



PHOENIX UNIT TRUST MANAGERS

MANAGER'S ANNUAL REPORT

For the year: 1 October 2023 to 30 September 2024

PUTM BOTHWELL EMERGING MARKETS EQUITY FUND





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

Investment review

Dear Investor

Welcome to the PUTM Bothwell Emerging Markets Equity Fund annual report for the 12 months to 30 September 2024.

Performance Review

Over the review period, the PUTM Bothwell Emerging Markets Equity Fund returned 14.47% (Source: Factset, for 12 months to 30/09/24). This is compared to its benchmark index, which returned 15.14% (Source: Factset, MSCI Emerging Markets Index, Gross Return, GBP for 12 months to 30/09/24).

In the table below, you can see how the Fund performed against its benchmark index over the last 5 discrete 1-year periods.

Standardised Past Performance

	Sep 23-24 % Growth	Sep 22-23 % Growth	Sep 21-22 % Growth	Sep 20-21 % Growth	Sep 19-20 % Growth
PUTM Bothwell Emerging Markets Equity Fund	14.47	3.60	-18.91	18.88	5.96
Benchmark Index	15.14	2.59	-12.79	13.70	5.72

Source: Fund performance is Factset for 12 months to 30 September for each year. Benchmark Index performance is Factset, MSCI Emerging Markets Index, Gross Return, GBP to 30 September for each year.

Past performance is not a guide to future performance.

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

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.

Investment review

Portfolio and Market Review

Emerging market equities rose over the 12 months under review, though they lagged developed markets. US interest rate expectations and China's uneven economic recovery dominated investor sentiment. The US Federal Reserve (Fed) kickstarted an eagerly anticipated easing cycle with a half-point rate cut at the period-end, which prompted several emerging market central banks to lower rates.

Meanwhile, Chinese stocks were weighed down by growth concerns for most of the year, but they rebounded sharply in the final month after policymakers unveiled aggressive stimulus measures. Among them were direct liquidity support for the stock market, cuts in interest rates and the reserve requirement ratio, and efforts to support the struggling property sector.

At the same time, the global artificial intelligence (AI)-led tech rally, which had broadened out earlier in the year, took a breather as investors rotated into Chinese equities following the stimulus announcements, and amid US recession fears. The unwinding of the Japanese yen carry trade also rattled markets in August, while fears of a widening conflict in the Middle East escalated significantly at the end of the period.

On the political front, several large emerging economies held elections over the year. In India, cabinet appointments for Prime Minister Narendra Modi's new coalition government pointed to political continuity, while the ruling leftwing party's landslide election victory in Mexico sparked concerns over fiscal policy and constitutional change. Separately, the South Korean government introduced the corporate Value-Up programme to improve shareholder returns.

Regarding Fund performance, stock selection in domestic China was negative, though this was largely offset by our underweight positioning. What hurt relative performance more was the off-benchmark exposure to Hong Kong as our holdings were dented by China's relatively slow pace of recovery. Insurer AIA Group lagged despite reporting decent results with solid underlying fundamentals. Brewer Budweiser APAC and Hong Kong Exchanges and Clearing also suffered from dampened market sentiment; we exited both companies over the year.

Several of our Chinese consumer-related stocks underperformed, most notably China Tourism Group Duty Free and electric vehicle maker Li Auto. WuXi Biologics fell on worries about US restrictions on Chinese biotechnology companies. We sold all three companies in view of more attractive investment opportunities elsewhere. Moreover, the underweight to food delivery platform Meituan detracted as the stock rallied sharply towards the period-end following China's wide-ranging stimulus measures.

That said, China's stimulus announcements also benefitted some of our other holdings, as investors rotated from value names into growth and quality, and previously beaten-down sectors such as consumer and real estate did well. Internet giant Tencent, photovoltaic inverter manufacturer Sungrow Power Supply and our new position in battery maker Contemporary Amperex Technology contributed positively. Appliance maker Midea Group added further value.

In South Korea, Samsung Engineering was a major laggard, though the construction and project management firm announced a big project win from Saudi Arabia in the second half of the year. On a brighter note, HD Korea Shipbuilding & Offshore Engineering climbed on improving order flows, including large container ships, and favourable new vessel pricing.

Also working in the Fund's favour were our stock picks in Taiwan. Electronic test equipment maker Chroma ATE was boosted by

higher expectations for future semiconductor chip testing requirements. Chip makers Taiwan Semiconductor Manufacturing Co and MediaTek benefitted from the tech rally and from structural and cyclical tailwinds. In a similar vein, Netherlands-listed semiconductor equipment manufacturer ASM International outperformed. Although tech names came under pressure towards the period-end, we believe structural demand growth from AI and data intensification remains a tailwind in the long run.

Another notable outperformer was Power Grid Corporation of India, which rose on solid fundamentals and earnings visibility. Latin American copper play Southern Copper also fared well. We have high conviction on the copper outlook and the company is a top-tier name with the largest copper reserve and lowest cash cost.

Finally, tensions in the Middle East rose materially at the period-end, with a higher risk now of an all-out war. Markets have been relatively sanguine about the impact. We would expect our relatively small positions in Saudi Arabia and the United Arab Emirates to benefit from potentially higher oil prices.

Besides the key portfolio activity mentioned in the interim report, we also established new positions in India. Cholamandalam Financial offers significant exposure to Indian consumer lending, while automobile and farm equipment maker Mahindra & Mahindra is well placed to capitalise on growth segments. In addition, we bought Indian Hotels.

Elsewhere in emerging Asia, we introduced Chinese battery maker Contemporary Amperex Technology as noted above, given its strong cash flow generation and cost controls. We also added Ping An Insurance and participated in Midea Group's H-share initial public offering. Furthermore, we initiated Taiwanese passive component maker Yageo, given its attractive prospects.

In Latin America, we bought Nu Holdings, the region's largest fintech bank with a rapidly growing customer base across Brazil, Mexico and Colombia.

Additions in the Middle East included Aldar Properties and Abu Dhabi Islamic Bank, beneficiaries of regional structural dynamics.

Apart from the sales mentioned earlier, we also divested Anglo American Platinum, ASML Holding, B3, Bank Rakyat Indonesia, Kotak Mahindra Bank, Maxscend Microelectronics, TotalEnergies, TOTVS and Zhongsheng Group.

Market Outlook and Fund Strategy

The outlook for emerging markets is constructive. Declining US interest rates would allow emerging market central banks more room to undertake further monetary easing. Lower rates, disinflation trends and structural tailwinds can support emerging market countries and companies. Further, a weaker US dollar can benefit regions like ASEAN and Latin America.

Moreover, China's uneven economic recovery has the potential to become more sustainable, while India's long-term prospects remain backed by significant transformations in physical and digital infrastructure, a resilient macro backdrop and positive demographics.

Overall, the asset class remains attractive due to the diversity of high-quality companies underpinned by structural growth drivers, including healthy demographics, a growing middle class and relatively undemanding valuations. By sticking to our disciplined, bottom-up approach, we expect our holdings to deliver sustainable returns to shareholders over the longer term.

Portfolio of investments (unaudited)

Investments held at 30 September 2024

Holding	Investment	Market value £000	Percentage of total net assets %
	United Kingdom (30/09/23 – 0.72%)		–
	Bermuda (30/09/23 – 0.39%)		–
	Brazil (30/09/23 – 6.29%)		2.08
	Financial Services		
11,927,206	Itausa Investimentos Itau	18,075	0.94
	Food & Drug Retailers		
3,948,195	Raia Drogasil	13,777	0.72
	Oil & Gas Producers		
1,350,413	Petro Rio	8,009	0.42
	Cayman Islands (30/09/23 – 15.82%)		17.17
	Banks		
1,451,356	NU Holdings	14,769	0.77
	Personal Goods		
3,884,600	Anta Sports Products	35,196	1.83
	Real Estate & Investment Services		
4,295,612	China Resources Land	11,792	0.62
	Real Property		
2,370,800	KE Holdings Inc	13,550	0.71
	Software & Computer Services		
7,335,699	Alibaba Group	77,448	4.03
862,415	Meituan Dianping	14,237	0.74
3,299,503	Tencent Holdings	140,797	7.33
11,486,800	Tongcheng Travel	21,984	1.14
	Chile (30/09/23 – 0.54%)		
	China (30/09/23 – 9.23%)		12.09
	Alternative Energy		
2,977,306	Sungrow Power Supply	31,500	1.64
	Banks		
53,450,000	China Construction Bank	30,165	1.57
	Beverages		
121,105	Kweichow Moutai A	22,494	1.17
	Electronic & Electrical Equipment		
8,066,287	NARI Technology Development A	23,716	1.23
	Healthcare Equipment & Services		
628,297	Shenzhen Mindray Bio-Medical Electronics A	19,561	1.02
	Household Goods		
1,789,775	Midea Group	14,465	0.75
	Leisure Goods		
1,405,659	Contemporary Amperex Technology	37,623	1.96
2,313,500	Midea Group	16,465	0.86
	Life Insurance		
7,535,500	Ping An Insurance	36,271	1.89
	France (30/09/23 – 1.89%)		
	Hong Kong (30/09/23 – 2.65%)		1.49
	Life Insurance		
4,270,847	AIA Group	28,550	1.49

Portfolio of investments (unaudited)

Investments held at 30 September 2024

Holding	Investment	Market value £000	Percentage of total net assets %
	India (30/09/23 – 14.13%)		20.02
	Banks		
2,473,143	HDFC Bank	38,108	1.98
3,545,933	ICICI Bank	40,158	2.09
	Construction & Materials		
304,494	Ultratech Cement	31,970	1.66
	Electricity		
12,293,998	Power Grid Corporation of India	38,591	2.01
	Electronic & Electrical Equipment		
1,220,229	Havells India	21,851	1.14
	Financial Services		
531,428	Cholamandalam Financial Holdings	9,662	0.50
1,206,284	Cholamandalam Investment and Finance	17,256	0.90
	Healthcare Equip & Services		
220,828	Global Health	2,009	0.10
	Industrial Engineering		
958,583	Mahindra & Mahindra	26,393	1.37
	Life Insurance		
2,390,225	SBI Life Insurance Company	39,211	2.04
	Mobile Telecommunications		
1,551,264	Bharti Airtel	23,593	1.23
	Oil & Gas Producers		
668,181	Reliance Industries	17,554	0.91
	Personal Goods		
706,345	Hindustan Unilever	18,589	0.97
	Real Estate & Investment Services		
666,708	Godrej Properties	18,748	0.98
	Software & Computer Services		
605,842	Tata Consultancy Services	23,006	1.20
	Travel & Leisure		
2,948,138	Indian Hotels	17,958	0.94
	Indonesia (30/09/23 – 4.10%)		2.09
	Banks		
84,334,800	Bank Negara Indonesia	22,217	1.16
	Fixed Line Telecommunications		
119,978,200	Telekomunikasi Indonesia	17,842	0.93
	Israel (30/09/23 – 0.69%)		0.57
	Technology Hardware & Equipment		
70,162	Nova	10,892	0.57
	Kazakhstan (30/09/23 – 1.69%)		1.13
	Software & Computer Services		
274,515	Kaspi.kz JSC GDR +	21,692	1.13
	Luxembourg (30/09/23 – 2.18%)		1.61
	Industrial Transportation		
1,654,574	InPost	23,197	1.21
	Software & Computer Services		
52,394	Globant	7,733	0.40

Portfolio of investments (unaudited)

Investments held at 30 September 2024

Holding	Investment	Market value £000	Percentage of total net assets %
	Malaysia (30/09/23 – 0.48%)		0.73
	General Retailers		
36,817,900	MR DIY Group M Bhd	14,045	0.73
	Mexico (30/09/23 – 3.62%)		2.77
	Banks		
2,785,868	Grupo Financiero Banorte SAB de CV	14,749	0.77
	Beverages		
2,187,797	Fomento Economico Mexicano	16,151	0.84
	Industrial Metals		
2,869,401	Grupo Mexico	11,925	0.62
	Industrial Transportation		
495,179	Grupo Aeroportuario del Sureste	10,479	0.54
	Netherlands (30/09/23 – 2.34%)		0.95
	Technology Hardware & Equipment		
37,409	ASM International	18,283	0.95
	Russia (30/09/23 – 0.00%)		–
	Banks		
738,152	Sberbank of Russia*	-	0.00
	Oil & Gas Producers		
287,319	Lukoil*	-	0.00
1,003,456	Novatek*	-	0.00
	Saudi Arabia (30/09/23 – 2.61%)		3.40
	Banks		
1,572,940	Al Rajhi Bank	27,258	1.42
	Financial Services		
128,892	Saudi Tadawul Group	5,809	0.30
	Oil & Gas Producers		
5,993,708	Saudi Arabian Oil Company	32,280	1.68
	South Africa (30/09/23 – 1.69%)		0.92
	Life Insurance		
4,630,780	Sanlam	17,630	0.92
	South Korea (30/09/23 – 9.38%)		10.36
	Banks		
830,175	Shinhan Financial Group	26,267	1.37
	Construction & Materials		
1,685,881	Samsung Engineering	21,145	1.10
	Electronic & Electrical Equipment		
1,343,877	Samsung Electronics	47,118	2.45
1,162,533	Samsung Electronics Preference	33,734	1.76
	General Industrials		
189,518	Samsung C&T	14,888	0.77
	Industrial Engineering		
209,422	Hyundai Heavy Industries	22,326	1.16
	Technology Hardware & Equipment		
337,343	SK Hynix	33,560	1.75

Portfolio of investments (unaudited)

Investments held at 30 September 2024

Holding	Investment	Market value £000	Percentage of total net assets %
	Taiwan (30/09/23 – 14.09%)		16.54
	Electronic & Electrical Equipment		
4,850,409	Chroma ATE	42,678	2.22
1,235,000	Delta Electronics	11,070	0.58
1,196,193	Yageo Corporation	17,528	0.91
	Personal Goods		
1,501,440	Makalot Industrial	12,344	0.64
	Technology Hardware & Equipment		
2,021,000	Accton Technology	25,281	1.32
1,043,000	MediaTek	28,871	1.50
7,986,566	Taiwan Semiconductor Manufacturing	180,055	9.37
	Thailand (30/09/23 – 0.71%)		0.91
	Mobile Telecommunications		
2,905,700	Advanced Info	17,436	0.91
	UAE (30/09/23 – 1.32%)		0.13
	General Retailers		
4,713,079	Americana Restaurants	2,566	0.13
	United States (30/09/23 – 2.47%)		4.42
	Banks		
7,815,418	Abu Dhabi Islamic Bank	20,178	1.05
	General Retailers		
11,225	Mercadolibre	17,149	0.89
	Industrial Metals		
365,238	Southern Copper Corporation	31,496	1.64
	Real Estate & Investment Services		
10,588,666	Aldar Properties	16,162	0.84
	Money Market (30/09/23 – 1.33%)		2.76
£53,069**	Aberdeen Standard Liquidity Fund (Lux) – Seabury Sterling Class Z-1 ~	53,073	2.76
	Portfolio of investments	1,962,208	102.14
	Net other liabilities	(41,203)	(2.14)
	Net assets	<u>1,921,005</u>	<u>100.00</u>

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

~SICAVs (open ended investment schemes registered outside the UK)

+GDR – Global Depositary Receipt

*Russian securities are suspended and have been valued at a nil market value

**the currency symbol has been shown as the shares are issued in blocks of £1,000.

Top ten purchases and sales

For the year ended 30 September 2024

Purchases	Cost	Sales	Proceeds
	£000		£000
Taiwan Semiconductor Manufacturing	71,538	Taiwan Semiconductor Manufacturing	62,224
Tencent Holdings	58,261	TotalEnergies	33,608
Anta Sports Products	36,315	Kotak Mahindra Bank	23,875
ICICI Bank	35,922	Bank Rakyat Indonesia	23,789
Ping An Insurance	31,954	LG Chem	19,577
SK Hynix	30,086	ASML Holding	17,953
Contemporary Amperex Technology	29,929	HDFC Bank	17,932
Samsung Electronics	28,540	Midea Group	15,332
Saudi Arabian Oil Company	27,205	Hong Kong Exchanges and Clearing	14,728
Alibaba Group	27,007	Maruti Suzuki	14,525
Subtotal	376,757	Subtotal	243,543
Other purchases	944,085	Other sales	390,699
Total purchases for the year	<u>1,320,842</u>	Total sales for the year	<u>634,242</u>

Statistical information

Comparative tables

	30/09/24 pence	Class 'A' Accumulation 30/09/23 pence	30/09/22 pence
Change in net assets per unit			
Opening net asset value per unit	134.62	132.66	166.02
Return before operating charges*	18.51	4.07	(31.07)
Operating charges	(2.19)	(2.11)	(2.29)
Return after operating charges*	16.32	1.96	(33.36)
Distributions on accumulation units	(1.57)	(1.36)	(0.71)
Retained distributions on accumulation units	1.57	1.36	0.71
Closing net asset value per unit	150.94	134.62	132.66
*after direct transaction costs of:	0.22	0.12	0.19
Performance			
Return after charges	12.12%	1.48%	(20.09%)
Other information			
Closing net asset value (£000)	25,582	22,977	20,218
Closing number of units	16,948,009	17,067,952	15,240,926
Operating charges	1.54%	1.54%	1.54%
Direct transaction costs	0.15%	0.09%	0.13%
Prices⁺			
Highest unit price (pence)	164.57	151.12	186.15
Lowest unit price (pence)	129.67	124.10	130.84

⁺ 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

	30/09/24 pence	Class 'B' Accumulation 30/09/23 pence	30/09/22 pence
Change in net assets per unit			
Opening net asset value per unit	180.47	175.69	216.66
Return before operating charges*	24.18	4.86	(40.90)
Operating charges	(0.09)	(0.08)	(0.07)
Return after operating charges*	24.09	4.78	(40.97)
Distributions on accumulation units	(4.39)	(4.00)	(3.72)
Retained distributions on accumulation units	4.39	4.00	3.72
Closing net asset value per unit	204.56	180.47	175.69
*after direct transaction costs of:	0.29	0.17	0.25

Performance

Return after charges	13.35%	2.72%	(18.91%)
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Other information

Closing net asset value (£000)	1,895,423	998,722	1,003,372
Closing number of units	926,607,952	553,408,518	571,116,755
Operating charges	0.04%	0.04%	0.04%
Direct transaction costs	0.15%	0.09%	0.13%

Prices⁺

Highest unit price (pence)	207.22	186.71	226.06
Lowest unit price (pence)	173.68	164.28	171.72

⁺ 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 PUTM Bothwell Emerging Markets Equity Fund (the 'Fund') aims to provide capital growth by outperforming the benchmark (before fees) by 0.5% to 1.5% per annum over any given 3 year period.

The benchmark is the MSCI Emerging Markets £ Index (the "Index").

Investment policy

The Fund aims to achieve its objective by investing at least 70% of the portfolio in equities and equity related securities of emerging market companies that are listed or traded on an eligible market. In order to improve liquidity, the Fund will have the ability to invest in the securities of companies incorporated in emerging markets whose securities are traded on Eligible Markets in developed economies.

The Fund's holdings will typically consist of equities or "Equity related securities" which will include convertible stocks, stock exchange listed warrants, depository receipts, exchange traded funds (ETFs), MSCI Opals, participation notes (or similar equivalent securities) where these provide a cost effective method of gaining access to some emerging markets, offer reduced settlement risk and improved liquidity. The Fund will also hold such investments which entitled 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 Manager, influenced significantly by the stock market performance of the company's ordinary shares.

The Fund may also invest in other transferable securities, money-market instruments, deposits, cash and near cash and other collective investment schemes. The Fund's exposure to unapproved securities will be limited to no more than 10% of its net asset value.

The Fund may invest in companies incorporated outside of emerging markets whose revenue derives substantially from emerging markets or whose assets are substantially in emerging markets. The Fund may also invest in eligible collective investment schemes and in equities of (or interests in) other investment companies (or similar funds) the investment objective of which is to invest in emerging markets. The Fund may also invest part of its assets in stocks of companies incorporated in developed markets.

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

Investment strategy

Although a minimum of 70% of the Fund is invested in components of the Index, the Fund is actively managed. The Investment Adviser uses research techniques to select individual holdings. The research process is focused on finding high quality companies at attractive valuations that can be held for the long term. The Investment Adviser references the Index, which means that while the Fund is not required to match the weightings of the Index and does not concentrate on any particular sector, the Fund is managed within constraints, so that divergence from the Index is controlled. The Fund's portfolio may, therefore, be similar to the components of the Index.

Statistical information

Revenue distribution and pricing

Units of the Fund are available as either Class 'A' Accumulation or 'B' Accumulation enhance the units (where revenue is reinvested to enhance the unit price).

There will be two potential distributions in each accounting year: an interim distribution as at 31 March and a final distribution as at 30 September.

At each distribution the net revenue after deduction of expenses, from the investments of the Fund, is apportioned amongst the unitholders.

Unitholders receive a tax voucher giving details of the distribution and the Manager's Report no later than two months after these dates.

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.

← Typically lower rewards, lower risk			Typically higher rewards, higher risk →			
1	2	3	4	5	6	7

This Fund is ranked at 6 (30/09/23: 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

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 risk 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.
- Emerging markets or less developed countries may face more political, economic or structural challenges than developed countries. This means your money is at greater risk.
- The Fund may use derivatives to reduce risk or cost or to generate additional capital or income at low risk, or to meet its investment objective.

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

Annual financial statements

For the year ended 30 September 2024

Statement of total return

	Notes	30/09/24		30/09/23	
		£000	£000	£000	£000
Income					
Net capital gains	4		210,849		9,803
Revenue	5	45,686		25,319	
Expenses	6	(1,139)		(800)	
Interest payable and similar charges		(307)		(12)	
Net revenue before taxation		<u>44,240</u>		<u>24,507</u>	
Taxation	7	(21,858)		(5,122)	
Net revenue after taxation			<u>22,382</u>		<u>19,385</u>
Total return before distributions			233,231		29,188
Distributions	8		(40,353)		(22,458)
Change in net assets attributable to unitholders from investment activities			<u>192,878</u>		<u>6,730</u>

Statement of change in net assets attributable to unitholders

		30/09/24		30/09/23	
		£000	£000	£000	£000
Opening net assets attributable to unitholders			1,021,699		1,023,590
Amounts receivable on issue of units		787,554		42,962	
Amounts payable on cancellation of units		<u>(122,769)</u>		<u>(73,963)</u>	
Change in net assets attributable to unitholders from investment activities			664,785		(31,001)
Retained distributions on accumulation units			192,878		6,730
Closing net assets attributable to unitholders			<u>1,921,005</u>		<u>1,021,699</u>

Annual financial statements

As at 30 September 2024

Balance sheet

	Notes	£000	30/09/24 £000	£000	30/09/23 £000
Assets:					
Fixed assets:					
Investments			1,962,208		1,025,394
Current assets:					
Debtors	9	2,792		2,628	
Cash and bank balances	10	<u>2,965</u>		<u>4,465</u>	
Total current assets			<u>5,757</u>		<u>7,093</u>
Total assets			<u>1,967,965</u>		<u>1,032,487</u>
Liabilities:					
Creditors:					
Bank overdraft	11	(704)		(1,780)	
Other creditors	12	<u>(26,359)</u>		<u>(4,380)</u>	
Total creditors			<u>(27,063)</u>		<u>(6,160)</u>
Provision for liabilities			<u>(19,897)</u>		<u>(4,628)</u>
Total liabilities			<u>(46,960)</u>		<u>(10,788)</u>
Net assets attributable to unitholders			<u>1,921,005</u>		<u>1,021,699</u>

Notes to the financial statements

Note 1 Accounting policies

(a) Basis of preparation

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

These financial statements are prepared on a going concern basis. The Manager has made an assessment of the Fund's ability to continue as a going concern, and is satisfied it has the resources to continue in business for the foreseeable future and is not aware of any material uncertainties that may cast significant doubt on this assessment. This assessment is made for a period of 12 months from when the financial statements are authorised for issue and considers liquidity, 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 September 2024, the last valuation point in the accounting year, in accordance with the Trust Deed.

Investment 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. 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 on 30 September 2024, the last valuation point in the accounting year.

(d) Revenue

Dividends receivable from equity investments and 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.

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

(e) Special dividends

Special dividends are 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.

Notes to the financial statements

Note 1 Accounting policies (continued)

(f) Stock dividends

The ordinary element of stocks received in lieu of cash is recognised as revenue. Any excess in value of shares received over the amount of cash forgone would be treated as capital. It is the policy of the Fund, where applicable, to distribute the revenue element of stock dividends.

(g) 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.

(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 accumulated to unitholders.

The Fund is 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 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) Stock dividends

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

(e) Special dividends

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

Notes to the financial statements

Note 2 Distribution policies (continued)

(f) Distributions from collective investment schemes

It is the policy of the Fund to distribute revenue from both income and accumulation distributions.

(g) Expenses

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

Costs arising from the filing of European withholding tax reclaims are charged to revenue but deducted from capital for the purpose of calculating the distribution. On receipt of any withholding tax reclaims relevant costs are transferred back to revenue and deducted from the distribution.

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

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. The majority of the Fund's financial assets are 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

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.

Notes to the financial statements

Note 3 Risk management policies (continued)

(d) Liquidity risk

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

(e) 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.

(f) Derivatives

Derivatives may be used for efficient portfolio management and hedging only. In doing so the Manager may make use of a variety of derivative instruments in accordance with the Sourcebook. 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 forward foreign currency contracts to hedge the portfolio where assets are denominated in foreign currency. The purpose of undertaking these contracts is to protect the portfolio as far as possible from a movement in the value of exchange rates.

Note 4 Net capital gains

The net capital gains during the year comprise:

	30/09/24	30/09/23
	£000	£000
Gains on non-derivative securities	210,779	10,454
(Losses)/gains on derivative contracts	(5)	3
Currency losses	(1,203)	(646)
Handling charges	(27)	(8)
Capital special dividends	1,305	–
Net capital gains	<u>210,849</u>	<u>9,803</u>

Notes to the financial statements

Note 5 Revenue	30/09/24	30/09/23
	£000	£000
Overseas dividends	44,723	24,877
Stocklending commission	62	28
Bank interest	54	64
Liquidity interest	847	350
Total revenue	<u>45,686</u>	<u>25,319</u>

Note 6 Expenses	30/09/24	30/09/23
	£000	£000
(a) Payable to the Manager or associates of the Manager and agents of either of them: Manager's periodic charge	<u>447</u>	<u>368</u>
(b) Payable to the Trustee or associates of the Trustee and agents of either of them: Trustee's fees	<u>42</u>	<u>34</u>
(c) Other expenses:		
Audit fee	13	9
Safe custody charges	597	351
Printing & stationery	1	1
Revenue collection expenses	12	9
Service fees	7	9
Professional fees	<u>20</u>	<u>19</u>
	<u>650</u>	<u>398</u>
Total expenses	<u>1,139</u>	<u>800</u>

Note 7 Taxation	30/09/24	30/09/23
	£000	£000
(a) Analysis of tax charge for the year		
Corporation tax	201	144
Double tax relief	(201)	(144)
Overseas withholding tax	4,456	2,331
Windfall overseas tax previously written off	(91)	(1)
Overseas capital gains tax	<u>2,224</u>	<u>1,095</u>
Total current tax	<u>6,589</u>	<u>3,425</u>
Deferred tax on overseas capital gains (Note 7(c))	<u>15,269</u>	<u>1,697</u>
Total taxation (Note 7(b))	<u>21,858</u>	<u>5,122</u>

Notes to the financial statements

Note 7 Taxation (continued)

- (b) Factors affecting the tax charge for the year
The tax assessed differs from that calculated when the standard rate of corporation tax for Authorised Unit Trusts is applied to total revenue return. The differences are explained below:

	30/09/24	30/09/23
	£000	£000
Net revenue before taxation	44,240	24,507
Corporation tax at 20% (30/09/23: 20%)	8,848	4,901
Effects of:		
Revenue not subject to taxation	(8,647)	(4,757)
Overseas withholding tax	4,456	2,331
Double tax relief	(201)	(144)
Windfall overseas tax previously written off	(91)	(1)
Overseas capital gains tax	17,493	2,792
Total tax charge for the year (Note 7(a))	21,858	5,122

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

(c) Provision for deferred taxation

	30/09/24	30/09/23
	£000	£000
Provision at the start of the year	4,628	2,931
Deferred tax charge in year (Note 7(a))	15,269	1,697
Provision at the end of the year	19,897	4,628

While Authorised Unit Trusts are exempt from tax on Capital Gains in the UK, this is not the case for certain overseas domiciles. As such, the Manager has determined there is a potential liability for capital gains tax on Indian securities and has included a provision of £19,897,268 at year end (30/09/23: £4,628,200).

Note 8 Distributions

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

	30/09/24	30/09/23
	£000	£000
Interim	15,073	7,625
Final	26,570	14,755
	41,643	22,380
Amounts deducted on cancellation of units	823	467
Amounts added on issue of units	(2,113)	(389)
Net distribution for the year	40,353	22,458
Net revenue after taxation	22,382	24,013
Equalisation on conversion of units		
Expenses taken to capital	598	351
Tax credit taken to capital	(120)	(70)
Capital tax balances	17,493	(1,836)
Net distribution for the year	40,353	22,458

Details of the distribution per unit are set out in the tables on page 26.

Notes to the financial statements

Note 9 Debtors

	30/09/24	30/09/23
	£000	£000
Creations awaiting settlement	–	400
Sales awaiting settlement	759	630
Accrued income	1,722	1,428
Corporation tax receivable	269	91
Overseas tax recoverable	33	79
FTSE License fee	9	–
Total debtors	<u>2,792</u>	<u>2,628</u>

Note 10 Cash and bank balances

	30/09/24	30/09/23
	£000	£000
Cash and bank balances	<u>2,965</u>	<u>4,465</u>
Total cash and bank balances	<u>2,965</u>	<u>4,465</u>

Note 11 Bank overdraft

	30/09/24	30/09/23
	£000	£000
Bank overdraft	<u>704</u>	<u>1,780</u>
Total bank overdraft	<u>704</u>	<u>1,780</u>

Note 12 Other creditors

	30/09/24	30/09/23
	£000	£000
Cancellations awaiting settlement	2,295	1,930
Purchases awaiting settlement	23,797	2,132
Manager's periodic charge payable	120	65
Trustee's fees payable	15	8
Safe custody charges payable	116	225
Audit fee payable	12	9
Handling charges payable	4	11
Total other creditors	<u>26,359</u>	<u>4,380</u>

Note 13 Reconciliation of units

	Class 'A' Accumulation	Class 'B' Accumulation
Opening units issued at 01/10/23	17,067,952	553,408,518
Unit movements in year:		
Units issued	47,690	436,214,884
Units cancelled	(167,633)	(63,015,450)
Closing units at 30/09/24	<u>16,948,009</u>	<u>926,607,952</u>

Note 14 Contingencies and commitments

At 30 September 2024 the Fund had no outstanding calls on partly paid shares, no potential underwriting commitments or any other contingent liabilities (30/09/23: £nil).

Notes to the financial statements

Note 15 Stocklending

The total value of securities on loan at the Balance sheet date was £nil (30/09/23: £nil). Collateral was held in the following form:

	30/09/24	30/09/23
	£000	£000
Overseas Equities	–	2,687
	<u>–</u>	<u>2,687</u>

The gross earnings and fees paid for the year were £75,593 (30/09/23: £34,640) and £13,607 (30/09/23: £6,235) respectively.

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

82% to the Lender (PUTM Bothwell Emerging Markets Equity Fund)

8% to the Manager (Phoenix Unit Trust Managers Limited)

10% retained by the Lending Agent (eSec)

Note 16 Unitholders' Funds

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

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 1.5050% 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.

Note 17 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 (30/09/23: 100%) and 100% of the units in Class 'B' Accumulation at the year end (30/09/23: 99.99%).

The 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 the current and prior year end 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 from derivatives at the year end (2023:nil).

Notes to the financial statements

Note 18 Financial instruments (continued)

Currency exposure

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

Currency	Net Currency assets/(liabilities) 30/09/24			Net Currency assets/(liabilities) 30/09/23		
	Monetary exposure	Non- monetary exposure	Total exposure	Monetary exposure	Non- monetary exposure	Total exposure
	£000	£000	£000	£000	£000	£000
Sterling	(22,777)	53,073	30,296	(2,746)	13,639	10,893
Brazilian Real	171	39,861	40,032	367	64,254	64,621
Chinese Yuan	458	149,359	149,817	1,775	65,751	67,526
Euro	33	41,480	41,513	625	55,229	55,854
Hong Kong Dolla	(23,533)	426,455	402,922	92	217,192	217,284
Indian Rupee	538	384,657	385,195	(4,577)	144,399	139,822
Indonesian Rupiah	–	40,059	40,059	(160)	41,913	41,753
South Korean Won	–	199,038	199,038	16	95,930	95,946
Mexican Peso	–	53,304	53,304	424	36,926	37,350
South African Rand	1,563	67,913	69,476	7	24,626	24,633
New Taiwan Dollar	2,329	317,827	320,156	1,921	143,918	145,839
US Dollar	15	103,731	103,746	(10)	69,218	69,208
Other foreign currencies*	–	85,451	85,451	(1,429)	52,399	50,970
	(41,203)	1,962,208	1,921,005	(3,695)	1,025,394	1,021,699

* foreign currencies included within 'other foreign currencies' above amounts to less than 10% (30/09/23: less than 10%) of the net asset value of the Fund.

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

At the year end date, 2.88% (30/09/23: 0.26%) 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. Interest was also earned on the investments in the Aberdeen Standard Liquidity Fund.

Sensitivity analysis

Interest rate risk sensitivity

As the majority of the Fund's financial assets are non-interest bearing, the Fund is only subject to limited exposure to fair value interest rate risk due to fluctuations in levels of market interest rates and therefore, no sensitivity analysis has been provided.

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 £94,535,484 (30/09/23: £50,540,376). 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 £98,110,382 (30/09/23: £51,269,719). A five percent decrease would have an equal and opposite effect.

Notes to the financial statements

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 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 30/09/24

Level	1	2	3	Total
Investment assets	£000	£000	£000	£000
Equities	1,909,135	–	–	1,909,135
Money markets	53,073	–	–	53,073
	1,962,208	–	–	1,962,208

For the year ended 30/09/23

Level	1	2	3	Total
Investment assets	£000	£000	£000	£000
Equities	1,011,712	–	43*	1,011,755
Money markets	13,639	–	–	13,639
	1,025,351	–	43	1,025,394

*Stock suspended

Note 20 Portfolio transaction costs

For the year ended 30/09/24

	Value £000	Commission £000	%	Taxes £000	%	Other expenses £000	%	Total costs £000
Analysis of total purchases costs								
Equity transactions	1,319,135	834	0.06	673	0.05	92	0.01	1,320,734
Corporate actions	108	–	–	–	–	–	–	108
Total	1,319,243	834		673		92		1,320,842

	Value £000	Commission £000	%	Taxes £000	%	Other expenses £000	%	Total costs £000
Analysis of total sales costs								
Equity transactions	634,999	(387)	(0.06)	(574)	(0.09)	(52)	(0.01)	633,986
Corporate actions	256	–	–	–	–	–	–	256
Total	635,255	(387)		(574)		(52)		634,242

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

Commission	0.07%
Taxes	0.07%
Other expenses	0.01%

Notes to the financial statements

Note 20 Portfolio transaction costs (continued)

For the year ended 30/09/23

	Value £000	Commission £000	%	Taxes £000	%	Other expenses £000	%	Total costs £000
Analysis of total purchases costs								
Equity transactions	309,143	223	0.07	187	0.06	43	0.01	309,596
Money markets	204,821	–	–	–	–	–	–	204,821
Corporate actions	13,468	–	–	–	–	–	–	13,468
Total	527,432	223		187		43		527,885
Analysis of total sales costs								
Equity transactions	325,251	(230)	(0.07)	(226)	(0.07)	(32)	(0.01)	324,763
Money markets	199,828	–	–	–	–	–	–	199,828
Corporate actions	13,704	–	–	–	–	–	–	13,704
Total	538,783	(230)		(226)		(32)		538,295

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

Commission	0.04%
Taxes	0.04%
Other expenses	0.01%

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 0.16% (30/09/23: 0.14%) being the difference between the respective bid and offer prices for the Fund's investments.

Distribution tables

For the year ended 30 September 2024

Interim distribution in pence per unit

Group 1: units purchased prior to 1 October 2023

Group 2: units purchased 1 October 2023 to 31 March 2024

	Net income	Equalisation	2024 pence per unit paid 31 May	2023 pence per unit paid 31 May
Class 'A' Accumulation				
Group 1	0.3362	—	0.3362	0.2121
Group 2	0.3122	0.0240	0.3362	0.2121

Class 'B' Accumulation

Group 1	1.5497	—	1.5497	1.3707
Group 2	1.0877	0.4620	1.5497	1.3707

Final distribution in pence per unit

Group 1: units purchased prior to 1 April 2024

Group 2: units purchased 1 April 2024 to 30 September 2024

	Net income	Equalisation	2024 pence per unit payable 29 Nov	2023 pence per unit paid 30 Nov
Class 'A' Accumulation				
Group 1	1.2313	—	1.2313	1.1508
Group 2	0.0080	1.2233	1.2313	1.1508
Class 'B' Accumulation				
Group 1	2.8449	—	2.8449	2.6308
Group 2	1.0880	1.7569	2.8449	2.6308

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 PUTM Bothwell Emerging Markets Equity 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 Emerging Markets Equity Fund of the PUTM Bothwell Range of Unit Trusts ("the Trust") for the Period Ended 30 September 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
23 January 2025

HSBC Bank plc

Directors' statement

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

Birmingham
23 January 2025

Michael Eakins, Director
Frances Clare Maclachlan, Director

Independent auditor's report to the unitholders of the PUTM Bothwell Emerging Markets Equity Fund

Opinion

We have audited the financial statements of the PUTM Bothwell Emerging Markets Equity Fund ("the Fund") for the year ended 30 September 2024 which comprise the Statement of total return, the Statement of change in unitholders' funds, the Balance sheet, the Related notes and Distribution tables for the Fund and the accounting policies set out on pages 15 to 17.

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 30 September 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.

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

Independent auditor's report to the unitholders of the PUTM Bothwell Emerging Markets Equity Fund

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.

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

Independent auditor's report to the unitholders of the PUTM Bothwell Emerging Markets Equity Fund

- 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 27, the Manager is responsible for: the preparation of financial statements that give a true and fair view; 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; 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 have no realistic alternative but to do so.

Auditor's responsibilities

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 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 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

23 January 2025

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 30 September 2024 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	90	(14)	82.00	76
	90	(14)		76

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

- 82% to the Lender (PUTM Bothwell Emerging Markets Equity 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 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

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 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 Emerging Markets Equity Fund. This has been performed based on the information available as at 30 September 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 are generally comfortable that the Fund meets most of the required Assessment of Value criteria. However, the Fund is not meeting its target outperformance of the benchmark index. PUTM will continue to monitor the Fund's performance and may take action, if required, which could involve establishing new permissible and eligible markets to improve performance.

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

<https://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

Michael Eakins
(appointed 29 April 2024)

PUTM Director, Group Chief
Investment Officer;

Frances Clare MacIachlan
(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.

Investment Adviser

Abrdn Investment Management Limited
1 George Street
Edinburgh EH2 2LL
Registered in Scotland – No.SC123321
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.

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.







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.