanley EURIB 18/09/2029		
EUR 5,000,000	Morgan Stanley 2.808% 18/09/2029	67	0.01
(EUR 5,000,000)	Morgan Stanley EURIB 18/09/2029		
EUR 10,000,000	Morgan Stanley 2.866% 18/09/2029	157	0.03
(EUR 10,000,000)	Morgan Stanley EURIB 18/09/2029		
EUR 5,000,000	Morgan Stanley 2.839% 18/09/2029	73	0.02
(EUR 5,000,000)	Morgan Stanley EURIB 18/09/2029		
EUR 4,000,000	Morgan Stanley 2.903% 18/09/2029	69	0.02
(EUR 4,000,000)	Morgan Stanley EURIB 18/09/2029		
EUR 12,000,000	Morgan Stanley 2.82% 18/09/2029	167	0.03
(EUR 12,000,000)	Morgan Stanley EURIB 18/09/2029		
EUR 7,000,000	Morgan Stanley 2.818% 18/09/2029	97	0.02
(EUR 7,000,000)	Morgan Stanley EURIB 18/09/2029		
EUR 3,000,000	Morgan Stanley 2.773% 18/09/2029	36	0.00
(EUR 3,000,000)	Morgan Stanley EURIB 18/09/2029		
EUR 4,000,000	Morgan Stanley 2.791% 18/09/2029	51	0.01
(EUR 4,000,000)	Morgan Stanley EURIB 18/09/2029		
EUR 10,000,000	Morgan Stanley 2.794% 18/09/2029	129	0.03
(EUR 10,000,000)	Morgan Stanley EURIB 18/09/2029		
EUR 4,000,000	Morgan Stanley 2.713% 18/09/2029	39	0.01
(EUR 4,000,000)	Morgan Stanley EURIB 18/09/2029		
EUR 3,000,000	Morgan Stanley 2.669% 18/09/2029	24	0.00
(EUR 3,000,000)	Morgan Stanley EURIB 18/09/2029		
EUR 12,000,000	Morgan Stanley 2.673% 18/09/2029	98	0.02
(EUR 12,000,000)	Morgan Stanley EURIB 18/09/2029		
EUR 6,000,000	Morgan Stanley 2.679% 18/09/2029	50	0.01
(EUR 6,000,000)	Morgan Stanley EURIB 18/09/2029		
EUR 10,000,000	Morgan Stanley 2.638% 18/09/2029	68	0.02
(EUR 10,000,000)	Morgan Stanley EURIB 18/09/2029		
EUR 4,000,000	Morgan Stanley 2.496% 18/09/2029	5	0.00
(EUR 4,000,000)	Morgan Stanley EURIB 18/09/2029		
EUR 4,000,000	Morgan Stanley 2.483% 18/09/2029	3	0.00
(EUR 4,000,000)	Morgan Stanley EURIB 18/09/2029		
(GBP 5,000,000)	Morgan Stanley 4.072% 18/09/2029	(80)	(0.01)

Portfolio of investments (unaudited)

Investments held at 31 August 2024

Holding	Investment	Market value £000	Percentage of total net assets %
Interest Rate Swaps – Capital Protection (continued)			
GBP 5,000,000	Morgan Stanley SONIA 18/09/2029		
(GBP 5,000,000)	Morgan Stanley 3.651% 18/09/2029	14	0.01
GBP 5,000,000	Morgan Stanley SONIA 18/09/2029		
(GBP 4,000,000)	Morgan Stanley 3.538% 18/09/2029	32	0.01
GBP 4,000,000	Morgan Stanley SONIA 18/09/2029		
(HKD 103,000,000)	Morgan Stanley 4.086% 19/09/2029	(483)	(0.09)
HKD 103,000,000	Morgan Stanley HIBOR 19/09/2029		
(HKD 45,000,000)	Morgan Stanley 4.147% 19/09/2029	(224)	(0.04)
HKD 45,000,000	Morgan Stanley HIBOR 19/09/2029		
(HKD 7,000,000)	Morgan Stanley 4.064% 19/09/2029	(32)	0.00
HKD 7,000,000	Morgan Stanley HIBOR 19/09/2029		
(HKD 47,000,000)	Morgan Stanley 3.085% 19/09/2029	(6)	(0.01)
HKD 47,000,000	Morgan Stanley HIBOR 19/09/2029		
MXN 55,000,000	HSBC 9.729% 12/09/2029	57	0.01
(MXN 55,000,000)	HSBC TIIE 12/09/2029		
(MXN 193,500,000)	Barclays 8.94% 12/09/2029	36	0.01
MXN 193,500,000	Barclays TIIE 12/09/2029		
(MXN 193,500,000)	Goldman Sachs 8.895% 12/09/2029	49	0.01
MXN 193,500,000	Goldman Sachs TIIE 12/09/2029		
PLN 14,000,000	Morgan Stanley 4.407% 18/09/2029	(15)	0.00
(PLN 14,000,000)	Morgan Stanley WIBOR 18/09/2029		
SEK 70,000,000	Morgan Stanley 2.771% 18/09/2029	156	0.03
(SEK 70,000,000)	Morgan Stanley STIB 18/09/2029		
SEK 83,000,000	Morgan Stanley 2.88% 18/09/2029	217	0.04
(SEK 83,000,000)	Morgan Stanley STIB 18/09/2029		
SEK 67,000,000	Morgan Stanley 2.899% 18/09/2029	179	0.04
(SEK 67,000,000)	Morgan Stanley STIB 18/09/2029		
SEK 41,000,000	Morgan Stanley 2.837% 18/09/2029	101	0.02
(SEK 41,000,000)	Morgan Stanley STIB 18/09/2029		
SEK 97,000,000	Morgan Stanley 2.199% 18/09/2029	23	0.00
(SEK 97,000,000)	Morgan Stanley STIB 18/09/2029		
SEK 85,000,000	Morgan Stanley 2.085% 18/09/2029	(14)	0.00
(SEK 85,000,000)	Morgan Stanley STIB 18/09/2029		
SEK 138,000,000	Morgan Stanley 2.09% 18/09/2029	(20)	0.00
(SEK 138,000,000)	Morgan Stanley STIB 18/09/2029		
SEK 91,000,000	Morgan Stanley 2.062% 18/09/2029	(22)	(0.01)
(SEK 91,000,000)	Morgan Stanley STIB 18/09/2029		
SEK 63,000,000	Morgan Stanley 2.036% 19/03/2030	(4)	0.00
(SEK 63,000,000)	Morgan Stanley STIB 19/03/2030		
(ZAR 109,000,000)	Morgan Stanley 8.39% 18/09/2029	(150)	(0.03)
ZAR 109,000,000	Morgan Stanley JIBAR 18/09/2029		

Portfolio of investments (unaudited)

Investments held at 31 August 2024

Holding	Investment	Market value £000	Percentage of total net assets %
Interest Rate Swaps – Capital Protection (continued)			
(ZAR 237,000,000)	Morgan Stanley 8.64% 18/09/2029	(430)	(0.09)
ZAR 237,000,000	Morgan Stanley JIBAR 18/09/2029		
(ZAR 60,000,000)	Morgan Stanley 8.779% 18/09/2029	(123)	(0.03)
ZAR 60,000,000	Morgan Stanley JIBAR 18/09/2029		
(ZAR 151,000,000)	Morgan Stanley 8.955% 18/09/2029	(359)	(0.06)
ZAR 151,000,000	Morgan Stanley JIBAR 18/09/2029		
(ZAR 6,000,000)	Morgan Stanley 8.753% 18/09/2029	(12)	0.00
ZAR 6,000,000	Morgan Stanley JIBAR 18/09/2029		
(ZAR 102,000,000)	Morgan Stanley 8.731% 18/09/2029	(202)	(0.04)
ZAR 102,000,000	Morgan Stanley JIBAR 18/09/2029		
(ZAR 100,000,000)	Morgan Stanley 8.635% 18/09/2029	(181)	(0.03)
ZAR 100,000,000	Morgan Stanley JIBAR 18/09/2029		
(ZAR 119,000,000)	Morgan Stanley 8.585% 18/09/2029	(204)	(0.04)
ZAR 119,000,000	Morgan Stanley JIBAR 18/09/2029		
(ZAR 90,500,000)	Morgan Stanley 8.429% 18/09/2029	(130)	(0.03)
ZAR 90,500,000	Morgan Stanley JIBAR 18/09/2029		
(ZAR 90,500,000)	Morgan Stanley 8.421% 18/09/2029	(129)	(0.03)
ZAR 90,500,000	Morgan Stanley JIBAR 18/09/2029		
(ZAR 109,000,000)	Morgan Stanley 8.371% 18/09/2029	(146)	(0.03)
ZAR 109,000,000	Morgan Stanley JIBAR 18/09/2029		
Forward Foreign Exchange Contracts (31/08/23 – 0.01)			0.40
GBP 1,956,079	GBP Forward Currency Contract 18/09/2024	34	0.01
(CAD 3,403,000)	CAD Forward Currency Contract 18/09/2024		
GBP 1,654,427	GBP Forward Currency Contract 18/09/2024	18	0.00
(AUD 3,168,000)	AUD Forward Currency Contract 18/09/2024		
GBP 4,858,197	GBP Forward Currency Contract 18/09/2024	24	0.00
(EUR 5,736,000)	EUR Forward Currency Contract 18/09/2024		
GBP 2,317,185	GBP Forward Currency Contract 18/09/2024	(54)	(0.01)
(PLN 12,040,000)	PLN Forward Currency Contract 18/09/2024		
GBP 2,045,625	GBP Forward Currency Contract 18/09/2024	(11)	0.00
(ZAR 48,075,000)	ZAR Forward Currency Contract 18/09/2024		
GBP 4,444,509	GBP Forward Currency Contract 18/09/2024	154	0.03
(USD 5,640,000)	USD Forward Currency Contract 18/09/2024		
EUR 30,494,614	EUR Forward Currency Contract 18/09/2024	768	0.15
(USD 32,773,217)	USD Forward Currency Contract 18/09/2024		
CAD 22,044,705	CAD Forward Currency Contract 18/09/2024	217	0.04
(USD 16,080,804)	USD Forward Currency Contract 18/09/2024		
AUD 75,342,619	AUD Forward Currency Contract 18/09/2024	903	0.17
(USD 49,956,217)	USD Forward Currency Contract 18/09/2024		
GBP 1,626,381	GBP Forward Currency Contract 18/09/2024	(51)	(0.01)
(JPY 320,140,000)	JPY Forward Currency Contract 18/09/2024		

Portfolio of investments (unaudited)

Investments held at 31 August 2024

Holding	Investment	Market value £000	Percentage of total net assets %
Forward Foreign Exchange Contracts (continued)			
GBP 2,255,286 (SEK 30,001,000)	GBP Forward Currency Contract 18/09/2024 SEK Forward Currency Contract 18/09/2024	25	0.01
GBP 453,726 (SGD 776,000)	GBP Forward Currency Contract 18/09/2024 SGD Forward Currency Contract 18/09/2024	1	0.00
GBP 519,229 (MXN 12,350,000)	GBP Forward Currency Contract 18/09/2024 MXN Forward Currency Contract 18/09/2024	42	0.01
JPY 389,808,000 (GBP 2,093,133)	JPY Forward Currency Contract 18/09/2024 GBP Forward Currency Contract 18/09/2024	(51)	(0.01)
GBP 1,834,142 (JPY 342,891,600)	GBP Forward Currency Contract 18/09/2024 JPY Forward Currency Contract 18/09/2024	38	0.01
GBP 2,051,237 (JPY 388,268,000)	GBP Forward Currency Contract 18/09/2024 JPY Forward Currency Contract 18/09/2024	17	(0.01)
GBP 1,831,209 (EUR 2,157,000)	GBP Forward Currency Contract 18/09/2024 EUR Forward Currency Contract 18/09/2024	13	0.01
Futures (31/08/23 – 0.19%)			0.59
6	CBT US 2Y Note CBT December 2024	(1)	0.00
(497)	CBT US 10Y Note CBT December 2024	137	0.03
(283)	CBT US Long Bond CBT December 2024	349	0.07
(298)	CBT US Ultra Bond CBT December 2024	478	0.09
249	CME 3 Month SOFR Future September 2024	(91)	(0.02)
(30)	CME S&P 500 E Mini Index Future September 2024	60	0.01
(519)	EOP CAC40 10 Euro Future September 2024	(1,519)	(0.29)
74	EUX DAX Index Future September 2024	721	0.14
3	EUX DAX Mini Future September 2024	4	0.00
318	EUX Euro Stoxx 50 September 2024	157	0.03
804	EUX Euro-Bund Future September 2024	(615)	(0.12)
706	EUX Euro-Bund Future December 2024	30	0.01
(278)	ICF FTSE 100 Index Future September 2024	(321)	(0.06)
(798)	ICF Long Gilt Future December 2024	362	0.07
16	MFM IBEX 35 Index Future September 2024	26	0.00
281	MIL FTSE/MIB Index Future September 2024	1,550	0.29
(1212)	MSE Canada 10Y Bond Future December 2024	851	0.16
116	MSE S&P/TSX 60 Index Future September 2024	1,145	0.22
43	NYF MSCI EAFE September 2024	115	0.02
(102)	OSE Japan 10Y Bond OSE Future September 2024	(658)	(0.12)
301	OSE Topix Index Future September 2024	926	0.18
164	SFE Australian 10Y Bond Future September 2024	186	0.03
(126)	SFE SPI 200 Future September 2024	(468)	(0.09)
(67)	SGX MSCI Singapore Index ETS Future September 2024	(6)	0.00
(318)	SSE OMXS30 Index Future September 2024	(293)	(0.06)

Portfolio of investments (unaudited)

Investments held at 31 August 2024

Holding	Investment	Market	Percentage of
		value £000	total net assets %
	Portfolio of investments ^	457,849	86.70
	Net other assets	70,227	13.30
	Net assets	528,076	100.00

Unless otherwise stated, all investments with the exception of Forward Foreign Exchange Contracts and Interest Rate Swaps are approved securities being either officially listed in a member state or traded on or under the rules of an eligible securities market.

The counterparty for the Futures Contracts is Morgan Stanley.
The counterparties for the Forward Foreign Exchange Contracts are Barclays, Deutsche Bank, Goldman Sachs, JP Morgan and Morgan Stanley.
The counterparties for the Interest Rate Swaps are Barclays, Goldman Sachs, HSBC and Morgan Stanley.
^ includes investment liabilities.
+ SICAVs (open ended investment schemes registered outside the UK).

Top ten purchases and sales

For the year ended 31 August 2024

Purchases	Cost £000	Sales	Proceeds £000
UK Treasury 3.5% 22/10/2025	70,433	UK Treasury 2.25% 07/09/2023	75,000
UK Treasury 0.125% 30/01/2026	63,339	UK Treasury 0.125% 31/01/2024	74,514
UK Treasury 1.5% 22/07/2026	52,934	UK Treasury 2.75% 07/09/2024	71,148
UK Treasury 2% 07/09/2025	23,558	UK Treasury 1% 22/04/2024	50,000
UK Treasury 0.625% 07/06/2025	23,194	UK Treasury 3.5% 22/10/2025	16,325
UK Treasury 2.75% 07/09/2024	21,167	UK Treasury 1.5% 22/07/2026	5,995
UK Treasury 5% 07/03/2025	19,976		
Subtotal	274,601	Subtotal	292,982
Other purchases	–	Other sales	–
Total purchases for the year	274,601	Total sales for the year	292,982

At a minimum, the ten largest purchases and ten largest sales will normally be disclosed. However, as there were less than ten purchases and sales during the period, all purchases and sales have been disclosed.

Statistical information

Comparative tables

	31/08/24 pence	Class 'A' Accumulation 31/08/23 pence	31/08/22 pence
Change in net assets per unit			
Opening net asset value per unit	93.69	88.22	88.41
Return before operating charges*	5.66	6.48	0.79
Operating charges	(1.07)	(1.01)	(0.98)
Return after operating charges*	4.59	5.47	(0.19)
Distributions on accumulation units	(2.90)	(0.67)	0.00
Retained distributions on accumulation units	2.90	0.67	0.00
Closing net asset value per unit	98.28	93.69	88.22
*after direct transaction costs of: ^	0.04	0.07	0.06

Performance

Return after charges	4.90%	6.20%	(0.21%)
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Other information

Closing net asset value (£000)	27,662	26,434	28,541
Closing number of units	28,144,911	28,215,296	32,352,336
Operating charges	1.12%	1.11%	1.11%
Direct transaction costs	0.04%	0.07%	0.07%

Prices⁺

Highest unit price (pence)	106.07	101.35	95.86
Lowest unit price (pence)	93.56	87.99	85.00

^ The direct transaction costs includes commission on futures and clearing house fees on swaps.

+ 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

Comparative tables

	31/08/24 pence	Class 'B' Accumulation 31/08/23 pence	31/08/22 pence
Change in net assets per unit			
Opening net asset value per unit	104.96	97.75	96.88
Return before operating charges*	6.39	7.22	0.88
Operating charges	(0.02)	(0.01)	(0.01)
Return after operating charges*	6.37	7.21	0.87
Distributions on accumulation units	(4.46)	(1.86)	(0.22)
Retained distributions on accumulation units	4.46	1.86	0.22
Closing net asset value per unit	111.33	104.96	97.75
*after direct transaction costs of: ^	0.05	0.07	0.07

Performance

Return after charges	6.07%	7.38%	0.90%
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Other information

Closing net asset value (£000)	500,414	476,952	535,475
Closing number of units	449,501,602	454,413,442	547,778,539
Operating charges	0.02%	0.01%	0.01%
Direct transaction costs	0.04%	0.07%	0.07%

Prices⁺

Highest unit price (pence)	111.56	105.58	97.97
Lowest unit price (pence)	104.88	97.58	93.76

^ The direct transaction costs includes commission on futures and clearing house fees on swaps.

+ 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 total returns (a combination of capital growth and income by outperforming SONIA (the "Index") before fees by 3.5% to 4.5% per annum over rolling twelve months periods. Investors should be aware that their capital is at risk and there is no guarantee that the positive total returns will be achieved over the rolling twelve months, or any, time period.

Investment policy

The Fund will aim to achieve the objective by investing at least 70% directly or via derivatives in long and short positions in equities, bonds, currencies and cash. Within bonds, positions may be taken in corporate and government bonds and within equities, specific regional positions may be taken. Net exposure to a particular asset class, country, market or issuer may be positive or negative.

In order to pursue its investment policy, the Fund may also invest the Fund's assets in near cash, deposits, warrants and/or money market instruments and collective investment schemes (and use may be made of stock lending (including repos) and borrowing).

In addition, the Fund will use derivative and forward transactions for investment purposes and efficient portfolio management.

Investment strategy

The Investment Adviser uses their discretion to make flexible allocations to multiple types of assets depending on market conditions, the price of different assets or their value relative to each other based on their analysis of future economic and business conditions.

The Fund seeks to generate growth and reduce risk in a wide variety of ways. For transactions in equities and government bonds, in addition to investing directly the Fund may use liquid futures contracts on the major equity and bond market indices and over-the-counter derivatives such as credit default swaps for corporate bonds. Active exposures may also be achieved through options and swaps. Long exposure may be held through a combination of direct investment and/or derivatives.

Short exposure will be taken through derivative positions. The Fund may invest indirectly in alternative asset classes such as commodities where permitted under the UCITS Regulations. Currency risk will be actively managed typically using currency forwards or futures.

The Fund will not be constrained by any index weightings and will not concentrate on any particular asset class, country or sector or have regard to market capitalisation.

The Fund may use one or more counterparties for gaining exposure to over-the-counter financial derivatives. In all circumstances, however, the Fund will comply with the investment restrictions and limits set out in the Prospectus.

Substantial cash holdings of up to 100% of the portfolio may arise when all the active risk exposure is achieved through derivatives.

Revenue distribution and pricing

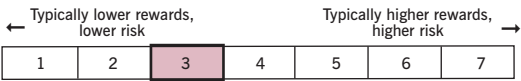
Units of the Fund are available as either Class 'A' Accumulation or 'B' Accumulation units (where revenue is reinvested to enhance the unit price). There will be two potential distributions in each accounting year: an interim distribution as at last day of February and a final distribution as at 31 August.

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 3 (31/08/23: 3) because funds of this type have experienced low to medium rises and falls in value in the past. The above figure applies to the following unit class/classes:

- * Class 'A' Accumulation
- * 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:

- Investing overseas can bring additional returns and spread risk to different markets. There are risks, however, that changes in currency rates will reduce the value of your investment.
- This Fund can use derivatives in order to meet its investment objectives. This may result in gains or losses that are greater than the original amount invested.
- Investing in derivatives carries the risk of substantial loss and/or increased volatility in adverse market conditions.
- 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.

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 31 August 2024

Statement of total return

	Notes	31/08/24		31/08/23	
		£000	£000	£000	£000
Income					
Net capital gains	4		9,339		27,994
Revenue	5	21,335		9,768	
Expenses	6	(370)		(383)	
Interest payable and similar charges		(7)		(38)	
Net revenue before taxation		20,958		9,347	
Taxation	7	–		–	
Net revenue after taxation			20,958		9,347
Total return before distributions			30,297		37,341
Distributions	8		(20,966)		(9,355)
Change in net assets attributable to unitholders from investment activities			9,331		27,986

Statement of change in net assets attributable to unitholders

	31/08/24		31/08/23	
	£000	£000	£000	£000
Opening net assets attributable to unitholders		503,386		564,016
Amounts receivable on issue of units	29,433		3,529	
Amounts payable on cancellation of units	(35,091)		(101,055)	
		(5,658)		(97,526)
Change in net assets attributable to unitholders from investment activities		9,331		27,986
Retained distributions on accumulation units		21,017		8,910
Closing net assets attributable to unitholders		528,076		503,386

Annual financial statements

As at 31 August 2024

Balance sheet

Notes	31/08/24		31/08/23	
	£000	£000	£000	£000
Assets:				
Fixed assets:				
Investments		466,146		469,203
Current assets:				
Debtors 9	2,544		2,703	
Cash and bank balances 10	72,982		53,112	
Total current assets		75,526		55,815
Total assets		541,672		525,018
Liabilities:				
Investment liabilities		(8,297)		(4,634)
Creditors:				
Bank overdraft 11	(5,189)		(3,547)	
Other creditors 12	(110)		(13,451)	
Total creditors		(5,299)		(16,998)
Total liabilities		(13,596)		(21,632)
Net assets attributable to unitholders		528,076		503,386

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, fluctuations 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 August 2024, 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.

Unquoted securities are valued by the Manager and are subject to regular review.

Derivatives are valued as at close of business on 30 August 2024, the last valuation point of the accounting year.

Exchange traded derivatives are priced at fair value, which is deemed to be the bid price.

Over-the-counter derivatives are priced at fair value using valuation models or data sourced from market data providers.

(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 August 2024, the last valuation point in the accounting year.

(d) Revenue

Distributions receivable from collective investment schemes are credited to revenue when they are first quoted ex-dividend.

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.

Interest received from or paid to the Fund from over-the-counter derivatives designed to protect income is treated as revenue. Interest received from or paid to the Fund from over-the-counter derivatives designed to protect capital is treated as capital.

Notes to the financial statements

Note 1 Accounting policies (continued)

(e) Expenses

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

(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 distributed/accumulated to unitholders.

(b) Unclaimed distributions

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

(c) Apportionment to multiple unit classes

With the exception of the Manager's periodic charge, the allocation of revenue and expenses to each unit class is based upon the proportion of the Fund's assets attributable to each unit class on the day the revenue is earned or the expense is suffered. The Manager's periodic charge is specific to each unit class. Tax will be allocated between the unit classes according to income. Consequently, the revenue available to distribute for each unit class will differ.

(d) 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.

(e) Expenses

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

Notes to the financial statements

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 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 mainly 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

A substantial proportion of the Fund's investment portfolio is invested in overseas securities and the Balance sheet can be significantly affected by movements in foreign exchange rates. The Fund may be subject to short term exposure to exchange rate movements between placing the purchase or sale of securities and agreeing a related currency transaction albeit usually the two transactions are agreed at the same time.

Any such currency transactions 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 currency risk, for the Fund.

(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.

Notes to the financial statements

Note 3 Risk management policies (continued)

(e) Credit risk

At the Balance sheet date 68.68% (31/08/23: 73.44%) of the Fund's assets were in government bonds.

Government 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.

(g) Derivatives

Derivative transactions may be used by the Fund for the purposes of meeting its investment objectives and also for hedging. In doing so the Manager may make use of a variety of derivative instruments in accordance with the Sourcebook. The use of derivatives for investment purposes means that the net asset value of the Fund may at times have high volatility, although derivatives will not be used with the intention of raising the risk profile of the Fund. Where derivatives are used for hedging this will not compromise the risk profile of the Fund. Use of derivatives will not knowingly contravene any relevant investment objective or limits.

The Manager has used exchange traded futures to hedge the value of those assets denominated in foreign currency.

The Manager has used forward foreign currency contracts to hedge the currencies which are physically owned during the year. The purpose of undertaking these contracts is to protect the portfolio as far as possible from a movement in the value of exchange rates.

Interest rate swaps have been used to hedge the interest rate risk of holding fixed rate bonds during the period.

The derivative counterparties are shown at the bottom of the Portfolio of investments on page 9.

Notes to the financial statements

Note 4 Net capital gains

The net capital gains during the year comprise:

	31/08/24	31/08/23
	£000	£000
Gains on non-derivative securities	3,542	4,685
Gains on derivative contracts	6,443	24,717
Currency losses	(809)	(1,439)
Handling charges	(1)	(3)
Finance costs	164	34
Net capital gains	<u>9,339</u>	<u>27,994</u>

Note 5 Revenue

	31/08/24	31/08/23
	£000	£000
Interest on debt securities	19,813	8,902
Bank interest	1,177	813
Liquidity interest	345	53
Total revenue	<u>21,335</u>	<u>9,768</u>

Note 6 Expenses

	31/08/24	31/08/23
	£000	£000
(a) Payable to the Manager or associates of the Manager and agents of either of them:		
Manager's periodic charge	<u>324</u>	<u>337</u>
(b) Payable to the Trustee or associates of the Trustee and agents of either of them:		
Trustee's fees	<u>22</u>	<u>22</u>
(c) Other expenses:		
Audit fee	11	10
Safe custody charges	8	8
Printing & stationery	1	–
Professional fees	4	6
	<u>24</u>	<u>24</u>
Total expenses	<u>370</u>	<u>383</u>

Notes to the financial statements

Note 7 Taxation

	31/08/24	31/08/23
	£000	£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	20,958	9,347
Corporation tax at 20% (31/08/23: 20%)	4,192	1,869
Effects of:		
Deductible interest distributions	(4,192)	(1,869)
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

At 31 August 2024 the Fund had a potential deferred tax asset of £40,232 (31/08/23: £40,232) in relation to surplus management expenses of £201,162 (31/08/23: £201,162). It is unlikely that the Fund will generate sufficient taxable profits in the future to utilise these expenses and, therefore, no deferred tax asset has been recognised 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:

	31/08/24	31/08/23
	£000	£000
Interim	8,525	3,534
Final	12,492	5,376
	21,017	8,910
Amounts deducted on cancellation of units	236	456
Amounts added on issue of units	(287)	(11)
Net distribution for the year	20,966	9,355
Net revenue after taxation	20,958	9,347
Expenses taken to capital	8	8
Net distribution for the year	20,966	9,355

Details of the distribution per unit are set out in the tables on page 30.

Note 9 Debtors

	31/08/24	31/08/23
	£000	£000
Accrued income	2,544	2,703
Total debtors	2,544	2,703

Notes to the financial statements

Note 10 Cash and bank balances

	31/08/24	31/08/23
	£000	£000
Cash and bank balances	31,489	26,285
Amounts held at futures clearing houses	33,722	22,648
Amount due to brokers	7,771	4,179
Total cash and bank balances	<u>72,982</u>	<u>53,112</u>

Note 11 Bank overdraft

	31/08/24	31/08/23
	£000	£000
Bank overdraft	–	1
Amounts due to futures clearing houses	3,147	1,788
Amount due to brokers	2,042	1,758
Total bank overdraft	<u>5,189</u>	<u>3,547</u>

Note 12 Other creditors

	31/08/24	31/08/23
	£000	£000
Cancellations awaiting settlement	6	13,399
Manager's periodic charge payable	83	28
Trustee's fees payable	9	9
Safe custody charges payable	1	5
Audit fee payable	11	10
Total other creditors	<u>110</u>	<u>13,451</u>

Note 13 Reconciliation of units

	Class 'A' Accumulation	Class 'B' Accumulation
Opening units issued at 01/09/23	28,215,296	454,413,442
Unit movements in year:		
Units issued	–	27,649,705
Units cancelled	(70,385)	(32,561,545)
Closing units at 31/08/24	<u>28,144,911</u>	<u>449,501,602</u>

Note 14 Contingencies and commitments

At 31 August 2024 the Fund had no outstanding calls on partly paid shares, no potential underwriting commitments or any other contingent liabilities (31/08/23: £nil).

Note 15 Unitholders' funds

There are two unit classes in issue within the Fund. These are Class 'A' and Class 'B'.

The Manager's periodic charge in respect of Class 'A' and Class 'B' units is expressed as an annual percentage of the value of the property of the Fund attributable to each unit class and is currently 1.1050% in respect of Class 'A' units and 0.0050% in respect of Class 'B' units.

Consequently, the level of net revenue attributable to each unit class will differ.

Should it be necessary to wind-up the Fund, each unit class will have the same rights as regards to the distribution of the property of the Fund.

Notes to the financial statements

Note 16 Related party transactions

The Manager, Phoenix Unit Trust Managers Limited (PUTM) is a related party due to PUTM acting as key management personnel to the Fund and is regarded as a controlling party by virtue of having the ability to act in respect of operation of the Fund.

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 'A' Accumulation at the year end (31/08/23: 100%) and 100% of the units in Class 'B' Accumulation at the year end (31/08/23: 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 net assets attributable to unitholder and Note 8.

Any balances due to/from the Manager or its associates at 31 August 2024 in respect of these transactions are shown in Notes 9 and 12.

Note 17 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/enters into, the purpose of which is to meet the investment objectives and also for hedging and
- * cash and short term debtors and creditors arising directly from operations.

Counterparty exposure

At the Balance Sheet date the Fund had the following counterparty exposure on open Forward Foreign Exchange Contracts:

	31/08/24	31/08/23
	£000	£000
Barclays	170	(352)
Deutsche Bank	1,888	206
Goldman Sachs	(51)	(23)
JP Morgan	25	81
Merrill Lynch	–	163
Morgan Stanley	55	(6)
Total	<u>2,087</u>	<u>69</u>

At the balance sheet date the Fund had no collateral (held)/ pledged on open Forward Foreign Exchange Contracts [2023: nil].

At the Balance Sheet date the Fund had the following counterparty exposure on Interest Rate Swaps:

	31/08/24	31/08/23
	£000	£000
Barclays	36	(4)
BNP Paribas	–	356
Morgan Stanley	(2,185)	(871)
Goldman Sachs	49	280
HSBC	57	701
JP Morgan	–	(21)
Total	<u>(2,043)</u>	<u>441</u>

At the Balance sheet date the Fund had the following Collateral (held)/pledged on Interest Rate Swaps:

	31/08/24	31/08/23
	£000	£000
Morgan Stanley	<u>5,729</u>	<u>2,421</u>
Total	<u>5,729</u>	<u>2,421</u>

The nature of collateral (held) / pledged was all cash in the current year and the prior year.

Notes to the financial statements

Note 17 Financial instruments (continued)

Currency exposure

An analysis of the monetary assets and liabilities at the year end is shown below:

Currency	Monetary exposure	Net currency assets/(liabilities) 31/08/24		Monetary exposure	Net currency assets/(liabilities) 31/08/23	
		Non-monetary exposure	Total exposure		Non-monetary exposure	Total exposure
	£000	£000	£000	£000	£000	£000
Sterling	45,573	480,441	526,014	17,423	488,098	505,521
Australian Dollar	2,806	36,379	39,185	2,253	6,811	9,064
Canadian Dollar	1,557	11,944	13,501	3,591	7,750	11,341
Euro	5,322	20,652	25,974	4,048	16,159	20,207
Hong Kong Dollar	1,478	(745)	733	1,367	194	1,561
Japanese Yen	3,930	(3,196)	734	1,103	(1,080)	23
Mexican Dollar	681	(335)	346	1,929	(898)	1,031
Norwegian Krone	1	–	1	–	–	–
Polish Zloty	972	(2,386)	(1,414)	218	(631)	(413)
Singapore Dollar	658	(459)	199	682	(391)	291
South African Rand	3,461	(4,123)	(662)	1,298	(2,427)	(1,129)
Swedish Krona	666	(1,909)	(1,243)	2,265	(2,461)	(196)
US Dollar	3,122	(78,414)	(75,292)	2,640	(46,555)	(43,915)
	70,227	457,849	528,076	38,817	464,569	503,386

Income received in other currencies is converted to Sterling on or near the date of receipt. The Fund does not hedge or otherwise seek to avoid, movement risk on accrued income.

Interest profile

The interest rate risk profile of financial assets and liabilities at 31 August 2024 was:

Currency	Fixed rate		Floating rate		Financial assets not carrying interest	Total
	financial assets	£000	financial assets	£000		
		£000		£000		£000
Sterling	362,693		135,126		33,073	530,892
Australian Dollar	–		2,806		45,753	48,559
Canadian Dollar	–		3,219		16,979	20,198
Euro	–		7,451		40,256	47,707
Hong Kong Dollar	–		1,478		2,821	4,299
Japanese Yen	–		3,930		2,969	6,899
Mexican Dollar	–		829		6,296	7,125
Norwegian Krone	–		1		–	1
Polish Zloty	–		972		533	1,505
Singapore Dollar	–		660		–	660
South African Rand	–		3,461		15,824	19,285
Swedish Krona	–		1,289		6,057	7,346
US Dollar	–		3,747		1,139	4,886
	362,693		164,969		171,700	699,362

Notes to the financial statements

Note 17 Financial instruments (continued)

Interest profile (continued)

Currency	Floating rate financial liabilities £000	Financial liabilities not carrying interest £000	Total £000
Sterling	–	(4,878)	(4,878)
Australian Dollar	–	(9,374)	(9,374)
Canadian Dollar	(1,662)	(5,035)	(6,697)
Euro	(2,129)	(19,604)	(21,733)
Hong Kong Dollar	–	(3,566)	(3,566)
Japanese Yen	–	(6,165)	(6,165)
Mexican Dollar	(148)	(6,631)	(6,779)
Polish Zloty	–	(2,919)	(2,919)
Singapore Dollar	(2)	(459)	(461)
South African Rand	–	(19,947)	(19,947)
Swedish Krona	(623)	(7,966)	(8,589)
US Dollar	(625)	(79,553)	(80,178)
	(5,189)	(166,097)	(171,286)

The interest rate risk profile of financial assets and liabilities at 31 August 2023 was:

Currency	Fixed rate financial assets £000	Floating rate financial assets £000	Financial assets not carrying interest £000	Total £000
Sterling	369,695	121,634	33,968	525,297
Australian Dollar	–	2,393	16,567	18,960
Canadian Dollar	–	3,629	14,383	18,012
Euro	–	5,252	33,201	38,453
Hong Kong Dollar	–	1,442	6,734	8,176
Japanese Yen	–	1,639	660	2,299
Mexican Dollar	–	1,929	14,281	16,210
Norwegian Krone	–	1	–	1
Polish Zloty	–	1,750	8,421	10,171
Singapore Dollar	–	766	63	829
South African Rand	–	1,282	6,140	7,422
Swedish Krona	–	2,179	11,320	13,499
US Dollar	–	2,645	956	3,601
	369,695	146,541	146,694	662,930

Currency	Floating rate financial liabilities £000	Financial liabilities not carrying interest £000	Total £000
Sterling	–	(19,776)	(19,776)
Australian Dollar	(140)	(9,756)	(9,896)
Canadian Dollar	–	(6,671)	(6,671)
Euro	(1,152)	(17,094)	(18,246)
Hong Kong Dollar	(89)	(6,526)	(6,615)
Japanese Yen	(536)	(1,740)	(2,276)
Mexican Dollar	–	(15,179)	(15,179)
Norwegian Krone	(1)	–	(1)
Polish Zloty	(1,532)	(9,052)	(10,584)
Singapore Dollar	(84)	(454)	(538)
South African Rand	–	(8,551)	(8,551)
Swedish Krona	(8)	(13,687)	(13,695)
US Dollar	(5)	(47,511)	(47,516)
	(3,547)	(155,997)	(159,544)

Notes to the financial statements

Note 17 Financial instruments (continued)

Interest rates earned/paid on deposits are earned/paid at a rate linked to SONIA (Sterling Overnight Index Average) or international equivalent. Interest was also earned on the investments in the Aberdeen Standard Liquidity Fund.

	31/08/24		31/08/23	
Credit Ratings	£000	%	£000	%
Investment grade	362,693	100.00	369,695	100.00
Total investment in bonds	362,693	100.00	369,695	100.00

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 market value of 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 £11,408,084 (31/08/23: £15,856,659). A one percent decrease would have an equal and opposite effect.

Foreign currency risk sensitivity

A five percent increase in the value of the Fund's foreign currency exposure would have the effect of increasing the return and net assets by £103,070 (31/08/23: £106,761).

A five percent decrease would have an equal and opposite effect.

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 £22,892,440 (31/08/23: £23,228,454). A five percent decrease would have an equal and opposite effect.

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 September 2024.

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 31/08/24

Level	1	2	3	Total
Investment assets	£000	£000	£000	£000
Bonds	362,693	–	–	362,693
Derivatives	7,097	4,369	–	11,466
Money markets	91,987	–	–	91,987
	461,777	4,369	–	466,146
Investment liabilities	£000	£000	£000	£000
Derivatives	(3,972)	(4,325)	–	(8,297)
	(3,972)	(4,325)	–	(8,297)

Notes to the financial statements

Note 18 Fair value of investments (continued)

For the year ended 31/08/23				
Level	1	2	3	Total
Investment assets	£000	£000	£000	£000
Bonds	369,695	–	–	369,695
Derivatives	3,250	2,829	–	6,079
Money markets	93,429	–	–	93,429
	466,374	2,829	–	469,203
Investment liabilities	£000	£000	£000	£000
Derivatives	(2,315)	(2,319)	–	(4,634)
	(2,315)	(2,319)	–	(4,634)

Note 19 Portfolio transaction costs

For the year ended 31/08/24							
	Value £000	Commission £000	%	Taxes £000	%	Other expenses £000	Total costs £000
Analysis of total purchases costs							
Bond transactions	274,601	–	–	–	–	–	274,601
Total	274,601	–		–		–	274,601
	Value £000	Commission £000	%	Taxes £000	%	Other expenses £000	Total costs £000
Analysis of total sales costs							
Bond transactions	292,982	–	–	–	–	–	292,982
Total	292,982	–		–		–	292,982

The Fund has paid £223,823 as commission on purchases and sales of derivatives transactions for the year ended 31/08/24.

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

Commission	0.04%
Taxes	0.00%
Other expenses	0.00%

Notes to the financial statements

Note 19 Portfolio transaction costs (continued)

For the year ended 31/08/23

	Value £000	Commission £000	%	Taxes £000	%	Other expenses £000	%	Total costs £000
Analysis of total purchases costs								
Bond transactions	426,277	–	–	–	–	–	–	426,277
Total	426,277	–	–	–	–	–	–	426,277

	Value £000	Commission £000	%	Taxes £000	%	Other expenses £000	%	Total costs £000
Analysis of total sales costs								
Bond transactions	273,527	–	–	–	–	–	–	273,527
Money markets	4,962	–	–	–	–	–	–	4,962
Corporate actions	183,165	–	–	–	–	–	–	183,165
Total	461,654	–	–	–	–	–	–	461,654

The Fund has paid £383,363 as commission on purchases and sales of derivatives transactions for the year ended 31/08/23.

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

Commission	0.07%
Taxes	0.00%
Other expenses	0.00%

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 0.02% (31/08/23: 0.03%) being the difference between the respective bid and offer prices for the Fund's investments.

Distribution tables

For the year ended 31 August 2024

Interest distributions

Interim distribution in pence per unit

Group 1: units purchased prior to 1 September 2023
Group 2: units purchased 1 September 2023 to 29 February 2024

	Gross income	Equalisation	2024 pence per unit paid 30 Apr	2023 pence per unit paid 30 Apr
Class 'A' Accumulation				
Group 1	1.0763	—	1.0763	0.1545
Group 2	1.0763	0.0000	1.0763	0.1545
Class 'B' Accumulation				
Group 1	1.7932	—	1.7932	0.7106
Group 2	0.9073	0.8859	1.7932	0.7106

Final distribution in pence per unit

Group 1: units purchased prior to 1 March 2024
Group 2: units purchased 1 March 2024 to 31 August 2024

	Gross income	Equalisation	2024 pence per unit payable 31 Oct	2023 pence per unit paid 31 Oct
Class 'A' Accumulation				
Group 1	1.8207	—	1.8207	0.5184
Group 2	1.8207	0.0000	1.8207	0.5184
Class 'B' Accumulation				
Group 1	2.6652	—	2.6652	1.1510
Group 2	1.2612	1.4040	2.6652	1.1510

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 Collective Investment Schemes sourcebook published by the FCA, ("the COLL Rules") require the Manager to prepare financial statements for each annual and interim accounting period which give a true and fair view of the financial position of the Fund and of the net revenue and the net capital gains on the property of the Fund for the year.

In preparing the accounts the Manager is responsible for:

- selecting suitable accounting policies and then applying them consistently;
- making judgements and estimates that are reasonable and prudent;
- following UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland;
- complying with the disclosure requirements of the Statement of Recommended Practice for UK Authorised Funds issued by the Investment Management Association in May 2014;
- keeping proper accounting records which enable it to demonstrate that the financial statements as prepared comply with the above requirements;
- assessing the Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern;
- using the going concern basis of accounting unless they either intend to liquidate the Fund or to cease operations, or have no realistic alternative but to do so;
- such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; and
- taking reasonable steps for the prevention and detection of fraud and irregularities.

The Manager is responsible for the management of the Fund in accordance with its Trust Deed, the Prospectus and the COLL Rules.

The Manager is responsible for the maintenance and integrity of the corporate and financial information included on its website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

- b) The Depositary in its capacity as Trustee of the PUTM Bothwell Tactical Asset Allocation 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 Tactical Asset Allocation Fund of the PUTM Bothwell Range of Unit Trusts ("the Trust") for the Period Ended 31 August 2024.

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
12 December 2024

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
12 December 2024

Mike Eakins, Director
Frances Clare Maclachlan, Director

Independent Auditor's report to the unitholders of the PUTM Bothwell Tactical Asset Allocation Fund

Opinion

We have audited the financial statements of PUTM Bothwell Tactical Asset Allocation Fund (the 'Fund') for the year ended 31 August 2024 which comprise the Statement of Total Return, the Statement of Change in Net Assets Attributable to Unitholders, the Balance Sheet, the Related Notes and Distribution Table for the Fund and the accounting policies set out on pages 17 and 18.

In our opinion, the financial statements:

- give a true and fair view, in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland, of the financial position of the Fund as at 31 August 2024 and of the net revenue and the net capital gains on the property of the Fund for the year then ended; and
- have been properly prepared in accordance with the Trust Deed, the Statement of Recommended Practice relating to Authorised Funds, and the COLL Rules.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Fund in accordance with, UK ethical requirements including the FRC Ethical Standard.

We have received all the information and explanations which we consider necessary for the purposes of our audit and we believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going Concern

The Manager has prepared the financial statements on the going concern basis as they do not intend to liquidate the Fund or to cease their operations, and as they have concluded that the Fund's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the Manager's conclusions, we considered the inherent risks to the Fund's business model and analysed how those risks might affect the Fund's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the Manager's use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the Manager's assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Fund's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Fund will continue in operation.

Independent auditor's report to the unitholders of the PUTM Bothwell Tactical Asset Allocation Fund

Fraud and breaches of laws and regulations - ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of Directors as to the Fund's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud;
- Assessing the segregation of duties in place between the Manager, the Trustee, the Administrator and the Investment Adviser; and
- Reading board minutes.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because the revenue is principally non-judgemental and based on publicly available information, with limited opportunity for manipulation. We did not identify any additional fraud risks.

We evaluated the design and implementation of the controls over journal entries and other adjustments and made inquiries of the Administrator about inappropriate or unusual activity relating to the processing of journal entries and other adjustments. We identified and selected a sample of journal entries made at the end of the reporting period and tested those substantively including all material post-closing entries. Based on the results of our risk assessment procedures and understanding of the process, including the segregation of duties between the Directors and the Administrator, no further high-risk journal entries or other adjustments were identified.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the Manager and the Administrator (as required by auditing standards) and discussed with the Directors the policies and procedures regarding compliance with laws and regulations.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Fund is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related authorised fund legislation maintained by the Financial Conduct Authority) and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Fund is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: money laundering, data protection and bribery and corruption legislation recognising the Fund's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Directors and the Administrator and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Independent auditor's report to the unitholders of the PUTM Bothwell Tactical Asset Allocation Fund

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Other information

The Manager is responsible for the other information presented in the Annual Report together with the financial statements. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the other information; and
- in our opinion the information given in the Manager's Report for the financial year 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 matters where under the COLL Rules we are required to report to you if, in our opinion:

- proper accounting records for the fund have not been kept; or
- the financial statements are not in agreement with the accounting records.

Manager's responsibilities

As explained more fully in its statement set out on page 33, the Manager is responsible for: the preparation of the financial statements that give a true and fair view; such internal control as they determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

Independent auditor's report to the unitholders of the PUTM Bothwell Tactical Asset Allocation Fund

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at <https://www.frc.org.uk/auditorsresponsibilities>.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Fund's unitholders, as a body, in accordance with Rule 4.5.12 of the Collective Investment Schemes sourcebook ('the COLL Rules') issued by the Financial Conduct Authority under section 247 of the Financial Services and Markets Act 2000. Our audit work has been undertaken so that we might state to the Fund's unitholders 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 Fund's unitholders as a body, for our audit work, for this report, or for the opinions we have formed.

Grant Archer for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants
319 St Vincent Street
Glasgow
G2 5AS
12 December 2024

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.

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 2023

	Headcount	Total remuneration
Phoenix Unit Trust Managers	2	113,487.36
of which		
Fixed Remuneration	2	71,167.36
Variable Remuneration	1	42,320.00
Carried Interest	n/a	
Highest paid Director's Remuneration		44,005.66

Corporate information (unaudited)

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.

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 UK 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 Tactical Asset Allocation Fund. This has been performed based on the information available as at 31 August 2024.

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 can confirm that the Fund meets all of 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;

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

Fund Climate Report

We're working towards a more sustainable way of investing. For the latest information about what we're doing and our fund climate report, go to <https://www.thephoenixgroup.com/phoenix-unit-trust-managers/>

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
West Midlands B47 6WG
Tel: 0345 584 2803
Registered in England – No.03588031
Authorised and regulated by the Financial Conduct Authority.

Directors

Mike Eakins (appointed 29 April 2024)	PUTM Director, Group Chief Investment Officer;
Frances Clare MacLachlan (appointed 19 April 2024)	PUTM Director, Chief Finance Officer SLF UK, Sun Life of Canada;
Craig Baker (resigned 28 April 2024)	PUTM Director, Head of Policyholder Assets;
Brid Meany (resigned 19 April 2024)	PUTM Director, Chief Executive Phoenix Life;
Timothy Harris	Non Executive Director of PUTM;
Nick Poyntz-Wright	Non Executive Director of PUTM;
Ian Craston (appointed 19 September 2023);	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

Blackrock Investment Management (UK) Limited
12 Thorgmorton Avenue
London
EC2N 2DL
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

KPMG LLP
319 St. Vincent Street
Glasgow
G2 5AS

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

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.

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