



## True Potential Unit Trust Annual Report

for the year ended 07 March 2025

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## Report of the Authorised Fund Manager ('AFM')

True Potential Administration (trading name of True Potential Administration LLP), as AFM, presents herewith the True Potential Unit Trust Annual Report for the year ended 07 March 2025.

True Potential Unit Trust ('the Trust') is a unit trust authorised by the Financial Conduct Authority ('FCA') whose effective date of authorisation by the FCA was 03 November 2015. It is a UCITS scheme complying with the investment and borrowing powers rules in the Collective Investment Schemes sourcebook ('COLL'), as published by the FCA.

The Trust was founded as an umbrella unit trust. An unlimited number of Sub-Funds may be included in the umbrella and the AFM may create additional Sub-Funds with the approval of the Trustee and of the FCA. The Sub-Funds represent segregated portfolios of assets and, accordingly, the assets of a Sub-Fund belong exclusively to that Sub-Fund and shall not be used or made available to discharge (indirectly or directly) the liabilities of claim against, any other person or body, and any other Sub-Fund and shall not be available for any such purpose.

The AFM is of the opinion that it is appropriate to continue to adopt the going concern basis in the preparation of the accounts as the assets of the Unit Trust consist predominantly of securities which are readily realisable and, accordingly, the Unit Trust has adequate financial resources to continue in operational existence for the foreseeable future. Further, appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, have been used in the preparation of these accounts and applicable accounting standards have been followed.

The unitholders are not liable for the debts of the Unit Trust or Sub-Fund.

The base currency of the Unit Trust is UK sterling.

The Trust Deed can be inspected at the offices of the AFM.

Copies of the Prospectus and Key Investor Information Documents ('KIIDs') are available on request free of charge from the AFM.

### Investment Objective and Policy - True Potential Threadneedle Monthly Income

The investment objective is to achieve regular income growth with prospects of capital growth. Income will be paid monthly where the level of income within the Sub-Fund allows.

The assets of the Sub-Fund are primarily invested in UK equities with the balance mainly in sterling denominated fixed interest securities with some limited exposure to non-sterling bonds. The Sub-Fund may invest in derivatives for Efficient Portfolio Management purposes in order to effectively manage exposures to currencies and underlying equity positions in the portfolio.

Derivatives and forward transactions may only be used for Efficient Portfolio Management. The Sub-Fund may use derivatives and forward transactions for investment purposes on the giving of 60 days' notice to unitholders. The use of derivatives for investment purposes may alter the risk profile of the Sub-Fund.

Please be aware that there is no guarantee that capital will be preserved.

### Sub-Funds

There is currently one Sub-Fund available in the Unit Trust:

True Potential Threadneedle Monthly Income

### Changes affecting the Unit Trust during the year:

There were no changes affecting the Unit Trust during the year.

In accordance with the requirements of the Financial Conduct Authority's Collective Investment Schemes sourcebook, I hereby certify the Annual Report on behalf of the AFM, True Potential Administration LLP.

Henrietta Jowitt  
Chief Executive  
True Potential Administration LLP

Iain Paul Wallace  
Executive Partner  
True Potential Administration LLP

*Henrietta Jowitt*

29-May-2025

*Iain Wallace*

28-May-2025

## Statement of the Authorised Fund Manager's Responsibilities

The Collective Investment Schemes sourcebook ('COLL') published by the FCA, requires the AFM to prepare the financial statements for each annual accounting period which give a true and fair view of the financial position of the Trust and of the net revenue and net capital gains on the property of the Trust for the year.

In preparing the financial statements the AFM 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 published by The Investment 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 Trust'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 Trust 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;
- taking reasonable steps for the prevention and detection of fraud and irregularities; and
- the maintenance and integrity of the Trust's information on the AFM's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The AFM is responsible for the management of the Unit Trust in accordance with the trust deed, the Prospectus and COLL.

## Statement of the Trustee's Responsibilities in Respect of the Scheme and Report of the Trustee to the Unitholders of True Potential Unit Trust ("the Trust") for the year ended 07 March 2025

The Trustee must ensure that the Trust is managed in accordance with the Financial Conduct Authority's Collective Investment Schemes Sourcebook, the Open-Ended Investment Companies Regulations 2001 (SI 2001/1228), as amended, the Financial Services and Markets Act 2000, as amended, (together "the Regulations"), the Trust's Instrument of Incorporation and Prospectus (together "the Scheme documents") as detailed below.

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

The Trustee 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 Trustee 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 AFM, are carried out (unless they conflict with the Regulations).

The Trustee 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.

Having carried out such procedures as we considered necessary to discharge our responsibilities as Trustee 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.

Northern Trust Investor Services Limited

UK Trustee and Depositary Services

31 March 2025

## Independent Auditor's report to the unitholders of True Potential Unit Trust

### Opinion

We have audited the financial statements of True Potential Unit Trust ('the Trust') for the year ended 07 March 2025, which comprise the Statement of Total Return, Statement of Changes in Net Assets Attributable to Unitholders, Balance Sheet, the related Notes to the Financial Statements, including significant accounting policies and the Distribution Tables. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- Give a true and fair view of the financial position of the Trust as at 07 March 2025 and of the net revenue and the net capital gains on the scheme property of the Trust for the year then ended;
- Have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- Have been prepared in accordance with the Investment Association Statement of Recommended Practice for Authorised Funds, the rules of the Collective Investment Schemes Sourcebook (COLL Rules) of the Financial Conduct Authority and the Trust Deed.

### 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 responsibilities for the audit of the financial statements section of our report. We are independent of the Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the AFM's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

Our responsibilities and the responsibilities of the AFM with respect to going concern are described in the relevant sections of this report.

### 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 AFM 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 our 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 course of 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 this other information, we are required to report that fact.

We have nothing to report in this regard.

### Opinions on other matters prescribed by the COLL Rules

In our opinion, based on the work undertaken in the course of the audit:

- Proper accounting records for the Trust have been kept and the accounts are in agreement with those records;
- We have received all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit; and
- The information given in the report of the AFM for the year is consistent with the financial statements.

## Independent Auditor's report to the unitholders of True Potential Unit Trust (continued)

### Responsibilities of AFM

As explained more fully in the AFM's responsibilities statement set out on page 4, the AFM 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 AFM 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 AFM is responsible for assessing the Trust'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 AFM either intends to wind up the Trust or to cease operations, or has no realistic alternative but to do so.

### Auditor 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.

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

#### *Extent to which 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 material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

We assessed whether the engagement team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations by considering their experience, past performance and support available.

All engagement team members were briefed on relevant identified laws and regulations and potential fraud risks at the planning stage of the audit. Engagement team members were reminded to remain alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

We obtained an understanding of the legal and regulatory frameworks that are applicable to the Trust and the sector in which it operates, focusing on those provisions that had a direct effect on the determination of material amounts and disclosures in the financial statements. The most relevant frameworks we identified include:

- UK Generally Accepted Accounting Practice including Financial Reporting Standard 102 and the IA Statement of Recommended Practice for Authorised Funds;
- the Financial Conduct Authority's COLL Rules; and
- the Trust's Prospectus.

We gained an understanding of how the Trust is complying with these laws and regulations by making enquiries of the AFM. We corroborated these enquiries through our review of submitted returns, external inspections, relevant correspondence with regulatory bodies and the Trust's breaches register.

We assessed the susceptibility of the financial statements to material misstatement, including how fraud might occur, by meeting with management and those charged with governance to understand where it was considered there was susceptibility to fraud. This evaluation also considered how the AFM was remunerated and whether this provided an incentive for fraudulent activity. We considered the overall control environment and how the AFM oversees the implementation and operation of controls. In areas of the financial statements where the risks were considered to be higher, we performed procedures to address each identified risk.

We identified a heightened fraud risk in relation to:

- Management override of controls; and
- The completeness and classification of special dividends between revenue and capital.

## Independent Auditor's report to the unitholders of True Potential Unit Trust (continued)

### Auditor responsibilities for the audit of the financial statements (continued)

In addition to the above, the following procedures were performed to provide reasonable assurance that the financial statements were free of material fraud or error:

- Reviewing the level of and reasoning behind the Trust's procurement of legal and professional services;
- Performing audit work procedures over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business, review of a pre sign-off Net Asset Valuation (NAV) statement for any unexpected activity and reviewing judgements made by the AFM in its calculation of accounting estimates for potential management bias;
- Using a third-party independent data source to assess the completeness of the special dividend population and determining whether special dividends recognised were revenue or capital in nature with reference to the underlying circumstances of the investee companies' dividend payments;
- Assessing the Trust's compliance with the key requirements of the Collective Investment Schemes Sourcebook, and its Prospectus;
- Completion of appropriate checklists and use of our experience to assess the Trust's compliance with the IA Statement of Recommended Practice for Authorised Funds; and
- Agreement of the financial statement disclosures to supporting documentation.

Our audit procedures were designed to respond to the risk of material misstatements in the financial statements, recognising that 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 intentional concealment, forgery, collusion, omission or misrepresentation. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

### Use of our report

This report is made solely to the Trust's unitholders, as a body, in accordance with Rule 4.5.12 of the COLL Rules published 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 Trust'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 Trust and the Trust's unitholders as a body, for our audit work, for this report, or for the opinions we have formed.



Johnston Carmichael LLP  
Chartered Accountants  
Statutory Auditor  
Bishop's Court  
29 Albyn Place  
Aberdeen, United Kingdom

2 June 2025



## Accounting policies of True Potential Unit Trust

for the year ended 07 March 2025

The accounting policies relate to the Sub-Fund within the Trust.

### A Basis of accounting

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of investments. They have been prepared in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland ('FRS 102') and in accordance with the Statement of Recommended Practice for UK Authorised Funds ('the SORP') published by The Investment Association in May 2014, as amended in 2017.

The AFM has considered a detailed assessment of the Trust and its Sub-Fund's ability to meet their liabilities as they fall due, including liquidity, declines in global capital markets and investor redemption levels. Based on this assessment, the Trust continues to be open for trading and the AFM is satisfied that the Trust has adequate financial resources to continue in operation for at least the next 12 months and accordingly it is appropriate to adopt the going concern basis in preparing the financial statements.

### B Valuation of investments

The purchase and sale of investments are included up to close of business on 07 March 2025, being the last business day.

Purchases and sales of investments are recognised when a legally binding and unconditional right to obtain, or an obligation to deliver an asset arises.

Investments are stated at their fair value at the balance sheet date. In determining fair value, the valuation point is 3pm on 07 March 2025 with reference to quoted bid prices from reliable external sources.

Derivatives are valued at the price which would be required to close out the contract at the balance sheet date.

Where an observable market price is unreliable or does not exist, investments are valued at the AFM's best estimate of the amount that would be received from an immediate transfer at arm's length.

### C Foreign exchange

The base currency of the Trust is UK sterling which is taken to be the Trust's functional currency.

All transactions in foreign currencies are converted into sterling at the rates of exchange ruling at the dates of such transactions. The resulting exchange differences are disclosed in note 2 of the Notes to the financial statements.

Any foreign currency assets and liabilities at the end of the accounting period are translated at the exchange rate prevailing at the balance sheet date.

### D Revenue

Revenue is recognised in the Statement of total return on the following basis:

Dividends from quoted equity instruments and non-equity shares are recognised as revenue, net of attributable tax credits on the date when the securities are quoted ex-dividend.

Overseas dividends are recognised as revenue gross of any withholding tax and the tax consequences are recognised within the tax expense.

Special dividends are treated as either revenue or a repayment of capital depending on the facts of each particular case.

Interest on bank deposits and short-term deposits is recognised on an accruals basis.

Interest on debt securities is recognised on an effective yield basis. Accrued interest purchased and sold on interest bearing securities is excluded from the capital cost of these securities and dealt with as part of the revenue of the Trust. The amortised amounts are accounted for as revenue or as an expense and form part of the distributable revenue of Trust.

### E Expenses

All expenses, other than those relating to the purchase and sale of investments, are charged to revenue on an accruals basis then reallocated to capital, net of any tax effect.

Bank interest paid is charged to revenue.

## Accounting policies of True Potential Unit Trust (continued)

for the year ended 07 March 2025

### F Allocation of revenue and expenses to multiple types of unit

All revenue and expenses which are directly attributable to a particular type of unit are allocated to that type. All revenue and expenses which are attributable to the Trust are allocated to the Trust and are normally allocated across the type of unit pro-rata to the net asset value of each type of unit on a daily basis.

### G Taxation

Tax payable on profits is recognised as an expense in the period in which profits arise. The tax effects of tax losses available to carry forward are recognised as an asset when it is probable that future taxable profits will be available, against which these losses can be utilised.

UK corporation tax is provided as amounts to be paid/recovered using the tax rates and laws that have been enacted at the balance sheet date.

Deferred taxation is provided in full on timing differences that result in an obligation at 07 March 2025 to pay more or less tax, at a future date, at rates expected to apply when they crystallise based on current rates and tax laws. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax assets and liabilities are not discounted.

Provision for deferred tax assets are only made to the extent the timing differences are expected to be of future benefit.

All foreign dividend revenue is recognised as a gross amount which includes any withholding tax deducted at source. Where foreign tax is withheld in excess of the applicable treaty rate a tax debtor is recognised to the extent that the overpayment is considered recoverable.

Marginal tax relief has not been taken into account in respect of expenses offset against capital.

### H Efficient Portfolio Management

Where appropriate, certain permitted instruments such as derivatives or forward currency contracts may be used for Efficient Portfolio Management purposes. Where such instruments are used to protect or enhance revenue, the revenue or expenses derived there from are included in the Statement of total return as revenue related items and form part of the distribution. Where such instruments are used to protect or enhance capital, the gains and losses derived there from are included in the Statement of total return as capital related items.

### I Dilution adjustment

A dilution adjustment is an adjustment to the unit price which is determined by the AFM in accordance with the COLL Sourcebook. The AFM may make a dilution adjustment to the price of a unit (which means that the price of a unit is above or below that which would have resulted from mid-market valuation) for the purposes of reducing dilution in the Trust (or to recover an amount which it has already paid or is reasonably expected to pay in the future) in relation to the issue or cancellation of units. Please refer to the Prospectus for further information.

### J Distribution policies

#### i Basis of distribution

The distribution policy is to distribute all available revenue after deduction of expenses payable from revenue. Distributions attributable to income units are paid to unitholders. Distributions attributable to accumulation units are re-invested in the relevant class on behalf of the unitholders.

#### ii Unclaimed distributions

Distributions to unitholders outstanding after 6 years are taken to the capital property of the Trust.

#### iii Revenue

All revenue is included in the final distribution with reference to policy D.

#### iv Expenses

Expenses incurred against the revenue of the Trust are included in the final distribution, subject to any expense which may be transferred to capital for the purpose of calculating the distribution, with reference to policy E.

## Accounting policies of True Potential Unit Trust (continued)

*for the year ended 07 March 2025*

### J Distribution policies (continued)

#### v Equalisation

Group 2 units are units purchased on or after the previous XD date and before the current XD date. Equalisation applies only to group 2 units. Equalisation is the average amount of revenue included in the purchase price of group 2 units and is refunded to holders of these units as a return of capital. Being capital it is not liable to income tax in the hands of the unitholders but must be deducted from the cost of units for capital gains tax purposes. Equalisation per unit is disclosed in the Distribution table.

#### vi Marginal relief

Where a transfer is made between the revenue and capital of the same unit class no account is made for marginal tax relief in determining the distribution.

## TPI Chief Investment Officer's foreword and commentary

The investment report that follows is provided by True Potential Investments LLP on behalf of the appointed sub-investment manager, Threadneedle Asset Management Limited. Our sub-investment manager is responsible for managing the True Potential Threadneedle Monthly Income Fund, which aims to provide a monthly income stream and prospects for capital growth.

During this period, the Sub-Fund had a change in lead equities manager, with Jeremy Smith taking over from Jonathan Barber. Whilst the investment process remained consistent, there was an initial period of higher-than-average trading activity to appropriately position holdings in line with Jeremy's view. The transaction costs incurred from reshaping the portfolio were absorbed by Threadneedle through an agreed fee holiday. The fixed income book continues to be managed by Alasdair Ross. Asset exposure is achieved through direct investment in UK equities and corporate bonds. Within corporate bonds, the sub-investment manager also invests in overseas debt denominated in sterling. The yield is constructed at the portfolio level, allowing for a mix of more traditional income-producing stocks, as well as less mature stocks with greater growth potential. The sub-investment manager also invests in companies with turnaround potential, including those with the ability to resume paying dividends and future growth prospects.

In absolute terms, the Sub-Fund benefited from the strong returns of select holdings, including Imperial Brands, DS Smith (acquired by International Paper), Pearson, Unilever, and Tesco. However, it faced challenges due to negative returns from Rentokil, Burberry, and GlaxoSmithKline. Relative to the UK market, the underweight position in financials was a detractor. The UK equity market underperformed global equities during this period. The decision to maintain an overweight position in credit risk proved positive, as credit spreads tightened. Within the credit sector, the sub-investment manager continues to favour defensive areas of the market, such as utilities and telecoms.

Looking ahead, the strength of our sub-investment manager lies in their robust investment process and ability to select income-producing stocks with strong growth potential. Income sustainability remains a key focus for investors, and at True Potential Investments LLP, we believe our sub-investment manager will not take on unnecessary risk in pursuit of higher yield. They are committed to adhering to their disciplined stock-picking process and investment philosophy.

True Potential Investments LLP

26 March 2025

## True Potential Threadneedle Monthly Income

### Sub-Investment Manager's Report

This supplemental reporting is intended to provide you with an overview of portfolio activity during the year and should not be relied upon to make investment decisions or otherwise.

#### Investment Performance

	Reporting Period (%)	1-year (%)	3-year (%)	5-year (%)	Since Launch (%)
True Potential Threadneedle Monthly Income (Acc)	10.4	10.4	9.5	7.4	8.1
Morningstar UK Moderately Adventurous Target Allocation Index	9.2	9.2	8.1	8.7	11.0

Source: Morningstar, 07 March 2025, net of fees (annualised). Inception: 08 January 2016.

Net of fees, the portfolio outperformed the comparator benchmark over the year to 07 March. This was largely driven by the equity segment, given the outperformance of UK equities versus a global equity comparator. The fixed income allocation contributed positively.

At the stock level, the strongest performers included Imperial Brands and DS Smith (which was acquired by International Paper in early 2025).

#### Sub-Investment Activities

Within equities, activity was elevated during the period to reflect the preferences of the portfolio's new managers. There were no changes to the portfolio's investment approach.

We initiated several positions, including Unilever, Smith & Nephew, WPP and Quilter.

We also received shares in International Paper in exchange for our holding in DS Smith following the takeover.

Sales included HSBC, BAE, Ferguson and Rio Tinto.

Within fixed income, we maintained a modest overweight in credit risk (in terms of duration times spread) as investment-grade (IG) spreads tightened. We retained a marginal overweight in duration relative to the benchmark. The Sub-Fund is overweight in defensive areas of the market, with the biggest overweights in utilities and telecoms at the end of the period. We are underweight in retail, banks, and travel and leisure.

#### Market View and Outlook

There have recently been concerns about the UK government's spending and borrowing, as well as the potential for a slower pace of interest-rate cuts. However, we expect the Bank of England to continue cutting rates, albeit more slowly. The UK consumer is potentially in a reasonable position despite lacking confidence.

Political stability in the UK should result in a reappraisal UK equities, which are still out of favour despite the surge in M&A activity over the period. We expect UK companies to remain attractive targets for overseas takeover bids as the UK stock market is deeply discounted relative to both historical and global averages.

Within equities, our focus remains on long-term ownership, quality stewardship and company fundamentals to target strong risk-adjusted returns.

Our outlook for IG spreads is neutral. The combination of falling interest rates and low-but-positive economic growth should be supportive, while corporate fundamentals are robust. However, credit spreads are expensive relative to long-run averages, though outright yields are attractive.

Threadneedle Asset Management Limited - a Sub-Investment Manager of True Potential Investments LLP

07 April 2025

**Portfolio changes***for the year ended 07 March 2025*

The following represents the top ten purchases and sales in the year to reflect a clearer picture of the investment activities.

	Cost
	£000s
Purchases:	
Unilever	13,393
GSK	5,833
ITV	4,848
Travis Perkins	4,451
Smith & Nephew	4,246
RS Group	4,086
NatWest Group	3,979
WPP	3,961
Quilter	3,738
Victrex	3,539
Subtotal	52,074
Total cost of purchases, including the above, for the year	143,054

	Proceeds
	£000s
Sales:	
Shell	17,645
HSBC Holdings	15,250
AstraZeneca	11,552
Standard Chartered	8,022
RELX GBP	7,834
BAE Systems	6,437
Ferguson	5,379
Spirent Communications	5,123
NatWest Group	4,452
3i Group	4,213
Subtotal	85,907
Total proceeds from sales, including the above, for the year	139,670

**Portfolio statement**

as at 07 March 2025

Investment	Nominal value or holding	Market value £000s	% of total net assets
Debt Securities - 24.66% (20.91%)			
Corporate Bonds - 23.01% (18.53%)			
Accent Capital 2.625% 18/07/2049	£100,000	58	0.02
Amgen 5.65% 02/03/2053	\$261,000	201	0.07
Amgen 5.75% 02/03/2063	\$305,000	234	0.09
Anglian Water Osprey Financing 2% 31/07/2028	£100,000	86	0.03
Anglian Water Services Financing 2.625% 15/06/2027	£100,000	94	0.03
APT Pipelines 2.50% 15/03/2036	£500,000	363	0.13
APT Pipelines 3.125% 18/07/2031	£250,000	219	0.08
Aroundtown 3% 16/10/2029	£877,000	765	0.28
Aroundtown 3.625% 10/04/2031	£140,000	121	0.04
Arqiva Financing 7.21% 30/06/2045	£323,000	342	0.13
AT&T 4.25% 01/06/2043	£999,000	790	0.29
AT&T 7% 30/04/2040	£100,000	109	0.04
AT&T 7% 30/04/2040	£350,000	383	0.14
Aviva 4% VRN 03/06/2055*	£100,000	83	0.03
Aviva 4.375% VRN 12/09/2049*	£172,000	164	0.06
Aviva 5.125% VRN 06/04/2050*	£100,000	97	0.04
Aviva 6.87% VRN 27/10/2053*	£526,000	548	0.20
Bacardi 4.7% 15/05/2028	\$1,176,000	905	0.33
Banco Santander 4.75% VRN 30/08/2028*	£300,000	299	0.11
Banco Santander 5.125% 25/01/2030	£100,000	101	0.04
Banco Santander 5.375% 17/01/2031	£300,000	303	0.11
Bank of America 1.667% VRN 02/06/2029*	£643,000	581	0.21
Bank of America 3.584% VRN 27/04/2031*	£570,000	533	0.20
Bank of Ireland Group 7.594% VRN 06/12/2032*	£100,000	104	0.04
Banque Federative du Credit Mutuel 5% 22/10/2029	£100,000	100	0.04
Barclays 5.746% VRN 31/07/2032*	£247,000	248	0.09
Barclays 5.851% VRN 21/03/2035*	£651,000	648	0.24
Barclays 6.692% VRN 13/09/2034*	\$200,000	167	0.06
Barclays 8.410% VRN 14/11/2032*	£306,000	327	0.12
Barclays Bank 5.75% 14/09/2026	£334,000	337	0.12
BAT International Finance 2.25% 26/06/2028	£532,000	487	0.18
BAT International Finance 6% 24/11/2034	£152,000	154	0.06
Bayer US Finance 6.50% 21/11/2033	\$288,000	233	0.09
Blend Funding 2.922% 05/04/2054	£306,000	182	0.07
Blend Funding 3.459% 21/09/2047	£170,000	119	0.04
BNP Paribas 5.75% 13/06/2032	£100,000	101	0.04
BNP Paribas 6% VRN 18/08/2029*	£500,000	514	0.19
Boeing 3.75% 01/02/2050	\$225,000	122	0.04
Boeing 6.858% 01/05/2054	\$223,000	188	0.07
BP Capital Markets 5.773% 25/05/2038	£312,000	313	0.11
BPCE 2.50% VRN 30/11/2032*	£300,000	276	0.10
British Telecommunications 5.75% 13/02/2041	£100,000	96	0.04
Broadgate Financing 4.821% 05/07/2033	£115,000	112	0.04
Bunzl Finance 1.50% 30/10/2030	£146,000	122	0.04

**Portfolio statement (continued)**

as at 07 March 2025

Investment	Nominal value or holding	Market value £000s	% of total net assets
Debt Securities - 24.66% (20.91%) (continued)			
Corporate Bonds - 23.01% (18.53%) (continued)			
Bunzl Finance 3.375% 09/04/2032	€292,000	240	0.09
BUPA Finance 4% VRN Perpetual*	£300,000	240	0.09
Cadent Finance 2.25% 10/10/2035	£200,000	144	0.05
Chancellor Master 2.544% 08/12/2117	£100,000	49	0.02
Church Commissioners for England 3.625% 14/07/2052	£100,000	72	0.03
Comcast 5.25% 26/09/2040	£230,000	217	0.08
Commerzbank 8.625% VRN 28/02/2033*	£300,000	322	0.12
Cooperatieve Rabobank UA 4.625% 23/05/2029	£306,000	299	0.11
Co-Operative Bank Holdings 6% VRN 06/04/2027*	£100,000	101	0.04
Credit Agricole 1.874% VRN 09/12/2031*	£100,000	94	0.03
Credit Agricole 4.875% 23/10/2029	£900,000	893	0.33
Danske Bank 4.625% VRN 13/04/2027*	£129,000	129	0.05
Danske Bank 6.50% VRN 23/08/2028*	£355,000	368	0.13
Deutsche Bank 1.875% VRN 22/12/2028*	£400,000	366	0.13
Deutsche Bank 6.125% VRN 12/12/2030*	£400,000	410	0.15
Digital Stout Holding 3.75% 17/10/2030	£540,000	499	0.18
DS Smith 2.875% 26/07/2029	£280,000	256	0.09
E.ON International Finance 4.75% 31/01/2034	£400,000	375	0.14
E.ON International Finance 6.375% 07/06/2032	£696,000	734	0.27
Eastern Power Networks 1.875% 01/06/2035	£100,000	72	0.03
Eastern Power Networks 5.375% 02/10/2039	£254,000	242	0.09
Electricite de France 4.75% 17/06/2044	€400,000	340	0.12
Electricite de France 5.125% 22/09/2050	£400,000	326	0.12
Electricite de France 5.50% 17/10/2041	£400,000	360	0.13
Electricite de France 5.625% 25/01/2053	£100,000	86	0.03
Electricite de France 6% 23/01/2114	£100,000	90	0.03
ENW Finance 4.893% 24/11/2032	£116,000	114	0.04
European Investment Bank 0.875% 15/05/2026	£1,490,000	1,435	0.53
Experian Finance 3.51% 15/12/2033	€561,000	466	0.17
Fiserv 2.25% 01/07/2025	£180,000	179	0.07
Fiserv 3% 01/07/2031	£496,000	438	0.16
Gatwick Funding 2.50% 15/04/2030	£100,000	88	0.03
Gatwick Funding 5.50% 04/04/2040	£100,000	95	0.03
GE Capital UK Funding Unlimited 5.875% 18/01/2033	£941,000	969	0.35
GlaxoSmithKline Capital 1.25% 12/10/2028	£170,000	153	0.06
Glencore Finance Europe 3.125% 26/03/2026	£100,000	99	0.04
Goldman Sachs Group 1.50% 07/12/2027	£175,000	160	0.06
Goldman Sachs Group 1.875% 16/12/2030	£297,000	250	0.09
Haleon UK Capital 3.375% 29/03/2038	£100,000	79	0.03
Hammerson 5.875% 08/10/2036	£100,000	96	0.04
Heathrow Funding 2.75% 09/08/2049	£570,000	330	0.12
Heathrow Funding 4.625% 31/10/2046	£100,000	82	0.03
Heathrow Funding 6.75% 03/12/2026	£529,000	545	0.20
Home Group 3.125% 27/03/2043	£306,000	209	0.08



**Portfolio statement (continued)**

as at 07 March 2025

Investment	Nominal value or holding	Market value £000s	% of total net assets
Debt Securities - 24.66% (20.91%) (continued)			
Corporate Bonds - 23.01% (18.53%) (continued)			
HSBC Holdings 6.80% VRN 14/09/2031*	£1,400,000	1,493	0.55
HSBC Holdings 8.201% VRN 16/11/2034*	£566,000	620	0.23
Iliad 4.25% 15/12/2029	€200,000	170	0.06
Imperial Tobacco Finance 5.50% 28/09/2026	£485,000	489	0.18
ING Group 6.25% VRN 20/05/2033*	£400,000	409	0.15
International Business Machines 4.875% 06/02/2038	£577,000	531	0.19
Intesa Sanpaolo 2.625% 11/03/2036	£300,000	224	0.08
Intesa Sanpaolo 6.625% 31/05/2033	£100,000	106	0.04
Jigsaw Funding 3.375% 05/05/2052	£306,000	203	0.07
Karbon Homes 3.375% 15/11/2047	£200,000	139	0.05
KBC Group 5.50% VRN 20/09/2028*	£100,000	101	0.04
Kraft Heinz Foods 4.125% 01/07/2027	£380,000	376	0.14
Kreditanstalt fuer Wiederaufbau 0.75% 07/12/2027	£2,666,000	2,426	0.89
La Banque Postale 5.625% VRN 21/09/2028*	£100,000	101	0.04
Land Securities Capital Markets 2.375% 29/03/2027	£502,000	477	0.17
Land Securities Capital Markets 4.75% 18/09/2031	£112,000	111	0.04
Legal & General Finance 5.875% 05/04/2033	£100,000	104	0.04
Legal & General Group 3.75% VRN 26/11/2049*	£408,000	378	0.14
Legal & General Group 5.125% VRN 14/11/2048*	£419,000	415	0.15
Libra Longhurst Group Treasury 3.25% 15/05/2043	£200,000	139	0.05
Lloyds Bank 6.50% 17/09/2040	£120,000	130	0.05
Lloyds Banking Group 2.707% VRN 03/12/2035*	£306,000	260	0.10
Lloyds Banking Group 5.25% VRN 04/10/2030*	£169,000	169	0.06
London Power Networks 5.875% 15/11/2040	£100,000	100	0.04
LVMH Moet Hennessy Louis Vuitton 1.125% 11/02/2027	£200,000	188	0.07
M&G 5.625% VRN 20/10/2051*	£570,000	549	0.20
Metropolitan Life Global 5% 10/01/2030	£776,000	783	0.29
Morgan Stanley 5.789% VRN 18/11/2033*	£259,000	267	0.10
Motability Operations Group 1.50% 20/01/2041	£138,000	76	0.03
Motability Operations Group 1.75% 03/07/2029	£100,000	88	0.03
Motability Operations Group 2.125% 18/01/2042	£100,000	60	0.02
Motability Operations Group 5.625% 11/09/2035	£100,000	101	0.04
Motability Operations Group 5.625% 24/01/2054	£131,000	121	0.04
Motability Operations Group 6.25% 22/01/2045	£100,000	101	0.04
National Gas Transmission 5.75% 05/04/2035	£100,000	100	0.04
National Grid Electric 2% 17/04/2040	£500,000	306	0.11
National Grid Electricity Transmission 2% 16/09/2038	£200,000	130	0.05
National Grid Gas Fin 2.625% 22/09/2038	£630,000	435	0.16
National Grid Gas Fin 2.75% 22/09/2046	£583,000	347	0.13
National Grid Gas Transmission 1.125% 14/01/2033	£306,000	222	0.08
Nationwide Building Society 5.53% VRN 13/01/2033*	£414,000	415	0.15
Nationwide Building Society 6.125% 21/08/2028	£116,000	120	0.04
Nationwide Building Society 6.178% VRN 07/12/2027*	£100,000	102	0.04
Nats En Route 1.75% 30/09/2033	£306,000	234	0.09

**Portfolio statement (continued)**

as at 07 March 2025

Investment	Nominal value or holding	Market value £000s	% of total net assets
Debt Securities - 24.66% (20.91%) (continued)			
Corporate Bonds - 23.01% (18.53%) (continued)			
NatWest Group 2.105% VRN 28/11/2031*	£318,000	303	0.11
NatWest Group 3.619% VRN 29/03/2029*	£412,000	395	0.14
NatWest Markets 6.375% 08/11/2027	£310,000	321	0.12
NBN Co. 5.75% 6/10/2028	\$219,000	176	0.06
NE Property 4.25% 21/01/2032	€140,000	118	0.04
New York Life Global Funding 1.50% 15/07/2027	£383,000	356	0.13
New York Life Global Funding 4.95% 07/12/2029	£100,000	101	0.04
NewRiver REIT 3.50% 07/03/2028	£606,000	572	0.21
NGG Finance 5.625% VRN 18/06/2073*	£267,000	267	0.10
Northern Powergrid Northeast 1.875% 16/06/2062	£100,000	43	0.02
Northumbrian Water Finance 2.375% 05/10/2027	£511,000	477	0.17
Northumbrian Water Finance 4.50% 14/02/2031	£164,000	155	0.06
Northumbrian Water Finance 5.125% 23/01/2042	£140,000	122	0.04
Northumbrian Water Finance 6.375% 28/10/2034	£135,000	140	0.05
Occidental Petroleum 5.55% 01/10/2034	\$361,000	274	0.10
Orange 3.25% 15/01/2032	£400,000	357	0.13
Orange 8.125% 20/11/2028	£90,000	100	0.04
Orbit Capital 3.50% 24/03/2045	£100,000	72	0.03
Pacific Gas and Electric 4.95% 01/07/2050	\$150,000	99	0.04
Paragon Treasury 2% 07/05/2036	£460,000	316	0.12
Peabody Capital 2.75% 02/03/2034	£100,000	80	0.03
Pearson Funding 5.375% 12/09/2034	£250,000	244	0.09
Pension Insurance 5.625% 20/09/2030	£306,000	299	0.11
Pension Insurance 6.875% 15/11/2034	£111,000	112	0.04
Pension Insurance 8% 13/11/2033	£135,000	146	0.05
Permanent TSB Group Holdings 6.625% VRN 25/04/2028*	€353,000	317	0.12
Phoenix Group Holdings 5.625% 28/04/2031	£200,000	194	0.07
Pinewood Finco 6% 27/03/2030	£373,000	369	0.14
Places For People Treasury 2.50% 26/01/2036	£200,000	145	0.05
Platform HG Financing 1.625% 10/08/2055	£200,000	80	0.03
Porterbrook Rail Finance 4.625% 04/04/2029	£320,000	315	0.12
Prologis 5.625% 04/05/2040	£100,000	194	0.07
Rentokil Initial 5% 27/06/2032	£230,000	224	0.08
RL Finance Bonds No. 6 10.125% VRN Perpetual*	£300,000	342	0.13
Roche Holdings 4.592% 09/09/2034	\$706,000	537	0.20
RWE Fin. 6.25% 03/06/2030	£971,000	1,019	0.37
Saltaire Finance 4.809% 14/03/2053	£100,000	91	0.03
Sanctuary Capital 2.375% 14/04/2050	£100,000	55	0.02
Santander UK 10.0625% Perpetual	£125,000	181	0.07
Santander UK Group Holdings 7.482% VRN 29/08/2029*	£150,000	160	0.06
Scottish Hydro Electric Transmission 2.25% 27/09/2035	£200,000	149	0.05
Scottish Hydro Electric Transmission 5.50% 15/01/2044	£100,000	94	0.03
Severn Trent Utilities Finance 2% 02/06/2040	£150,000	91	0.03
Severn Trent Utilities Finance 2.625% 22/02/2033	£200,000	163	0.06

**Portfolio statement (continued)**

as at 07 March 2025

Investment	Nominal value or holding	Market value £000s	% of total net assets
Debt Securities - 24.66% (20.91%) (continued)			
Corporate Bonds - 23.01% (18.53%) (continued)			
Severn Trent Utilities Finance 4.625% 30/11/2034	£200,000	185	0.07
Snam 5.75% 26/11/2036	£312,000	311	0.11
Southern Gas Networks 1.25% 2/12/2031	£266,000	206	0.08
Southern Gas Networks 3.10% 15/09/2036	£610,000	470	0.17
Southern Housing 5.625% 01/10/2054	£100,000	94	0.03
Southern Water Finance I 7% 16/04/2040	£204,000	199	0.07
Southern Water Finance I 7.375% 12/12/2041	£153,000	154	0.06
Southern Water Services Finance 2.375% 28/05/2028	£399,000	348	0.13
Southern Water Services Finance 3% 28/05/2037	£406,000	284	0.10
Suez SACA 6.625% 05/10/2043	£300,000	314	0.11
Swisscom Finance 3.25% 05/09/2034	€236,000	192	0.07
Telefonica Emisiones 5.445% 08/10/2029	£400,000	409	0.15
Telereal Securitisation 4.09% VRN 10/12/2033*	£300,000	291	0.11
Telereal Securitisation 5.634% 10/12/2031	£200,000	198	0.07
Thames Water Kemble Finance 4.625% 19/05/2026	£100,000	2	0.00
Thames Water Utilities Finance 2.625% 24/01/2032	£237,000	173	0.06
Thames Water Utilities Finance 5.125% 28/09/2037	£188,000	140	0.05
Thames Water Utilities Finance 7.75% 30/04/2044	£200,000	155	0.05
Time Warner Cable 5.25% 15/07/2042	£464,000	381	0.14
Triodos Bank 2.25% VRN 05/02/2032*	€300,000	239	0.09
Triodos Bank 4.875% VRN 12/09/2029*	€100,000	87	0.03
UBS Group 2.25% VRN 09/06/2028*	£100,000	94	0.03
Unite Group 3.5% 15/10/2028	£300,000	286	0.10
Unite Group 5.625% 25/06/2032	£192,000	192	0.07
United Utilities Water Finance 1.75% 10/02/2038	£190,000	120	0.04
Verizon Communications 1.875% 03/11/2038	£411,000	261	0.10
Verizon Communications 1.875% 03/11/2038	£251,000	160	0.06
Verizon Communications 1.875% 19/09/2030	£100,000	85	0.03
Verizon Communications 2.50% 08/04/2031	£100,000	86	0.03
Virgin Money UK 2.625% VRN 19/08/2031*	£613,000	593	0.22
Vodafone Group 3% 12/08/2056	£100,000	55	0.02
Volkswagen Financial Services 2.125% 18/01/2028	£900,000	824	0.30
Vonovia 5.5% 18/01/2036	£300,000	288	0.11
Warnermedia Holdings 5.391% 15/03/2062	\$300,000	175	0.06
Wellcome Trust Finance 4.625% 25/07/2036	£248,000	237	0.09
Wells Fargo 2.125% 24/09/2031	£306,000	256	0.09
Welltower OP 4.80% 20/11/2028	£613,000	609	0.22
Welltower OP 4.80% 20/11/2028	£552,000	548	0.20
Wessex Water Services Finance 5.125% 31/10/2032	£370,000	352	0.13
Western Power Distribution 1.625% 07/10/2035	£1,289,000	884	0.32
Western Power Distribution 1.75% 09/09/2031	£200,000	162	0.06
Western Power Distribution 3.50% 16/10/2026	£100,000	98	0.04
WHG Treasury 4.25% 06/10/2045	£200,000	160	0.06
WPP Finance 2013 2.875% 14/09/2046	£100,000	61	0.02

**Portfolio statement (continued)**

as at 07 March 2025

Investment	Nominal value or holding	Market value £000s	% of total net assets
Debt Securities - 24.66% (20.91%) (continued)			
Corporate Bonds - 23.01% (18.53%) (continued)			
WPP Finance 2017 3.75% 19/05/2032	£100,000	90	0.03
Yorkshire Water Finance 2.75% 18/04/2041	£350,000	225	0.08
Yorkshire Water Finance 5.50% 28/04/2035	£100,000	96	0.04
Yorkshire Water Finance 6.37% 18/11/2034	£230,000	237	0.09
Zurich Finance Ireland 5.125% VRN 23/11/2052*	£569,000	546	0.19
Total Corporate Bonds		62,833	23.01
Government Bonds - 0.88% (1.68%)			
Jersey International Bond 2.875% 06/05/2052	£100,000	62	0.02
UK Treasury Gilt 1.25% 31/07/2051	£1,976,000	879	0.32
UK Treasury Gilt 3.50% 22/01/2045	£553,000	442	0.16
UK Treasury Gilt 4.125% 22/07/2029	£388,000	386	0.14
UK Treasury Gilt 4.25% 31/07/2034	£464,000	452	0.17
UK Treasury Gilt 4.50% 07/06/2028	£179,000	181	0.07
Total Government Bonds		2,402	0.88
Mortgage Bonds - 0.77% (0.70%)			
Broadgate Financing 5.098% 05/04/2033	£128,500	121	0.04
Eversholt Funding 2.742% 30/06/2040	£243,232	202	0.07
Eversholt Funding 3.529% 07/08/2042	£100,000	77	0.03
Longstone Finance 4.896% 19/04/2031	£165,000	154	0.06
Marston's Issuer FRN 15/10/2027*	£27,480	27	0.01
Metropolitan Funding 4.125% 05/04/2048	£100,000	76	0.03
Mitchells & Butlers Finance 15/12/2028	£98,738	99	0.04
Mitchells & Butlers Finance 15/12/2030	£35,638	36	0.01
Nats En Route 1.375% 31/03/2031	£108,000	97	0.04
RHP Finance 3.25% 05/02/2048	£100,000	69	0.03
Telereal Securitisation 4.9741% 10/09/2027	£48,600	48	0.02
Tesco Property Finance 5.744% 13/04/2040	£95,194	94	0.03
Tesco Property Finance 6.0517% 13/10/2039	£548,481	557	0.20
Tesco Property Finance 7.6227% 13/07/2039	£328,908	367	0.13
Trafford Centre Finance FRN 28/07/2038*	£100,000	82	0.03
Total Mortgage Bonds		2,106	0.77
Total Debt Securities		67,341	24.66
Equities - 75.05% (79.08%)			
United Kingdom - 72.68% (74.32%)			
Advertising - 1.07% (0.00%)			
WPP	456,863	2,913	1.07
Aerospace, Defence and Nuclear Engineering - 2.12% (1.19%)			
Babcock International Group	802,027	5,775	2.12

**Portfolio statement (continued)**

as at 07 March 2025

Investment	Nominal value or holding	Market value £000s	% of total net assets
Equities - 75.05% (79.08%) (continued)			
United Kingdom - 72.68% (74.32%) (continued)			
Basic Materials - 2.59% (0.60%)			
Johnson Matthey	242,095	3,571	1.31
Victrex	348,344	3,497	1.28
Total Basic Materials		7,068	2.59
Construction - 0.80% (1.00%)			
Crest Nicholson Holdings	1,444,616	2,170	0.80
Consumer Goods - 19.73% (6.26%)			
Hikma Pharmaceuticals	168,875	3,587	1.31
Imperial Brands	641,734	17,757	6.50
Reckitt Benckiser Group	90,591	4,881	1.79
Smith & Nephew	398,598	4,574	1.68
SSP Group	1,897,971	3,042	1.11
Tate & Lyle	806,947	4,200	1.54
Travis Perkins	543,856	3,424	1.25
Unilever	271,243	12,423	4.55
Total Consumer Goods		53,888	19.73
Consumer Services - 11.36% (11.09%)			
Firstgroup	2,637,995	4,545	1.66
ITV	8,452,357	6,567	2.41
Marks & Spencer Group	1,094,333	3,997	1.46
Pearson	788,241	10,180	3.73
Tesco	1,518,487	5,728	2.10
Total Consumer Services		31,017	11.36
Equity Investment Instruments - 0.00% (0.00%)			
Unbound Group**	22,464	-	-
Fashion - 1.94% (0.73%)			
Burberry Group	532,458	5,309	1.94
Financials - 7.17% (14.44%)			
Chesnara	825,000	2,128	0.78
Direct Line Insurance Group	1,504,893	4,150	1.52
Legal & General Group	2,753,950	6,808	2.49
Phoenix Group Holdings	347,867	1,788	0.65
Quilter	2,996,032	4,722	1.73
Total Financials		19,596	7.17

**Portfolio statement (continued)***as at 07 March 2025*

Investment	Nominal value or holding	Market value £000s	% of total net assets
Equities - 75.05% (79.08%) (continued)			
United Kingdom - 72.68% (74.32%) (continued)			
Health Care - 6.82% (8.72%)			
AstraZeneca	57,874	6,952	2.55
GSK	768,927	11,649	4.27
Total Health Care		18,601	6.82
Industrials - 9.92% (13.10%)			
Hays	3,650,887	2,787	1.02
IMI	217,418	4,431	1.62
Morgan Advanced Materials	1,101,404	2,373	0.87
Morgan Sindall Group	112,992	3,480	1.27
Rentokil Initial	1,516,317	5,171	1.89
RS Group	744,238	4,637	1.70
Smiths Group	210,170	4,224	1.55
Total Industrials		27,103	9.92
Mining - 0.00% (1.20%)			
Oil & Gas - 0.00% (6.76%)			
Real Estate Investment Trusts - 2.86% (2.86%)			
LondonMetric Property	2,548,667	4,516	1.65
Shaftesbury Capital	2,835,218	3,306	1.21
Total Real Estate Investment Trusts		7,822	2.86
Technology - 0.00% (1.95%)			
Telecommunications - 2.36% (1.65%)			
BT Group	4,094,595	6,453	2.36
Utilities - 3.94% (3.91%)			
Centrica	2,599,839	3,822	1.40
Pennon Group	653,802	2,563	0.94
SSE	297,136	4,371	1.60
Total Utilities		10,756	3.94
Total United Kingdom		198,471	72.68
Bermuda - 0.98% (1.15%)			
Hiscox	231,912	2,667	0.98
Jersey - 0.00% (2.20%)			

**Portfolio statement (continued)***as at 07 March 2025*

Investment	Nominal value or holding	Market value £000s	% of total net assets
Equities - 75.05% (79.08%) (continued)			
United States - 1.39% (0.00%)			
International Paper	94,051	3,795	1.39
Total Equities		204,933	75.05
Forward Currency Contracts - 0.01% (0.01%)			
Sell US dollar	(\$4,400,024)	(3,405)	
Buy UK sterling	£3,476,892	3,477	
Expiry date 03 April 2025		72	0.03
Sell UK sterling	(£388,014)	(388)	
Buy Euro	€461,564	388	
Expiry date 03 April 2025		-	0.00
Sell UK sterling	(£15,354)	(15)	
Buy US dollar	\$19,787	15	
Expiry date 03 April 2025		-	0.00
Sell Euro	(€3,076,742)	(2,588)	
Buy UK sterling	£2,545,452	2,545	
Expiry date 03 April 2025		(43)	(0.02)
Total Forward Currency Contracts		29	0.01
Portfolio of investments		272,303	99.72
Other net assets		766	0.28
Total net assets		273,069	100.00

All investments are listed on recognised stock exchanges or are approved securities within the meaning of the FCA rules unless otherwise stated. Forward contracts are not listed on stock exchanges and are considered over-the-counter ("OTC") instruments.

The comparative figures in brackets are as at 07 March 2024.

\*Floating interest security.

\*\*Trading of investment has been suspended and valued nil as at 07 March 2025.

**Summary of portfolio investments***as at 07 March 2025*

	07 March 2025		07 March 2024	
	Bid-Market value	Total net assets	Bid-Market value	Total net assets
Credit breakdown*	£000s	%	£000s	%
Investments of investment grade	64,081	23.47	50,893	20.23
Investments of below investment grade	1,752	0.64	636	0.24
Unrated bonds	1,508	0.55	1,107	0.44
Total bonds	67,341	24.66	52,636	20.91
Equities	204,933	75.05	198,982	79.08
Forward Currency Contracts - assets	72	0.03	29	0.01
Investments as shown in the balance sheet	272,346	99.74	251,647	100.00
Forward Currency Contracts - liabilities	(43)	(0.02)	-	-
Total value of investments	272,303	99.72	251,647	100.00

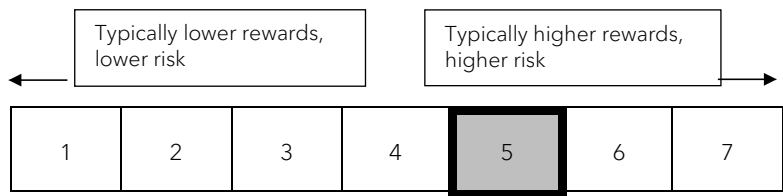
\*Ratings supplied by S&amp;P, followed by Moody's.



Risk and reward profile

The risk and reward profile relates to both unit classes in the Sub-Fund.

The risk and reward indicator table demonstrates where the Sub-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 Sub-Fund. The shaded area in the table below shows the Sub-Fund's ranking on the risk and reward indicator.



The Sub-Fund is in a medium category because the price of its investments have risen or fallen to some extent. The category shown is not guaranteed to remain unchanged and may shift over time. Even the lowest category does not mean a risk-free investment.

The price of the Sub-Fund and any income from it can go down as well as up and is not guaranteed. Investors may not get back the amount invested. Past performance is not a guide to future performance.

Where the Sub-Fund invests in bonds, there is a risk the bond issuer may fail to meet its repayments. This is usually a greater risk for bonds that produce a higher level of income. Changes in interest rates, inflation and the creditworthiness of the bond issuer may also affect the bond's market value.

The Sub-Fund is entitled to use derivative instruments for Efficient Portfolio Management. Derivatives may not achieve their intended purpose. Their prices may move up or down significantly over relatively short periods of time which may result in losses greater than the amount paid. This could adversely impact the value of the Sub-Fund.

The organisation from which the Sub-Fund buys a derivative may fail to carry out its obligations, which could also cause losses to the Sub-Fund.

For further information, please refer to the KIID.

For full details on risk factors for the Sub-Fund, please refer to the Prospectus.

There have been no changes to the risk and reward indicator in the year.

Task Force on Climate-Related Financial Disclosures (unaudited)

A statement on the climate related financial disclosures was published prior to 30 June 2024 at <https://www.truepotential.co.uk/fund-administration/#fund-documents>.

## Comparative tables

The following disclosures give a unitholder an indication of the performance of a unit in the Sub-Fund. It also discloses the operating charges and direct transaction costs applied to each unit. Operating charges are those charges incurred in operating the Sub-Fund and direct transaction costs are costs incurred when purchasing or selling securities in the portfolio of investments.

	A Income		
	2025	2024	2023
	p	p	p
Change in net assets per unit			
Opening net asset value per unit	117.16	113.76	108.69
Return before operating charges*	12.84	8.90	10.01
Operating charges	(0.78)	(0.82)	(0.82)
Return after operating charges*	12.06	8.08	9.19
Distributions+	(4.90)	(4.68)	(4.12)
Closing net asset value per unit	124.32	117.16	113.76
 *after direct transaction costs of:++	 0.25	 0.11	 0.13
 Performance			
Return after charges	10.29%	7.10%	8.46%
 Other information			
Closing net asset value (£000s)	128,900	116,440	77,287
Closing number of units	103,682,363	99,381,553	67,939,318
Operating charges+++	0.63%	0.72%	0.72%
Direct transaction costs	0.20%	0.09%	0.11%
 Prices			
Highest unit price (p)	128.45	118.47	119.20
Lowest unit price (p)	116.69	108.20	102.20

+Rounded to 2 decimal places.

++Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution levies that relate to direct transaction costs. A negative transaction cost figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

+++The operating charges are represented by the Ongoing Charges Figure (OCF). The OCF consists principally of the AFM's periodic charge and the Investment Manager's fee which are included in the annual management charge, but also includes the costs for other services paid. It is indicative of the charges which the unit class may incur in a year as it is calculated on historical data.

Investments carry risk. Past performance is not a guide to future performance. Investors may not get back the amount invested.

## Comparative tables (continued)

	A Accumulation		2023
	2025	2024	
	p	p	p
Change in net assets per unit			
Opening net asset value per unit	157.99	147.21	135.64
Return before operating charges*	17.48	11.85	12.61
Operating charges	(1.06)	(1.07)	(1.04)
Return after operating charges*	16.42	10.78	11.57
Distributions+	(6.70)	(6.17)	(5.21)
Retained distribution on accumulation units+	6.70	6.17	5.21
Closing net asset value per unit	174.41	157.99	147.21
 * after direct transaction costs of:++	 0.34	 0.14	 0.17
 Performance			
Return after charges	10.39%	7.32%	8.53%
 Other information			
Closing net asset value (£000s)	144,169	135,201	104,687
Closing number of units	82,661,977	85,577,993	71,113,172
Operating charges+++	0.63%	0.72%	0.72%
Direct transaction costs	0.20%	0.09%	0.11%
 Prices			
Highest unit price (p)	177.97	158.14	149.80
Lowest unit price (p)	157.37	141.20	130.00

+Rounded to 2 decimal places.

++Direct transaction costs are stated after deducting the proportion of the amounts collected from dilution levies that relate to direct transaction costs. A negative transaction cost figure might arise where there is a timing difference between inflows and the settlement of the resultant purchases.

+++The operating charges are represented by the Ongoing Charges Figure (OCF). The OCF consists principally of the AFM's periodic charge and the Investment Manager's fee which are included in the annual management charge, but also includes the costs for other services paid. It is indicative of the charges which the unit class may incur in a year as it is calculated on historical data.

Investments carry risk. Past performance is not a guide to future performance. Investors may not get back the amount invested.

**Distribution tables***for the year ended 07 March 2025***Distributions on A Income units in pence per unit**

Payment date	Unit type	Distribution type	Net revenue	Equalisation	Distribution current year	Distribution prior year
03.05.24	group 1	month 1	0.334	-	0.334	0.317
03.05.24	group 2	month 1	0.203	0.131	0.334	0.317
04.06.24	group 1	month 2	0.334	-	0.334	0.317
04.06.24	group 2	month 2	0.139	0.195	0.334	0.317
04.07.24	group 1	month 3	0.334	-	0.334	0.317
04.07.24	group 2	month 3	0.083	0.251	0.334	0.317
02.08.24	group 1	month 4	0.334	-	0.334	0.317
02.08.24	group 2	month 4	0.050	0.284	0.334	0.317
04.09.24	group 1	month 5	0.334	-	0.334	0.317
04.09.24	group 2	month 5	0.086	0.248	0.334	0.317
04.10.24	group 1	interim	0.334	-	0.334	0.317
04.10.24	group 2	interim	0.067	0.267	0.334	0.317
04.11.24	group 1	month 7	0.334	-	0.334	0.317
04.11.24	group 2	month 7	-	0.334	0.334	0.317
04.12.24	group 1	month 8	0.334	-	0.334	0.317
04.12.24	group 2	month 8	-	0.334	0.334	0.317
03.01.25	group 1	month 9	0.334	-	0.334	0.317
03.01.25	group 2	month 9	-	0.334	0.334	0.317
04.02.25	group 1	month 10	0.334	-	0.334	0.317
04.02.25	group 2	month 10	-	0.334	0.334	0.317
04.03.25	group 1	month 11	0.334	-	0.334	0.317
04.03.25	group 2	month 11	-	0.334	0.334	0.317
04.04.25	group 1	final	1.227	-	1.227	1.196
04.04.25	group 2	final	0.205	1.022	1.227	1.196

**Equalisation**

Equalisation applies only to group 2 units. It is the average amount of revenue included in the purchase price of group 2 units and is refunded to holders of these units as a return of capital. Being capital it is not liable to income tax in the hands of the unitholder but must be deducted from the cost of units for capital gains tax purposes.

**Month 1 distributions:**

Group 1                      Units purchased before 08 March 2024  
Group 2                      Units purchased 08 March 2024 to 07 April 2024

**Month 2 distributions:**

Group 1                      Units purchased before 08 April 2024  
Group 2                      Units purchased 08 April 2024 to 07 May 2024

**Month 3 distributions:**

Group 1                      Units purchased before 08 May 2024  
Group 2                      Units purchased 08 May 2024 to 07 June 2024

**Month 4 distributions:**

Group 1                      Units purchased before 08 June 2024  
Group 2                      Units purchased 08 June 2024 to 07 July 2024

**Distribution tables (continued)**

*for the year ended 07 March 2025*

**Month 5 distributions:**

Group 1	Units purchased before 08 July 2024
Group 2	Units purchased 08 July 2024 to 07 August 2024

**Interim distributions:**

Group 1	Units purchased before 08 August 2024
Group 2	Units purchased 08 August 2024 to 07 September 2024

**Month 7 distributions:**

Group 1	Units purchased before 08 September 2024
Group 2	Units purchased 08 September 2024 to 07 October 2024

**Month 8 distributions:**

Group 1	Units purchased before 08 October 2024
Group 2	Units purchased 08 October 2024 to 07 November 2024

**Month 9 distributions:**

Group 1	Units purchased before 08 November 2024
Group 2	Units purchased 08 November 2024 to 07 December 2024

**Month 10 distributions:**

Group 1	Units purchased before 08 December 2024
Group 2	Units purchased 08 December 2024 to 07 January 2025

**Month 11 distributions:**

Group 1	Units purchased before 08 January 2025
Group 2	Units purchased 08 January 2025 to 07 February 2025

**Final distributions:**

Group 1	Units purchased before 08 February 2025
Group 2	Units purchased 08 February 2025 to 07 March 2025

**Distribution tables (continued)***for the year ended 07 March 2025***Distributions on A Accumulation units in pence per unit**

Allocation date	Unit type	Distribution type	Net revenue	Equalisation	Distribution current year	Distribution prior year
03.05.24	group 1	month 1	0.535	-	0.535	0.590
03.05.24	group 2	month 1	0.359	0.176	0.535	0.590
04.06.24	group 1	month 2	0.815	-	0.815	0.584
04.06.24	group 2	month 2	0.357	0.458	0.815	0.584
04.07.24	group 1	month 3	0.631	-	0.631	0.418
04.07.24	group 2	month 3	0.267	0.364	0.631	0.418
02.08.24	group 1	month 4	0.359	-	0.359	0.329
02.08.24	group 2	month 4	0.127	0.232	0.359	0.329
04.09.24	group 1	month 5	0.483	-	0.483	0.615
04.09.24	group 2	month 5	0.199	0.284	0.483	0.615
04.10.24	group 1	interim	1.095	-	1.095	0.687
04.10.24	group 2	interim	0.347	0.748	1.095	0.687
04.11.24	group 1	month 7	0.379	-	0.379	0.363
04.11.24	group 2	month 7	0.206	0.173	0.379	0.363
04.12.24	group 1	month 8	0.472	-	0.472	0.294
04.12.24	group 2	month 8	0.236	0.236	0.472	0.294
03.01.25	group 1	month 9	0.627	-	0.627	0.628
03.01.25	group 2	month 9	0.427	0.200	0.627	0.628
04.02.25	group 1	month 10	0.310	-	0.310	0.262
04.02.25	group 2	month 10	0.135	0.175	0.310	0.262
04.03.25	group 1	month 11	0.340	-	0.340	0.227
04.03.25	group 2	month 11	0.171	0.169	0.340	0.227
04.04.25	group 1	final	0.656	-	0.656	1.169
04.04.25	group 2	final	0.408	0.248	0.656	1.169

**Equalisation**

Equalisation applies only to group 2 units. It is the average amount of revenue included in the purchase price of group 2 units and is refunded to holders of these units as a return of capital. Being capital it is not liable to income tax in the hands of the unitholder but must be deducted from the cost of units for capital gains tax purposes.

**Accumulation distributions**

Holders of accumulation units should add the distributions received thereon to the cost of the units for capital gains tax purposes.

**Month 1 distributions:**

Group 1 Units purchased before 08 March 2024  
Group 2 Units purchased 08 March 2024 to 07 April 2024

**Month 2 distributions:**

Group 1 Units purchased before 08 April 2024  
Group 2 Units purchased 08 April 2024 to 07 May 2024

**Month 3 distributions:**

Group 1 Units purchased before 08 May 2024  
Group 2 Units purchased 08 May 2024 to 07 June 2024

**Month 4 distributions:**

Group 1 Units purchased before 08 June 2024  
Group 2 Units purchased 08 June 2024 to 07 July 2024

**Distribution tables (continued)**

*for the year ended 07 March 2025*

**Month 5 distributions:**

Group 1	Units purchased before 08 July 2024
Group 2	Units purchased 08 July 2024 to 07 August 2024

**Interim distributions:**

Group 1	Units purchased before 08 August 2024
Group 2	Units purchased 08 August 2024 to 07 September 2024

**Month 7 distributions:**

Group 1	Units purchased before 08 September 2024
Group 2	Units purchased 08 September 2024 to 07 October 2024

**Month 8 distributions:**

Group 1	Units purchased before 08 October 2024
Group 2	Units purchased 08 October 2024 to 07 November 2024

**Month 9 distributions:**

Group 1	Units purchased before 08 November 2024
Group 2	Units purchased 08 November 2024 to 07 December 2024

**Month 10 distributions:**

Group 1	Units purchased before 08 December 2024
Group 2	Units purchased 08 December 2024 to 07 January 2025

**Month 11 distributions:**

Group 1	Units purchased before 08 January 2025
Group 2	Units purchased 08 January 2025 to 07 February 2025

**Final distributions:**

Group 1	Units purchased before 08 February 2025
Group 2	Units purchased 08 February 2025 to 07 March 2025

## Financial statements - True Potential Threadneedle Monthly Income

## Statement of total return

for the year ended 07 March 2025

	Notes	2025		2024	
		£000s	£000s	£000s	£000s
Income:					
Net capital gains	2		17,065		9,971
Revenue	3	10,943		8,957	
Expenses	4	(1,683)		(1,520)	
Interest payable and similar charges		(7)		(56)	
Net revenue before taxation		9,253		7,381	
Taxation	5	(394)		(157)	
Net revenue after taxation			8,859		7,224
Total return before distributions			25,924		17,195
Distributions	6		(10,542)		(8,744)
Change in net assets attributable to unitholders from investment activities			15,382		8,451

## Statement of change in net assets attributable to unitholders

for the year ended 07 March 2025

	2025		2024	
	£000s	£000s	£000s	£000s
Opening net assets attributable to unitholders		251,641		181,974
Amounts receivable on issue of units	33,011		98,930	
Amounts payable on cancellation of units	(32,613)		(42,626)	
		398		56,304
Dilution levy		37		-
Change in net assets attributable to unitholders from investment activities		15,382		8,451
Retained distribution on accumulation units		5,611		4,912
Closing net assets attributable to unitholders		273,069		251,641



**Balance sheet***as at 07 March 2025*

	Notes	2025 £000s	2024 £000s
Assets:			
Fixed assets:			
Investment assets		272,346	251,647
Current assets:			
Debtors	7	4,912	3,122
Cash and bank balances	8	268	13
Total assets		<u>277,526</u>	<u>254,782</u>
Liabilities:			
Investment liabilities		(43)	-
Creditors:			
Bank overdraft	8	-	(1,223)
Distribution payable	6	(1,272)	(1,189)
Other creditors	9	(3,142)	(729)
Total liabilities		<u>(4,457)</u>	<u>(3,141)</u>
Net assets attributable to unitholders		<u>273,069</u>	<u>251,641</u>

**Notes to the financial statements**  
for the year ended 07 March 2025

1. Accounting policies

The accounting policies are disclosed on pages 9 to 11.

2. Net capital gains	2025	2024
	£000s	£000s
Non-derivative securities - gains	17,009	9,673
Currency (losses)/gains	(35)	101
Forward currency contracts	91	197
Net capital gains	<u>17,065</u>	<u>9,971</u>

3. Revenue	2025	2024
	£000s	£000s
UK revenue	7,144	6,282
Franked revenue	51	28
Unfranked property income distribution (PID)	357	318
Overseas revenue	147	68
Interest on debt securities	3,150	2,084
Bank interest	94	177
Total revenue	<u>10,943</u>	<u>8,957</u>

4. Expenses	2025	2024
	£000s	£000s
Payable to the AFM and associates		
Annual management charge	1,683	1,520
Total expenses	<u>1,683</u>	<u>1,520</u>

The annual management charge includes the AFM's periodic charge, investment management fees and other permitted charges relating to the operation of the Sub-Fund.

The annual management charge included an audit fee of £12,720 inclusive of VAT (2024: £10,415 inclusive of VAT).

5. Taxation	2025	2024
	£000s	£000s
a) Analysis of charge for the year		
Corporation tax	373	157
Overseas tax withheld	6	-
Deferred taxation on property income distribution (PID)	15	-
Total taxation (note 5b)	<u>394</u>	<u>157</u>

b) Factors affecting the tax current charge for the year

The tax assessed for the year is lower (2024: lower) than the standard rate of UK corporation tax for an authorised collective investment scheme of 20% (2024: 20%).

The differences are explained below:

	2025	2024
	£000s	£000s
Net revenue before taxation	<u>9,253</u>	<u>7,381</u>
Corporation tax @ 20%	<u>1,851</u>	<u>1,476</u>

**Notes to the financial statements (continued)**  
for the year ended 07 March 2025

5. Taxation (continued)

b) Factors affecting the tax current charge for the year (continued)	2025	2024
	£000s	£000s
Effects of:		
UK revenue	(1,429)	(1,256)
Excess management expenses utilised	-	(38)
REIT income	(10)	(5)
Taxation due to timing differences	(10)	(6)
Non-taxable overseas dividends	(29)	(18)
FX loss non taxable	-	4
Overseas tax withheld	6	-
Deferred taxation on property income distribution (PID)	15	-
Total taxation (note 5a)	394	157

c) Provision for deferred tax

At the year end, there is no potential deferred tax asset (2024: £nil) in relation to surplus management expenses.

6. Distributions

The distributions take account of revenue added on the issue of units and income deducted on the cancellation of units and comprise:

	2025	2024
	£000s	£000s
Month 1 income distribution	333	220
Month 1 accumulation distribution	455	430
Month 2 income distribution	326	220
Month 2 accumulation distribution	678	420
Month 3 income distribution	324	227
Month 3 accumulation distribution	523	302
Month 4 income distribution	329	226
Month 4 accumulation distribution	297	253
Month 5 income distribution	331	256
Month 5 accumulation distribution	404	476
Interim income distribution	331	278
Interim accumulation distribution	913	560
Month 7 income distribution	338	282
Month 7 accumulation distribution	323	297
Month 8 income distribution	344	285
Month 8 accumulation distribution	401	241
Month 9 income distribution	348	294
Month 9 accumulation distribution	532	521
Month 10 income distribution	350	302
Month 10 accumulation distribution	261	218
Month 11 income distribution	346	311
Month 11 accumulation distribution	281	193

**Notes to the financial statements (continued)**  
for the year ended 07 March 2025

6.	Distributions (continued)	2025	2024
		£000s	£000s
	Final income distribution	1,272	1,189
	Final accumulation distribution	543	1,000
		<u>10,583</u>	<u>9,001</u>
	Equalisation:		
	Amounts deducted on cancellation of units	114	685
	Amounts added on issue of units	(155)	(942)
	Total net distributions	<u>10,542</u>	<u>8,744</u>
	Reconciliation between net revenue and distributions:	2025	2024
		£000s	£000s
	Net revenue after taxation per Statement of total return	8,859	7,224
	Expenses paid from capital	1,683	1,520
	Distributions	<u>10,542</u>	<u>8,744</u>
	Details of the distribution per unit are disclosed in the Distribution tables.		
7.	Debtors	2025	2024
		£000s	£000s
	Amounts receivable on issue of units	618	247
	Sales awaiting settlement	2,173	178
	Accrued revenue	2,121	2,697
	Total debtors	<u>4,912</u>	<u>3,122</u>
8.	Cash and bank balances	2025	2024
		£000s	£000s
	Cash and bank balances	268	13
	Bank overdraft	-	(1,223)
	Total cash and bank balances	<u>268</u>	<u>(1,210)</u>
9.	Other creditors	2025	2024
		£000s	£000s
	Amounts payable on cancellation of units	359	225
	Purchases awaiting settlement	2,364	174
	Currency trades outstanding	1	-
	Payable to the AFM and associates		
	Annual management charge	191	173
	Corporation tax payable	212	157
	Deferred tax liability	15	-
	Total other creditors	<u>3,142</u>	<u>729</u>
10.	Commitments and contingent liabilities		
	At the balance sheet date, there are no commitments or contingent liabilities (2024: same).		

**Notes to the financial statements (continued)**  
for the year ended 07 March 2025

11. Units in issue

The following reflects the change in units in issue for each unit class in the year:

	A Income
Opening units in issue	99,381,553
Total units issued in the year	16,551,401
Total units cancelled in the year	(12,250,591)
Closing units in issue	<u>103,682,363</u>

	A Accumulation
Opening units in issue	85,577,993
Total units issued in the year	7,616,474
Total units cancelled in the year	(10,532,490)
Closing units in issue	<u>82,661,977</u>

For the year ended 07 March 2025, the annual management charge for each unit class is as follows:

A Income	0.72%
A Accumulation	0.72%

Further information in respect of the return per unit is disclosed in the Comparative tables.

On the winding up of a Trust, all the assets of the Sub-Fund will be realised and apportioned to the unit classes in relation to the net asset value on the closure date. Unitholders will receive their respective unit of the proceeds, net of liabilities and the expenses incurred in the termination in accordance with the FCA regulations. Each unit class has the same rights on winding up.

12. Related party transactions

True Potential Investments LLP, as AFM, is a related party due to its ability to act in respect of the operations of the Sub-Fund.

The AFM acts as principal in respect of all transactions of units in the Sub-Fund. The aggregate monies received and paid through the creation and cancellation of units are disclosed in the Statement of change in net assets attributable to unitholders.

Amounts payable to the AFM and its associates are disclosed in note 4. The amount due to the AFM and its associates at the balance sheet date is disclosed in note 9.

13. Events after the balance sheet date

Subsequent to the year end, the net asset value per A Income unit has increased from 124.32p to 126.40p and the A Accumulation unit has increased from 174.41p to 178.34p as at 23 May 2025. This movement takes into account routine transactions but also reflects the market movements of recent months.

14. Transaction costs

a) Direct transaction costs

Direct transaction costs include fees and commissions paid to advisers, brokers and dealers; levies by regulatory agencies and security exchanges; and transfer taxes and duties.

Commission is a charge which is deducted from the proceeds of the sale of securities and added to the cost of the purchase of securities. This charge is a payment to advisers, brokers and dealers in respect of their services in executing the trades.

Tax is payable on the purchase of securities in the United Kingdom. It may be the case that 'other taxes' will be charged on the purchase of securities in countries other than the United Kingdom.

**Notes to the financial statements (continued)**  
for the year ended 07 March 2025

14. Transaction costs (continued)

a) Direct transaction costs (continued)

The total purchases and sales and the related direct transaction costs incurred in these transactions are as follows:

	Purchases before transaction costs	Commissions		Taxes		Purchases after transaction costs
2025	£000s	£000s	%	£000s	%	£000s
Equities	101,718	43	0.04	486	0.48	102,247
Bonds*	40,807	-	-	-	-	40,807
Total	142,525	43		486		143,054

	Purchases before transaction costs	Commissions		Taxes		Purchases after transaction costs
2024	£000s	£000s	%	£000s	%	£000s
Equities	101,754	15	0.01	156	0.15	101,925
Bonds	11,495	-	-	16	0.14	11,511
Total	113,249	15		172		113,436

	Sales before transaction costs	Commissions		Taxes		Sales after transaction costs
2025	£000s	£000s	%	£000s	%	£000s
Equities	113,887	(40)	(0.04)	(3)	(0.00)	113,844
Bonds*	25,826	-	-	-	-	25,826
Total	139,713	(40)		(3)		139,670

	Sales before transaction costs	Commissions		Taxes		Sales after transaction costs
2024	£000s	£000s	%	£000s	%	£000s
Equities	40,226	(6)	(0.01)	(5)	(0.01)	40,215
Bonds*	5,732	-	-	-	-	5,732
Total	45,958	(6)		(5)		45,947

\*No direct transaction costs were incurred in these transactions.

Capital events amount of £114,000 (2024: £nil) is excluded from the total sales as there were no direct transaction costs charged in these transactions.

Summary of direct transaction costs

The following represents the total of each type of transaction cost, expressed as a percentage of the Sub-Fund's average net asset value in the year:

	£000s	% of average net asset value
2025		
Commissions	83	0.03
Taxes	489	0.18

**Notes to the financial statements (continued)**  
for the year ended 07 March 2025

14. Transaction costs (continued)

a) Direct transaction costs (continued)

Summary of direct transaction costs (continued)

2024	£000s	% of average net asset value
Commissions	21	0.01
Taxes	177	0.08

b) Average portfolio dealing spread

The average portfolio dealing spread is calculated as the difference between the bid and offer value of the portfolio as a percentage of the offer value.

The average portfolio dealing spread of the investments at the balance sheet date was 0.16% (2024: 0.16%).

15. Risk management policies

In pursuing the Sub-Fund's investment objective, as set out in the Prospectus, the following are accepted by the AFM as being the main risks from the Sub-Fund's holding of financial instruments, either directly or indirectly through its underlying holdings. These are presented with the AFM's policy for managing these risks. To ensure these risks are consistently and effectively managed these are continually reviewed by the risk committee, a body appointed by the AFM, which sets the risk appetite and ensures continued compliance with the management of all known risks.

a) Market risk

Market risk is the risk that the value of the Sub-Fund's financial instruments will fluctuate as a result of changes in market prices and comprise three elements: other price risk, currency risk, and interest rate risk.

The method used to calculate the global exposure is absolute Value at Risk (VaR). The calculation of the absolute VaR is carried out in accordance with the following parameters: 99% one-sided confidence interval, 1 month (20 day) holding period, Monte Carlo simulation (10,000 simulations), 1-year (250 day) history with time decay factor (weighting recent events).

A given fund's limit is based on its Risk profile. All of the positions within the fund (direct investments and derivatives) are taken into account for the VaR calculation, not just derivatives.

The below table shows the lowest, the highest and the average utilisation of the VaR limit calculated during the financial year, 08 March 2024 - 07 March 2025. Funds using the absolute VaR approach disclose the level of leverage employed during the relevant period, using the gross method (sum of the notionals of the derivatives used).

	Lowest VaR %	Highest VaR %	Average VaR %	VaR Limit %	Average Gross Leverage %	Typical Expected Leverage %
True Potential Threadneedle Monthly Income	5.99	7.77	6.75	17.50	99.90	102.00

(i) Other price risk

The Sub-Fund's exposure to price risk comprises mainly of movements in the value of investment positions in the face of price movements.

The main elements of the portfolio of investments exposed to this risk are equities.

Adhering to investment guidelines and avoiding excessive exposure to one particular issuer can limit stock specific risk. Subject to compliance with the investment objective of the Sub-Fund, spreading exposure in the portfolio of investments both globally and across sectors or geography can mitigate market risk.

At 07 March 2025, if the price of the investments held by the Sub-Fund increased or decreased by 5%, with all other variables remaining constant, then the net assets attributable to unitholders of the Sub-Fund would increase or decrease by approximately £13,615,000 (2024: £12,582,000).

(ii) Currency risk

Currency risk is the risk that the value of investments or future cash flows will fluctuate as a result of exchange rate movements. Investment in overseas currency denominated securities or holdings of foreign currency cash will provide direct exposure to currency risk as a consequence of the movement in foreign exchange rates against sterling. Investments in UK securities investing in overseas securities will give rise to indirect exposure to currency risk. These fluctuations can also affect the profitability of some UK companies, and thus their market prices, as sterling's relative strength or weakness can affect export prospects, the value of overseas earnings in sterling terms, and the prices of imports sold in the UK.

**Notes to the financial statements (continued)**  
for the year ended 07 March 2025

15. Risk management policies (continued)

a) Market risk (continued)

(ii) Currency risk (continued)

Forward currency contracts are used to help the Sub-Fund achieve its investment objective as stated in the Prospectus. The AFM monitors the exposure to these contracts to ensure they are in keeping with the investment objective.

The foreign currency risk profile of the Sub-Fund's financial instruments and cash holdings at the balance sheet date is as follows:

	Total net foreign currency exposure*
2025	£000
Euro	2,128
US dollar	3,311
Total foreign currency exposure	<u>5,439</u>

	Total net foreign currency exposure*
2024	£000
Euro	902
US dollar	2,589
Total foreign currency exposure	<u>3,491</u>

\*Please note the financial instruments and cash holdings and net debtors and creditors has been merged with total net foreign currency exposure.

At 07 March 2025, if the value of sterling increased or decreased by 5% against all other currencies, with all other variables remaining constant, then the net assets attributable to unitholders of the Sub-Fund would increase or decrease by approximately £5,000 (2024: £174,523). Forward currency contracts are used to manage the portfolio exposure to currency movements.

(iii) Interest rate risk

Interest rate risk is the risk that the value of the Sub-Fund's investments will fluctuate as a result of interest rate changes.

During the year, the Sub-Fund's direct exposure to interest rates consisted of cash and bank balances and interest-bearing securities.

The amount of revenue receivable from floating rate securities and bank balances or payable on bank overdrafts will be affected by fluctuations in interest rates.

The value of interest-bearing securities may be affected by changes in the interest rate environment, either globally or locally.

At 07 March 2025, if interest rates increased or decreased by 25 points, with all other variables remaining constant, then the net assets attributable to unitholders of the Sub-Fund would increase or decrease by approximately £40,000 (2024: £147,000).

The Sub-Fund would not in normal market conditions hold significant cash balances and would have limited borrowing capabilities as stipulated in the COLL rules.

Derivative contracts are not used to hedge against the exposure to interest rate risk.

The interest rate risk profile of financial assets and liabilities at the balance sheet date is as follows:

	Variable rate financial assets £000	Variable rate financial liabilities £000	Fixed rate financial assets £000	Non-interest bearing financial assets £000	Non-interest bearing financial liabilities £000	Total £000
2025	£000	£000	£000	£000	£000	£000
Euro	644	-	1,527	-	(43)	2,128
UK sterling	15,098	-	47,029	209,917	(4,414)	267,630
US dollar	167	-	3,144	-	-	3,311
	<u>15,909</u>	<u>-</u>	<u>51,700</u>	<u>209,917</u>	<u>(4,457)</u>	<u>273,069</u>



**Notes to the financial statements (continued)**  
for the year ended 07 March 2025

15. Risk management policies (continued)

a) Market risk (continued)

(iii) Interest rate risk (continued)

	Variable rate financial assets £000	Variable rate financial liabilities £000	Fixed rate financial assets £000	Non-interest bearing financial assets £000	Non-interest bearing financial liabilities £000	Total £000
2024						
Euro	427	-	474	1	-	902
UK sterling	11,394	(1,223)	40,810	199,087	(1,918)	248,150
US dollar	336	-	2,226	27	-	2,589
	12,157	(1,223)	43,510	199,115	(1,918)	251,641

b) Credit risk

This is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. This includes counterparty risk and issuer risk.

The Trustee has appointed the custodian to provide custody services for the assets of the Sub-Fund. There is a counterparty risk that the custodian could cease to be in a position to provide custody services to the Sub-Fund. The Sub-Fund's investments (excluding cash) are ring fenced hence the risk is considered to be negligible.

In addition to the interest rate risk, bond investments are exposed to issuer risk which reflects the ability for the bond issuer to meet its obligations to pay interest and return the capital on the redemption date. Change in issuer risk will change the value of the investments and is dealt with further in note 15a. The majority of debt securities held within the portfolio are investment grade bonds. These are made across a variety of industry sectors and geographical markets, so as to avoid concentrations of credit risk. A breakdown is provided in the Portfolio statement. The credit quality of the debt securities is disclosed in the Summary of portfolio investments.

The Sub-Fund holds cash and cash deposits with financial institutions which potentially exposes the Sub-Fund to counterparty risk. The credit rating of the financial institution is taken into account so as to minimise the risk to the Sub-Fund of default.

c) Liquidity risk

A significant risk is the cancellation of units which investors may wish to sell and that securities may have to be sold in order to fund such cancellations if insufficient cash is held at the bank to meet this obligation. If there were significant requests for the redemption of units at a time when a large proportion of the portfolio of investments were not easily tradable due to market volumes or market conditions, the ability to fund those redemptions would be impaired and it might be necessary to suspend dealings in units in the Sub-Fund.

Investments in smaller companies at times may prove illiquid, as by their nature they tend to have relatively modest traded unit capital. Shifts in investor sentiment, or the announcement of new price sensitive information, can provoke significant movement in unit prices, and make dealing in any quantity difficult.

The Sub-Fund may also invest in securities that are not listed or traded on any stock exchange. In such situations the Sub-Fund may not be able to immediately sell such securities.

To reduce liquidity risk the AFM will ensure, in line with the limits stipulated within the COLL rules, a substantial portion of the Sub-Fund's assets consist of readily realisable securities. This is monitored on a monthly basis and reported to the Risk Committee together with historical outflows of the Sub-Fund.

In addition, liquidity is subject to stress testing on an annual basis to assess the ability of the Sub-Fund to meet large redemptions (50% of the net asset value and 80% of the net asset value), while still being able to adhere to its objective guidelines and the FCA investment borrowing regulations.

All of the financial liabilities are payable on demand. In the case of forward foreign currency contracts these are payable in less than one year.

d) Fair value of financial assets and financial liabilities

There is no material difference between the value of the financial assets and liabilities, as shown in the balance sheet, and their fair value.

To ensure this, the Fair Value Pricing Committee is a body appointed by the AFM to analyse, review and vote on price adjustments/maintenance where no current secondary market exists and/or where there are potential liquidity issues that would affect the disposal of an asset. In addition, the committee may also consider adjustments to the Sub-Fund's price should the constituent investments be exposed to closed markets during general market volatility or instability.

**Notes to the financial statements (continued)**  
for the year ended 07 March 2025

15. Risk management policies (continued)

d) Fair value of financial assets and financial liabilities (continued)

	Investment assets	Investment liabilities
Basis of valuation	2025	2025
	£000	£000
Quoted prices	207,335	-
Observable market data	65,011	(43)
Unobservable data*	-	-
	<u>272,346</u>	<u>(43)</u>

\*Unbound Group has been suspended and valued using valuation techniques as at 07 March 2025.

	Investment assets	Investment liabilities
Basis of valuation	2024	2024
	£000	£000
Quoted prices	198,982	-
Observable market data	52,665	-
Unobservable data	-	-
	<u>251,647</u>	<u>-</u>

No securities in the portfolio of investments are valued using valuation techniques.

Unobservable inputs are used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. Unobservable inputs are developed using the best information available in the circumstances, taking into account all information about market participant assumptions that is reasonably available.

e) Assets subject to special arrangements arising from their illiquid nature

There are no assets held in the portfolio of investments which are subject to special arrangements arising from their illiquid nature.

f) Derivatives

The Sub-Fund may employ derivatives with the aim of reducing the Sub-Fund's risk profile, reducing costs or generating additional capital or revenue, in accordance with Efficient Portfolio Management.

The AFM monitors that any exposure is covered globally to ensure adequate cover is available to meet the Sub-Fund's total exposure, taking into account the value of the underlying investments, any reasonably foreseeable market movement, counterparty risk, and the time available to liquidate any positions.

During the year, there was direct exposure to derivatives. On a daily basis, exposure is calculated in UK sterling using the absolute VaR approach with netting applied where appropriate. The total global exposure figure is divided by the net asset value of the Sub-Fund to calculate the percentage global exposure. Global exposure is a risk mitigation technique that monitors the overall commitment to derivatives in the Sub-Fund at any given time and may not exceed 100% of the net asset value of the property of the Sub-Fund.

For certain derivative transactions, cash margins may be required to be paid to the brokers with whom the trades were executed and settled. These balances are subject to daily reconciliations and are held by the broker in segregated cash accounts that are afforded client money protection.

Derivatives may be used for investment purposes and as a result could potentially impact upon the risk factors outlined above.

(i) Counterparties

Transactions in securities give rise to exposure to the risk that the counterparties may not be able to fulfil their responsibility by completing their side of the transaction. This risk is mitigated by the Sub-Fund using a range of brokers for security transactions, thereby diversifying the risk of exposure to any one broker. In addition, the Sub-Fund will only transact with brokers who are subject to frequent reviews with whom transaction limits are set.

The Sub-Fund may transact in derivative contracts which potentially exposes the Sub-Fund to counterparty risk from the counterparty not settling their side of the contract. Transactions involving derivatives are entered into only with investment banks and brokers with appropriate and approved credit rating, which are regularly monitored.

**Notes to the financial statements (continued)**  
for the year ended 07 March 2025

15. Risk management policies (continued)

f) Derivatives (continued)

(i) Counterparties (continued)

Forward currency transactions are only undertaken with the custodians appointed by the Trustee.

At the balance sheet date, there are no securities in the portfolio of investments subject to a repurchase agreement.

(ii) Leverage

The leverage is calculated as the sum of the net asset value and the incremental exposure generated through the use of derivatives (calculated in accordance with the absolute VaR approach) divided by the net asset value.

There have been no leveraging arrangements in the year (2024: same).

(iii) Global exposure

Global exposure is a measure designed to limit the leverage generated by a fund through the use of financial derivative instruments, including derivatives with embedded assets.

At the balance sheet date, the global exposure is as follows:

2025	Gross exposure value £000	% of the total net asset value
Investment		
Forward Currency Contracts		
Value of short position - Euro	2,200	0.81
Value of short position - US dollar	3,390	1.24
2024	Gross exposure value £000	% of the total net asset value
Investment		
Forward Currency Contracts		
Value of short position - Euro	827	0.33
Value of short position - US dollar	2,583	1.03

The Sub-Fund holds OTC derivatives. This type of transaction gives rise to counterparty risk whereby the other party to the transaction may fail to fulfil their contractual obligations. Effective monitoring of counterparty credit risk is an important element of the management of the Sub-Fund.

Collateral arrangements are actively managed, ensuring cash or securities are pledged against the performance of a contract where necessary. This mitigates any potential negative impact on the Sub-Fund in the unlikely event of a counterparty default. Whether or not each position is collateralised depends on whether a net liability is held with each counterparty, the specific agreements with individual counterparties and de minimis thresholds. As such, there will be instances where the Sub-Fund is not required to hold collateral.

The counterparty, collateral amount and type held by the Sub-Fund at the balance sheet date is detailed in the table below.

Counterparty	Collateral classification	Collateral value	
		2025	2024
		£000s	£000s
UBS Warburg LLC	Cash	110	-

Remuneration

True Potential Administration LLP (TPA) has established a Remuneration Policy in accordance with the SYSC 19E (UCITS Remuneration code) FCA rules. The policy is designed to ensure that TPA’s remuneration practises are consistent and promote sound and effective risk management, do not encourage risk taking which is inconsistent with the risk profiles of the funds that TPA manages and do not impair TPA’s duties to act in accordance with the interests of the funds.

The TPA board of directors is responsible for the exercise of competent and independent judgement on the remuneration policies and practices and the incentives created for managing risk.

The remuneration policy is intended to ensure the continued ability to attract and retain the most qualified employees and to provide a solid basis for succession planning, in connection with the annual assessment of the remuneration of the code staff, developments in market practice are assessed systematically.

Pay is designed to reflect success or failure against a range of competencies which are assessed annually. These competencies for staff covering both financial and non-financial metrics include specific behavioural competencies and compliance matters. When determining compensation, including variable compensation, managers and the Board will consider:

- Overall firm performance;
- Collective performance of the relevant team; and
- Individual performance relative to role requirements (including performance against agreed financial and non-financial objectives where relevant) and with specific attention to stand out performance.

Board considerations may also include, but are not limited to:

- The appropriate balance between fixed and variable components of remuneration;
- Restrictions on guaranteed remuneration and early termination payments;
- Payment of variable remuneration in the form of units/shares in the funds managed by TPA;
- Deferral periods; and
- Performance adjustments.

Table to show the aggregate remuneration split by senior Management, other Material Risk Takers (MRTs) and Administrative staff for TPA	Financial year ending 31 December 2024			
	Fixed £000	Variable £000	Total £000	Number
Senior Management	687	190	877	10
Other MRTs	257	24	281	4
Administrative staff	321	63	384	12
Total	1,265	277	1,542	26

## Further Information

### Distributions and reporting dates

Where net revenue is available it is distributed/allocated from the Sub-Fund as below. In the event of a distribution, unitholders will receive a tax voucher.

XD dates	08 March	Final	Payment/ allocation dates	04 April
	08 April	Month 1		03 May
	08 May	Month 2		04 June
	08 June	Month 3		04 July
	08 July	Month 4		02 August
	08 August	Month 5		04 September
	08 September	Interim		04 October
	08 October	Month 7		04 November
	08 November	Month 8		04 December
	08 December	Month 9		03 January
	08 January	Month 10		04 February
	08 February	Month 11		04 March

Reporting dates	07 March	Annual
	07 September	Interim

### Buying and selling units

The property of the Sub-Fund was valued at 3pm on each business day, and the prices of units were calculated as at that time. Unit dealing is on a forward basis i.e. investors can buy and sell units at the next valuation point following receipt of the order.

The minimum initial investment and holding apply to the Sub-Fund as follows:

	Minimum initial Investment and holding
A Income units	£1
A Accumulation units	£1
B Income units*	£100,000
B Accumulation units*	£100,000

\*Unit class not currently available for investment.

### Benchmark

The Sub-Fund's performance can be assessed by comparison to the Morningstar UK Moderately Adventurous Target Allocation Index (as a comparator benchmark).

The benchmark may be used as a guide to compare and assess the performance of the Sub-Fund. Our aim is to help you monitor how your investment is performing.

The AFM considers this is an appropriate comparator benchmark, given the multi asset nature and relative risk profile of the Sub-Fund.

The Sub-Fund does not use the benchmark as a target, nor is the Sub-Fund constrained by it. The mix of assets in the Sub-Fund may vary from those of the benchmark (and its constituents). Accordingly, it should be used for reference purposes only.

## **Appointments**

### **AFM and Registered Office**

True Potential Administration LLP  
Newburn House  
Gateway West  
Newburn Riverside  
Newcastle Upon Tyne NE15 8NX  
Telephone: 0191 500 8807  
Authorised and regulated by the Financial Conduct Authority

### **Administrator**

The Northern Trust Company  
50 Bank Street  
London E14 5NT  
Authorised and regulated by the Financial Conduct Authority

### **Registrar**

The Northern Trust Company  
50 Bank Street  
London E14 5NT  
Authorised and regulated by the Financial Conduct Authority

### **Partners of the AFM**

Brian Shearing (resigned 20 December 2024)  
Henrietta Jowitt (appointed 28 November 2024)  
Iain Wallace (appointed 17 July 2024)  
Keith McDonald (resigned 31 December 2024)  
Michael Martin  
Peter Coward  
True Potential LLP

### **Independent Non-Executive Members of the AFM**

Michael Martin  
Simon White  
Fiona Laver

### **Non-Executive Partners of the AFM**

Peter Coward

### **Investment Manager**

True Potential Investments LLP  
Newburn House  
Gateway West  
Newcastle Upon Tyne NE15 8NX  
Authorised and regulated by the Financial Conduct Authority

### **Trustee**

Northern Trust Investor Services Limited  
50 Bank Street  
London E14 5NT  
Authorised and regulated by the Financial Conduct Authority

### **Auditor**

Johnston Carmichael LLP  
Bishop's Court  
29 Albyn Place  
Aberdeen AB10 1YL