

PHOENIX UNIT TRUST MANAGERS

MANAGER'S ANNUAL REPORT

For the year: 1 February 2022 to 31 January 2023

PUTM BOTHWELL NORTH AMERICA FUND (CLOSED)



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

Investment review

Dear Investor

Welcome to the PUTM Bothwell North America annual report for 12 months, since 31 January 2022 to 31 January 2023. The assets from the PUTM Bothwell North America were transferred into the PUTM ACS North America Fund 2 on 2 December 2022. The Manager intends to wind up the PUTM Bothwell North America.

Performance Review

Over the review period the Bothwell North American Fund (passive) returned -0.82%. (Source: BNP IRP, Gross of AMC, GBP. This is compared to its benchmark index return of -0.82%. (Source: FTSE Custom AW Dev North America Index)

In the table below, you can see how the Fund performed against its benchmark index over the last five discrete one year periods.

Standardised Past Performance

	1st Feb 22 - 1st Dec 22 % Growth (Janus Henderson)	Jan 21-22 % Growth (Janus Henderson)	Jan 20-21 % Growth (Janus Henderson)	Jan 19-20 % Growth (Janus) Henderson)	Jan 18-19 % Growth (Janus Henderson)
PUTM Bothwell North America Fund	-0.82	23.93	13.66	21.02	5.04
Benchmark Index	-0.82	23.88	13.72	21.04	5.04

Janus Henderson assumed responsibility for the PUTM Bothwell North American Fund on the 1st August 2017 and transitioned it from a formerly active strategy to a passive strategy, tracking the FTSE North American index. Following a period to allow for this transition, performance was measured from 22nd August 2017.

Source: Fund performance is gross of AMC, GBP, based upon end of day pricing. Benchmark Index performance is FTSE Custom AW Dev North America Index.

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

US equities, as measured by the S&P 500 Index, were down 1.5% in sterling terms and lower by 11.0% in US dollar terms following sharp declines in 2022 that were fuelled by anxiety about inflation and the economy. Hopes of an easing in monetary policy tightening and some solid corporate results helped the market regain some of the losses in the final months of the year. The annual inflation rate reached a more than 40-year high of 9.1% in June, although it declined thereafter, hitting a 14-month low of 6.5% in December. The US Federal Reserve (Fed) raised interest rates by 50bps to a 15-year high of 4.5% in December, which marked a slowdown from the four consecutive 75bps hikes implemented before. However, it warned that rates could stay higher for longer. The economy grew by an annualised 2.9% in the fourth quarter, after expanding 3.2% in the previous quarter. The US dollar strengthened, with the Fed's rate hikes helping it hit a more than 20-year high in September. The currency subsequently came under pressure on expectations that policy makers would turn less hawkish.

Market Outlook

The Fund closed in December 2022.

Portfolio of investments (unaudited)

Investments held at 31 January 2023

Holding	Investment	Market value £000	Percentage of total net assets %
	United States (31/01/22 – 91.42%)		0.00
	Aerospace & Defence (31/01/22 – 0.99%)		0.00
	Alternative Energy (31/01/22 – 0.10%)		0.00
	Automobiles & Parts (31/01/22 – 2.33%)		0.00
	Banks (31/01/22 – 3.93%)		0.00
	Beverages (31/01/22 – 1.35%)		0.00
	Chemicals (31/01/22 – 0.90%)		0.00
	Construction & Materials (31/01/22 – 0.47%)		0.00
	Electricity (31/01/22 – 1.75%)		0.00
	Electronic & Electrical Equipment (31/01/22 – 1.11%)		0.00
	Financial Services (31/01/22 – 5.38%)		0.00
	Fixed Line Telecommunications (31/01/22 – 1.06%)		0.00
	Food & Drug Retailers (31/01/22 – 0.82%)		0.00
	Food Producers (31/01/22 – 0.85%)		0.00
	Forestry & Paper (31/01/22 – 0.06%)		0.00
	Gas, Water & Multiutilities (31/01/22 – 0.62%)		0.00
	General Industrials (31/01/22 – 1.32%)		0.00
	General Retailers (31/01/22 – 7.86%)		0.00
	Healthcare Equipment & Services (31/01/22 – 4.50%)		0.00
	Household Goods (31/01/22 – 1.47%)		0.00
	Industrial Engineering (31/01/22 – 1.26%)		0.00
	Industrial Metals (31/01/22 – 0.23%)		0.00
	Industrial Transportation (31/01/22 – 1.43%)		0.00
	Leisure Goods (31/01/22 – 0.35%)		0.00
	Life Insurance (31/01/22 – 0.45%)		0.00
	Media (31/01/22 – 1.71%)		0.00
	Mining (31/01/22 – 0.11%)		0.00
	Mobile Telecommunications (31/01/22 – 0.15%)		0.00
	Non-Life Insurance (31/01/22 – 2.37%)		0.00
	Oil & Gas Producers (31/01/22 – 2.56%)		0.00
	Oil Equipment & Services (31/01/22 – 0.47%)		0.00
	Personal Goods (31/01/22 – 1.01%)		0.00
	Pharmaceuticals & Biotechnology (31/01/22 – 6.20%)		0.00
	Real Estate & Investment Services (31/01/22 – 0.29%)		0.00
	Real Estate Investment Trusts (31/01/22 – 2.34%)		0.00
	Software & Computer Services (31/01/22 – 17.01%)		0.00
	Support Services (31/01/22 – 1.52%)		0.00
	Technology Hardware & Equipment (31/01/22 – 12.59%)		0.00
	Tobacco (31/01/22 – 0.62%)		0.00
	Travel & Leisure (31/01/22 – 1.88%)		0.00
	Bermuda (31/01/22 – 0.32%)		0.00
	Banks (31/01/22 – 0.01%)		0.00
	Financial Services (31/01/22 – 0.11%)		0.00
	Food Producers (31/01/22 – 0.02%)		0.00
	Non-Life Insurance (31/01/22 – 0.04%)		0.00

Portfolio of investments (unaudited)

Investments held at 31 January 2023

Holding	Investment	Market value £000	Percentage of total net assets %
	Technology Hardware & Equipment (31/01/22 – 0.14%)		
	Canada (31/01/22 – 4.17%)		0.00
	Automobiles & Parts (31/01/22 – 0.06%)		0.00
	Banks (31/01/22 – 1.30%)		0.00
	Chemicals (31/01/22 – 0.10%)		0.00
	Electricity (31/01/22 – 0.06%)		0.00
	Financial Services (31/01/22 – 0.18%)		0.00
	Fixed Line Telecommunications (31/01/22 – 0.07%)		0.00
	Food & Drug Retailers (31/01/22 – 0.15%)		0.00
	Food Producers (31/01/22 – 0.01%)		0.00
	Gas, Water & Multiutilities (31/01/22 – 0.01%)		0.00
	General Retailers (31/01/22 – 0.04%)		0.00
	Industrial Metals (31/01/22 – 0.04%)		0.00
	Industrial Transportation (31/01/22 – 0.32%)		0.00
	Life Insurance (31/01/22 – 0.21%)		0.00
	Media (31/01/22 – 0.06%)		0.00
	Mining (31/01/22 – 0.22%)		0.00
	Mobile Telecommunications (31/01/22 – 0.04%)		0.00
	Non-Life Insurance (31/01/22 – 0.08%)		0.00
	Oil & Gas Producers (31/01/22 – 0.43%)		0.00
	Oil Equipment & Services (31/01/22 – 0.24%)		0.00
	Pharmaceuticals & Biotechnology (31/01/22 – 0.03%)		0.00
	Software & Computer Services (31/01/22 – 0.39%)		0.00
	Support Services (31/01/22 – 0.08%)		0.00
	Travel & Leisure (31/01/22 – 0.05%)		0.00
	Cayman Islands (31/01/22 – 0.02%)		0.00
	Software & Computer Services (31/01/22 – 0.02%)		0.00
	Channel Islands (31/01/22 – 0.15%)		0.00
	Automobiles & Parts (31/01/22 – 0.10%)		0.00
	Healthcare Equipment & Services (31/01/22 – 0.02%)		0.00
	Software & Computer Services (31/01/22 – 0.03%)		0.00
	Ireland (31/01/22 – 2.02%)		0.00
	Chemicals (31/01/22 – 0.39%)		0.00
	Electronic & Electrical Equipment (31/01/22 – 0.02%)		0.00
	General Industrials (31/01/22 – 0.26%)		0.00
	General Retailers (31/01/22 – 0.13%)		0.00
	Healthcare Equipment & Services (31/01/22 – 0.38%)		0.00
	Industrial Engineering (31/01/22 – 0.02%)		0.00
	Non-Life Insurance (31/01/22 – 0.22%)		0.00
	Pharmaceuticals & Biotechnology (31/01/22 – 0.02%)		0.00
	Support Services (31/01/22 – 0.53%)		0.00
	Technology Hardware & Equipment (31/01/22 – 0.05%)		0.00
	Israel (31/01/22 – 0.04%)		0.00
	Software & Computer Services (31/01/22 – 0.04%)		0.00

Portfolio of investments (unaudited)

Investments held at 31 January 2023

Holding	Investment	Market value £000	Percentage of total net assets %
	Liberia (31/01/22 – 0.04%)		0.00
	Travel & Leisure (31/01/22– 0.04%)		0.00
	Luxembourg (31/01/22 – 0.06%)		0.00
	Software & Computer Services (31/01/22 – 0.06%)		0.00
	Netherlands (31/01/22 – 0.24%)		0.00
	Chemicals (31/01/22 – 0.07%)		0.00
	Software & Computer Services (31/01/22 – 0.04%)		0.00
	Technology Hardware & Equipment (31/01/22 – 0.13%)		0.00
	Panama (31/01/22 – 0.05%)		0.00
	Travel & Leisure (31/01/22 – 0.05%)		0.00
	Singapore (31/01/22– 0.02%)		0.00
	Electronic & Electrical Equipment (31/01/22– 0.02%)		0.00
	Switzerland (31/01/22 – 0.37%)		0.00
	Electronic & Electrical Equipment (31/01/22 – 0.11%)		0.00
	Non-Life Insurance (31/01/22 – 0.21%)		0.00
	Technology Hardware & Equipment (31/01/22 – 0.05%)		0.00
	United Kingdom (31/01/22 – 0.24%)		0.00
	Beverages (31/01/22 – 0.03%)		0.00
	Electronic & Electrical Equipment (31/01/22 – 0.03%)		0.00
	Media (31/01/22 – 0.05%)		0.00
	Pharmaceuticals & Biotechnology (31/01/22 – 0.03%)		0.00
	Software & Computer Services (31/01/22 – 0.10%)		0.00
	Futures (31/01/22 – (0.02%))		0.00
	United States (31/01/22 – (0.02%))		0.00
	Portfolio of investments	-	0.00
	Net other assets	-	0.00
	Net assets	-	0.00

Top ten purchases and sales

For the year ended 31 January 2023

Purchases	Cost £000	Sales	Proceeds £000
Airbnb A	1,457	Apple	91,183
Tesla Motors	1,074	Microsoft	75,950
Tango Holdings	1,044	Amazon.com	35,402
VICI Properties	957	Alphabet 'A'	24,312
Amazon.com	857	Alphabet 'C'	22,874
ON Semiconductor	854	Tesla Motors	20,910
Bill.com Holdings	762	UnitedHealth Group	20,040
ICON	602	Johnson & Johnson	18,665
Snowflake	579	Exxon Mobil	17,731
Quanta Services	514	Nvidia	16,240
Subtotal	8,700	Subtotal	343,307
Other purchases	16,589	Other sales	1,144,840
Total purchases for the year	25,289	Total sales for the year	1,488,147

Statistical information

Comparative tables

	31/01/23** pence	Class 'A' Accumulation 31/01/22 pence	31/01/21 pence
Change in net assets per unit			
Opening net asset value per unit	515.02	421.14	375.81
Return before operating charges*	(4.58)	100.64	50.77
Operating charges	(5.77)	(6.76)	(5.44)
Return after operating charges*	(10.35)	93.88	45.33
Distributions on accumulation units	(0.10)	–	(0.47)
Retained distributions on accumulation units	0.10	–	0.47
Termination price per unit	(504.67)	–	–
Closing net asset value per unit	–	515.02	421.14
* after direct transaction costs of: ^	0.01	0.01	0.02

Performance

Return after charges	(2.01)%	22.29%	12.06%
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Other information

Closing net asset value (£000)	–	130,723	121,844
Closing number of units	–	25,382,199	28,931,643
Operating charges	1.34%	1.39%	1.40%
Direct transaction costs	0.00%	0.00%	0.00%

Prices⁺

Highest unit price (pence)	586.06	588.66	474.13
Lowest unit price (pence)	454.90	419.07	296.09

^ The direct transaction costs includes commission on futures.

+ 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.

** All of the units in the fund were cancelled on 2 December 2022 so the information above relates to when the fund was active.

Statistical information

Comparative tables

	31/01/23** pence	Class 'B' Accumulation 31/01/22 pence	31/01/21 pence
Change in net assets per unit			
Opening net asset value per unit	609.06	491.65	432.93
Return before operating charges*	(5.47)	117.77	59.06
Operating charges	(0.20)	(0.36)	(0.34)
Return after operating charges*	(5.67)	117.41	58.72
Distributions on accumulation units	(3.98)	(6.48)	(6.51)
Retained distributions on accumulation units	3.98	6.48	6.51
Termination price per unit	(603.39)	–	–
Closing net asset value per unit	–	609.06	491.65
* after direct transaction costs of: ^	0.01	0.01	0.02

Performance

Return after charges	(0.93)%	23.88%	13.56%
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Other information

Closing net asset value (£000)	–	1,056,939	1,088,545
Closing number of units	–	173,535,992	221,404,345
Operating charges	0.01%	0.06%	0.08%
Direct transaction costs	0.00%	0.00%	0.00%

Prices⁺

Highest unit price (pence)	649.32	646.27	514.48
Lowest unit price (pence)	540.64	489.64	341.65

^ The direct transaction costs includes commission on futures.

+ 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.

** All of the units in the fund were cancelled on 2 December 2022 so the information above relates to when the fund was active.

Statistical information

Comparative tables

	31/01/23** pence	Class 'C' Accumulation 31/01/22 pence	31/01/21 pence
Change in net assets per unit			
Opening net asset value per unit	190.19	153.41	135.14
Return before operating charges*	(1.72)	36.89	18.38
Operating charges	(0.06)	(0.11)	(0.11)
Return after operating charges*	(1.78)	36.78	18.27
Distributions on accumulation units	(1.24)	(2.02)	(2.03)
Retained distributions on accumulation units	1.24	2.02	2.03
Termination price per unit	(188.41)	-	-
Closing net asset value per unit	-	190.19	153.41
* after direct transaction costs of: ^	-	-	0.01

Performance

Return after charges	(0.93)%	23.97%	13.52%
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Other information

Closing net asset value (£000)	-	313,288	302,717
Closing number of units	-	164,723,694	197,325,169
Operating charges	0.01%	0.06%	0.08%
Direct transaction costs	0.00%	0.00%	0.00%

Prices⁺

Highest unit price (pence)	202.75	201.80	160.65
Lowest unit price (pence)	168.82	152.90	106.73

^ The direct transaction costs includes commission on futures.

+ 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.

** All of the units in the fund were cancelled on 2 December 2022 so the information above relates to when the fund was active.

Statistical information

Comparative tables

	31/01/23** pence	Class 'D' Accumulation 31/01/22 pence	31/01/21 pence
Change in net assets per unit			
Opening net asset value per unit	179.85	145.22	127.99
Return before operating charges*	(1.24)	34.88	17.44
Operating charges	(0.19)	(0.25)	(0.21)
Return after operating charges*	(1.43)	34.63	17.23
Distributions on accumulation units	(1.10)	(1.77)	(1.81)
Retained distributions on accumulation units	1.10	1.77	1.81
Termination price per unit	(178.42)	-	-
Closing net asset value per unit	-	179.85	145.22
* after direct transaction costs of: ^	-	-	0.01

Performance

Return after charges	(0.80)%	23.85%	13.46%
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Other information

Closing net asset value (£000)	-	197	181
Closing number of units	-	109,642	124,666
Operating charges	0.10%	0.15%	0.16%
Direct transaction costs	0.00%	0.00%	0.00%

Prices⁺

Highest unit price (pence)	206.02	205.17	163.46
Lowest unit price (pence)	159.60	144.70	101.05

^ The direct transaction costs includes commission on futures.

+ 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.

** All of the units in the fund were cancelled on 2 December 2022 so the information above relates to when the fund was active.

Statistical information

The investment objective and the investment policy detailed below, as well as the accounting policies on pages 16 and 17, were appropriate for the period when the Fund was open.

Investment objective

The Fund aimed to provide a total return (a combination of capital growth and income), delivering this return in line with the benchmark, before fees and expenses.

The benchmark is the FTSE North American Index (the "Index").

Investment policy

The Fund aimed to achieve this objective by investing over 90% of the portfolio in equities and equity related securities of companies that are constituents of the Index in approximate proportion to their weightings within the Index.

From time to time, the Fund may acquire or hold securities that are not constituents of the Index, as a result of corporate actions.

The Fund's holdings typically consisted of 'equity related securities' which include convertible stocks, stock exchange listed warrants, depositary receipts, and any other such investments which entitle the holder to subscribe for or convert into the equity of the company and/or where the share price performance is, in the opinion of the Investment Adviser, influenced significantly by the stock market performance of the company's ordinary shares. The Fund could also invest in other transferable securities, which were non-approved securities (essentially unlisted securities), money-market instruments, deposits, cash and near cash and other collective investment schemes.

Derivatives could be used for efficient portfolio management and hedging only.

Investment strategy

A minimum of 90% of the Fund was invested in components of the Index. The Fund would seek to physically replicate the Index. This process would involve investing in components of the Index, though not necessarily in the same proportions of the Index at all times. Consequently, the Fund could not track the Index exactly but would contain a meaningful exposure to the market. Stock Index Futures contracts could also be used to manage the cash portion of the Fund. It was intended that the Fund would normally close to fully invested as outlined above.

The Investment Advisor could use various Indexation or sampling techniques to achieve the objective of tracking the Index. In doing so the Investment Advisor could use discretion in deciding which investments were to be included in the portfolio. The number of investments so included could vary. The Investment Advisor at its discretion replace the current Index with such similar index as it may consider appropriate, subject to regulatory approval and appropriate notification to Unitholders.

Revenue distribution and pricing

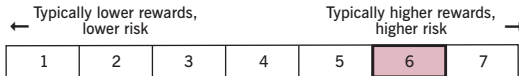
Units of the Fund were available as Class 'A' Accumulation, 'B' Accumulation, 'C' Accumulation or 'D' Accumulation units (where revenue was reinvested to enhance the unit price). There could be two potential distributions in each accounting year: an interim distribution as at 31 July and a final distribution as at 31 January.

At each distribution the net revenue after deduction of expenses, from the investments of the Fund, was 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, could change over time and could 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 was ranked at 6 (31/01/22: 6) because funds of this type have experienced high rises and falls in value in the past. Although this is a high risk ranking it is not the highest.

The above figure applies to the following unit classes:

- Class 'A' Accumulation
- Class 'B' Accumulation
- Class 'C' Accumulation
- Class 'D' Accumulation

Please note that even the lowest risk class could 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 risk(s) of investing in this Fund:

- Investing overseas can bring additional returns and spread risk to different markets. There were risks, however, that changes in currency rates will reduce the value of your investment.
- 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 31 January 2023

Statement of total return

	Notes	31/01/23		31/01/22	
		£000	£000	£000	£000
Income					
Net capital (losses)/gains	4		(26,659)		330,554
Revenue	5	17,674		22,255	
Expenses	6	(1,838)		(2,758)	
Interest payable and similar charges			–		(1)
Net revenue before taxation		15,836		19,496	
Taxation	7	(2,480)		(3,157)	
Net revenue after taxation			13,356		16,339
Total (deficit)/return before distributions			(13,303)		346,893
Distributions	8		(13,429)		(16,665)
Change in net assets attributable to unitholders from investment activities			(26,732)		330,228

Statement of change in net assets attributable to unitholders

	31/01/23**		31/01/22	
	£000	£000	£000	£000
Opening net assets attributable to unitholders		1,501,147		1,513,287
Amounts receivable on issue of units		4,817		50,403
Amounts payable on in-specie transfer*	(1,185,984)		–	
Amounts payable on cancellation of units	(301,215)		(408,401)	
		(1,482,382)		(357,998)
Change in net assets attributable to unitholders from investment activities		(26,732)		330,228
Retained distributions on accumulation units		7,967		15,630
Closing net assets attributable to unitholders		–		1,501,147

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

**All of the units were cancelled by in-specie transfer on 2 December 2022 therefore no NAV remained at the end of the period.

Annual financial statements

As at 31 January 2023

Balance sheet

	Notes	31/01/23		31/01/22	
		£000	£000	£000	£000
Assets:					
Current assets:					
Investments			–		1,488,549
Debtors	9	–		6,135	
Cash and bank balances	10	<u>383</u>		<u>12,699</u>	
Total current assets			<u>383</u>		<u>18,834</u>
Total assets			<u>383</u>		<u>1,507,383</u>
Liabilities:					
Investment liabilities			–		(238)
Creditors:					
Bank overdraft	11	(42)		(5)	
Other creditors	12	<u>(341)</u>		<u>(5,993)</u>	
Total creditors			<u>(383)</u>		<u>(5,998)</u>
Total liabilities			<u>(383)</u>		<u>(6,236)</u>
Net assets attributable to unitholders			<u>–</u>		<u>1,501,147</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.

Following the decision of the Manager to wind up the Fund and approval from the FCA received on 10 October 2022, all of the units in the Fund were cancelled by in-specie transfer on 2 December 2022. Accordingly, the financial statements have been prepared on a break-up basis. No adjustments were required in these financial statements to reduce assets to their recoverable value or liabilities to their settlement value.

The Manager of the Fund will bear the costs relating to any such liabilities arising. Unless otherwise stated all accounting policies are consistent with those of the prior period.

(b) Valuation of investments

All of the investments of the Fund were cancelled by in-specie transfer on 2 December 2022. Therefore, no investments were held at the end of the accounting year.

(c) Foreign exchange

Transactions in foreign currencies during the year were 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, 31 January 2023, the last valuation point in the accounting year.

(d) Revenue

Dividends receivable from equity investments and distributions receivable from collective investment schemes were 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.

Any commission arising from stocklending was recognised on an accruals basis and is disclosed net of fees.

Dividends received from US REITs are allocated between revenue and capital for distribution purposes. The split is based on the year end tax reporting data issued by the US REIT available on the website www.REIT.com.

Where the split of revenue and capital has not been announced at the accounting date a provisional split will be used.

The provision will be calculated on the prior year's aggregated dividend split for each US REIT.

(e) Special dividends

Special dividends were treated either as revenue or repayments of capital depending on the facts of each particular case. It is likely that where the receipt of a special dividend results in a significant reduction in the capital value of the holding, then the special dividend should be treated as capital in nature so as to ensure the matching principle is applied to gains and losses. Otherwise, the special dividend should be treated as revenue.

(f) Stock dividends

The ordinary element of stocks received in lieu of cash was recognised as revenue. Any excess in value of shares received over the amount of cash forgone would be treated as capital.

Notes to the financial statements

Note 1 Accounting policies (continued)

(g) Expenses

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

(h) Taxation

The charge for taxation is based on taxable income for the year less allowable expenses. UK dividends and franked distributions from UK collective investment schemes are disclosed net of any related tax credit.

Overseas dividends, unfranked distributions from UK collective investment schemes, and distributions from overseas collective investment schemes are disclosed gross of any tax suffered, the tax element being separately disclosed in the taxation note.

(i) 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.

Prior to closure, the Fund was not more than 60% invested in qualifying investments (as defined by SI 2006/964, Reg 20) and will pay a dividend distribution.

(b) Unclaimed distributions

Distributions remaining unclaimed after six years were 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 was based upon the proportion of the Fund's assets attributable to each unit class on the day the revenue was earned or the expense is suffered. The Manager's periodic charge was 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 could differ.

(d) Stock dividends

It was the policy of the Fund, where applicable, to distribute the revenue element of stock dividends.

(e) Special dividends

It was the policy of the Fund, where applicable, to distribute special dividends which have been treated as revenue.

(f) Expenses

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

Notes to the financial statements

Note 3 Risk management policies

The risks arising from the Fund's financial instruments were market price risk, interest rate risk, foreign currency risk, liquidity 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 was exposed to market fluctuations which were 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 majority of the Fund's financial assets were equity shares and other investments which neither pay interest nor have a maturity date. Interest receivable on bank deposits or payable on bank overdraft positions will be affected by fluctuations in interest rates.

(c) Foreign currency risk

All of the Fund's investment portfolio was invested in overseas securities and the Balance sheet could be (significantly) affected by movements in foreign exchange rates. The Fund might have been 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 were 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 were comprised of mainly readily realisable securities. If insufficient cash were available to finance unit holder redemptions then securities held by the Fund may need to be sold. The risk of low market liquidity, through reduced trading volumes, might have been affected the ability of the Fund to trade financial instruments at values previously indicated by financial brokers. From time to time, liquidity might 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) 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 3 Risk management policies (continued)

(f) 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.

There were no derivatives held at the year end.

Note 4 Net capital (losses)/gains

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

	31/01/23	31/01/22
	£000	£000
(losses)/gains on non-derivative securities	(25,636)	327,568
(losses)/gains on derivative contracts	(554)	2,686
Currency (losses)	(653)	(121)
Handling charges	(2)	(5)
Capital special dividends	–	77
US REITs	186	349
Net capital (losses)/gains	<u>(26,659)</u>	<u>330,554</u>

Note 5 Revenue

	31/01/23	31/01/22
	£000	£000
UK dividends	100	72
Overseas dividends	16,748	21,385
US REITs	744	764
Stocklending commission	20	34
Bank interest	61	–
Liquidity interest	1	–
Total revenue	<u>17,674</u>	<u>22,255</u>

Notes to the financial statements

Note 6 Expenses	31/01/23 £000	31/01/22 £000
(a) Payable to the Manager or associates of the Manager and agents of either of them: Manager's periodic charge	1,723	2,665
	<u>1,723</u>	<u>2,665</u>
(b) Payable to the Trustee or associates of the Trustee and agents of either of them: Trustee's fees	31	39
	<u>31</u>	<u>39</u>
(c) Other expenses:		
Audit fee	6	8
Safe custody charges	41	38
Printing & stationery	1	1
FTSE licence fees	7	6
Professional fees	4	1
Termination expense	25	–
	<u>84</u>	<u>54</u>
Total expenses	<u>1,838</u>	<u>2,758</u>

Note 7 Taxation	31/01/23 £000	31/01/22 £000
(a) Analysis of tax charge for the year		
Overseas withholding tax	2,470	3,117
Reclaimable tax written off	4	1
Irrecoverable tax on capital special dividends	6	39
Total taxation (Note 7(b))	<u>2,480</u>	<u>3,157</u>
(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/(expense) before taxation	15,836	19,496
Corporation tax at 20% (31/01/22: 20%)	3,167	3,899
Effects of:		
Revenue not subject to taxation	(3,355)	(4,289)
Current period expenses not utilised	210	413
Overseas withholding tax	2,470	3,117
Reclaimable tax written off	4	1
Irrecoverable overseas tax on capital special dividends	6	39
Reclaimable tax written off now recovered	(22)	(23)
Total tax charge for the year (Note 7(a))	<u>2,480</u>	<u>3,157</u>

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

- (c) Provision for deferred taxation
At 31 January 2023 the Fund had a potential deferred tax asset of £4,083,282 (31/01/22: £3,878,663) in relation to surplus management expenses of £20,416,410 (31/01/22: £19,393,316). 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.

Notes to the financial statements

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:

	31/01/23	31/01/22
	£000	£000
Interim	7,967	8,078
Final	–	7,552
	<u>7,967</u>	<u>15,630</u>
Amounts deducted on cancellation of units	5,476	1,193
Amounts added on issue of units	(14)	(158)
Net distribution for the year	<u>13,429</u>	<u>16,665</u>
Net revenue after taxation	13,356	16,339
Expenses taken to capital	66	38
Capital tax balances	7	39
Income deficit transfers	–	249
Net distribution for the year	<u>13,429</u>	<u>16,665</u>

Details of the distribution per unit are set out in the tables on pages 27 and 28.

Note 9 Debtors

	31/01/23	31/01/22
	£000	£000
Creations awaiting settlement	–	5,225
Accrued income	–	907
Overseas tax recoverable	–	3
Total debtors	<u>–</u>	<u>6,135</u>

Note 10 Cash and bank balances

	31/01/23	31/01/22
	£000	£000
Cash and bank balances	383	11,737
Amounts held at futures clearing houses	–	962
Total cash and bank balances	<u>383</u>	<u>12,699</u>

Note 11 Bank overdraft

	31/01/23	31/01/22
	£000	£000
Bank overdraft	42	–
Amounts due to futures clearing houses	–	5
Total bank overdraft	<u>42</u>	<u>5</u>

Note 12 Other creditors

	31/01/23	31/01/22
	£000	£000
Cancellations awaiting settlement	–	4,850
Manager's periodic charge payable	281	1,124
Trustee's fees payable	–	7
Safe custody charges payable	–	4
Audit fee payable	6	7
Handling charges payable	1	1
Accrued termination fees	25	–
Amounts due to final unitholders	28	–
Total other creditors	<u>341</u>	<u>5,993</u>

Notes to the financial statements

Note 13 Reconciliation of units

	Class 'A' Accumulation	Class 'B' Accumulation	Class 'C' Accumulation	Class 'D' Accumulation
Opening units issued at 01/02/22	25,382,199	173,535,992	164,723,694	109,642
Unit movements in year:				
Units issued	4,998	714,385	236,375	–
Units cancelled	(25,387,197)	(174,250,377)	(164,960,069)	(109,642)
Closing units at 31/01/23	–	–	–	–

Note 14 Contingencies and commitments

At 31 January 2023 the Fund had no outstanding calls on partly paid shares, no potential underwriting commitments or any other contingent liabilities (31/01/22: £nil).

Note 15 Stocklending

The total value of securities on loan at the Balance sheet date was £nil (31/01/22: £161,700). Collateral was held in the following form:

	31/01/23 £000	31/01/22 £000
Equities	–	214
	–	214

The gross earnings and fees paid for the year were £23,943 (31/01/22: £40,919) and £4,310 (31/01/22: £7,365) respectively.

The gross earnings were split by the lending agent as follows:

- 82% to the Lender (PUTM Bothwell North America Fund)
- 8% to the Manager (Phoenix Unit Trust Managers Limited)
- 10% retained by the Lending Agent (eSec)

The counterparties for the securities on loan are shown in the appendix on page 34.

Note 16 Unitholders' funds

There are four unit classes in issue within the Fund. These are Class 'A' Accumulation, Class 'B' Accumulation, Class 'C' Accumulation and Class 'D' Accumulation. The Manager's periodic charge in respect Class 'A', Class 'B', Class 'C' and Class 'D' units is expressed as an annual percentage of the value of the property of the Fund attributable to each unit class and is currently 1.33% in respect of Class 'A' units, 0.005% in respect of Class 'B' units, 0.005% in respect of Class 'C' units and 0.09% in respect of Class 'D' 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 17 Related party transactions

The Manager was 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, was a material unitholder in the Fund and therefore a related party, holding 100.00% of the units in Class 'A' Accumulation at the liquidation date (31/01/22: 100.00%), 100.00% of the units in Class 'B' Accumulation at the liquidation date (31/01/22: 99.15%), 100.00% of the units in Class 'C' Accumulation at the liquidation date (31/01/22: 100.00%) and 0.00% of the units in Class 'D' Accumulation at the liquidation date (31/01/22: 0.00%).

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 unitholders and Note 8.

Any balances due to/from the Manager or its associates at 31 January 2023 in respect of these transactions are shown in Notes 9 and 12.

Note 18 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

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

Currency	Net currency assets 31/01/23			Net currency assets 31/01/22		
	Monetary exposure	Non- monetary exposure	Total exposure	Monetary exposure	Non- monetary exposure	Total exposure
	£000	£000	£000	£000	£000	£000
Sterling	(383)	–	(383)	(384)	–	(384)
Canadian Dollar	22	–	22	680	59,192	59,872
US Dollar	361	–	361	12,540	1,429,119	1,441,659
	–	–	–	12,836	1,488,311	1,501,147

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.

Notes to the financial statements

Note 18 Financial instruments (continued)

Interest profile

At the year end date, 0.00% (31/01/22: 0.85%) of the Fund's net assets by value were interest bearing.

Interest rates earned/paid on deposits are earned/paid at a rate linked to SONIA (Sterling Overnight Index Average) or international equivalent.

Note 19 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.

All of the units in the fund were cancelled on 2 December 2022, therefore, there are no holdings at the period end.

For the year ended 31/01/22

Level	1	2	3	Total
Investment assets	£000	£000	£000	£000
Equities	1,488,538	–	–	1,488,538
Derivatives	11	–	–	11
	1,488,549	–	–	1,488,549
Investment liabilities	£000	£000	£000	£000
Derivatives	(238)	–	–	(238)
	(238)	–	–	(238)

Notes to the financial statements

Note 20 Portfolio transaction costs

For the year ended 31/01/23

	Value £000	Commission £000	%	Taxes £000	%	Other expenses £000	%	Total costs £000
Analysis of total purchases costs								
Equity transactions	25,256	3	0.01	–	–	–	–	25,259
Corporate actions	30	–	–	–	–	–	–	30
Total	25,286	3		–		–		25,289
	Value £000	Commission £000	%	Taxes £000	%	Other expenses £000	%	Total costs £000
Analysis of total sales costs								
Equity transactions	295,942	(20)	(0.01)	–	–	(5)	–	295,917
Corporate actions	3,491	–	–	–	–	–	–	3,491
In-specie transactions	1,188,739	–	–	–	–	–	–	1,188,739
Total	1,488,172	(20)		–		(5)		1,488,147

The Fund has received £2,032 as commission on purchases and sales of derivatives transactions for the year ended 31.01.23.

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 20 Portfolio transaction costs (continued)

For the year ended 31/01/22

	Value £000	Commission £000	%	Taxes £000	%	Other expenses £000	%	Total costs £000
Analysis of total purchases costs								
Equity transactions	44,166	4	0.01	–	–	–	–	44,170
Corporate actions	156	–	–	–	–	–	–	156
Total	44,322	4		–		–		44,326
Analysis of total sales costs								
Equity transactions	390,838	(23)	0.01	–	–	(2)	–	390,813
Corporate actions	1,655	–	–	–	–	–	–	1,655
Total	392,493	(23)		–		(2)		392,468

The Fund has paid £4,310 as commission on purchases and sales of derivatives transactions for the year ended 31/01/22. Commission, taxes and other expenses as % of average net assets:

Commission	0.00%
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 0.00% (31/01/22: 0.07%) being the difference between the respective bid and offer prices for the Fund's investments

Distribution tables

For the year ended 31 January 2023

Interim distribution in pence per unit

Group 1: units purchased prior to 1 February 2022

Group 2: units purchased 1 February 2022 to 31 July 2022

	Net income	Equalisation	2022 pence per unit paid 30 Sept	2021 pence per unit paid 30 Sept
Class 'A' Accumulation				
Group 1	0.0996	—	0.0996	—
Group 2	0.0000	0.0996	0.0996	—
Class 'B' Accumulation				
Group 1	3.9779	—	3.9779	3.1263
Group 2	1.8697	2.1082	3.9779	3.1263
Class 'C' Accumulation				
Group 1	1.2415	—	1.2415	0.9761
Group 2	0.6708	0.5707	1.2415	0.9761
Class 'D' Accumulation				
Group 1	1.1013	—	1.1013	0.8567
Group 2	1.1013	0.0000	1.1013	0.8567

Distribution tables

For the year ended 31 January 2023

Final distribution in pence per unit

Group 1: units purchased prior to 1 August 2022

Group 2: units purchased 1 August 2022 to 31 January 2023

	Net income	Equalisation	2023* pence per unit payable 31 Mar	2022 pence per unit paid 31 Mar
Class 'A' Accumulation				
Group 1	n/a	n/a	n/a	—
Group 2	n/a	n/a	n/a	—
Class 'B' Accumulation				
Group 1	n/a	n/a	n/a	3.3560
Group 2	n/a	n/a	n/a	3.3560
Class 'C' Accumulation				
Group 1	n/a	n/a	n/a	1.0482
Group 2	n/a	n/a	n/a	1.0482
Class 'D' Accumulation				
Group 1	n/a	n/a	n/a	0.9141
Group 2	n/a	n/a	n/a	0.9141

* The fund cancelled all of its units by in-specie transfer on 2 December 2022.

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 going concern basis unless it is inappropriate to presume that the Fund will continue in operation. For reasons stated in the Manager's report and Note 1(a), the financial statements have been prepared on a break up basis as the Fund is not a going concern.

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 the prevention and detection of fraud and other irregularities.

- b) The Depositary in its capacity as Trustee of the PUTM Bothwell North America 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 North America Fund ('the Trust') for the year Ended 31 January 2023.

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
31 May 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.

31 May 2023

Craig Baker, Director
Andrew Moss, Director

Independent auditor's report to the unitholders of the PUTM Bothwell North America Fund

Opinion

We have audited the financial statements of the PUTM Bothwell North America Fund ("the Fund") for the year ended 31 January 2023, which comprise the Statement of Total Return, the Statement of Change in Net Assets Attributable to Unitholders, 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).

The financial statements have been prepared on a break up basis as disclosed in Note 1(a).

In our opinion, the financial statements:

- give a true and fair view of the financial position of the Fund as at 31 January 2023 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.

Emphasis of matter – financial statements prepared on a break up basis

We draw attention to Note 1(a) to the financial statements which explains that the Manager intends to wind up the Fund and therefore does not consider it to be appropriate to adopt the going concern basis of accounting in preparing the financial statements. Accordingly, the financial statements have been prepared on a break up basis as described in Note 1(a). Our opinion is not modified in respect of this matter.

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.

We have nothing to report in this regard.

Independent auditor's report to the unitholders of the PUTM Bothwell North America Fund

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 ••, 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 North America Fund (continued)

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. We identified a fraud risk with respect to the incomplete or inaccurate income recognition through incorrect classification of special dividends and the resulting impact to amounts available for distribution. We tested appropriateness of management's classification of material special dividends as either a capital or revenue return.
- 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.

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
31 May 2023

Appendix (unaudited)

The Fund carried out stocklending activities for the purpose of efficient portfolio management and in order to generate income.

Revenue earned from these activities is shown in the Statement of Total Return.

As at 31 January 2023 there were no Securities on loan or collateral held. Thus none of the disclosure is given.

Return and cost

	Gross return £000	Cost £'000	% of overall returns	Net return £000
Fund	24	(4)	82.00	20
	24	(4)		20

The gross earnings were split by the lending agent as follows:

- 82% to the Lender (PUTM Bothwell North America Fund)
- 8% to the Manager (Phoenix Unit Trust Managers Limited)
- 10% retained by the Lending Agent (eSec)

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 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 North America Fund. This has been performed based on the information available as at 31 January 2023.

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>

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

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

Janus Henderson UK Limited
201 Bishopsgate
London
EC2M 3AE
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.