



True Potential Unit Trust Interim Report

for the six months ended 7 September 2023

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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 Interim Report for the six months ended 7 September 2023.

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 3 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 Financial Conduct Authority ('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 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 ('KIID's') are available on request free of charge from the AFM.

### Investment objective and policy

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 Manager 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 period:**

The method used to calculate global exposure has changed from the Commitment approach to Absolute Value at Risk (VaR).

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



Brian Shearing  
Executive Partner  
True Potential Administration LLP  
26 October 2023



Keith McDonald  
Head of Operations  
True Potential Administration LLP  
26 October 2023

## **Accounting policies of True Potential Threadneedle Monthly Income**

*for the six months ended 7 September 2023*

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

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 (and amended in June 2017).

The accounting policies applied are consistent with those of the annual financial statements for the year ended 7 March 2023 and are described in those annual financial statements.

The Manager has considered a detailed assessment of the Funds' ability to meet its liabilities as they fall due, including liquidity, declines in global capital markets and investor redemption levels. Based on this assessment, the Funds continue to be open for trading and the Manager is satisfied the Funds 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.

## TPI Chief Investment Officer's foreword and commentary

The investment report that follows is provided by True Potential Investments LLP's appointed sub-delegate Columbia Threadneedle. Our sub-delegate is responsible for managing the True Potential Threadneedle Monthly Income fund aiming to provide an income stream that is paid monthly and with prospects for capital growth.

Asset exposure is obtained by a directly invested approach of UK equities and bonds. Within bonds, the sub-delegate also invests in overseas company debt, but denominated in UK sterling. Yield is constructed at the portfolio level which allows, on the equity side, a mix of more traditional income producing stocks, but also less mature stocks that may have more potential for growth. The sub-delegate also invests in companies where there is turnaround potential. This includes scope to resume paying dividends with future prospects for growth.

The six months through to 7th September 2023, was a period of elevated inflation in the UK. Against this backdrop, the Bank of England continued their interest rate hiking trajectory. This led to negative returns from UK equities overall and lacklustre returns from corporate bonds, the two main building blocks used in the True Potential Threadneedle Monthly Income fund. Within UK equities, at a sector level, utilities and industrials posted some of the strongest returns with Materials and Real Estate the weakest. Larger capitalisation stocks outperformed small and mid-cap stocks in the UK. Within fixed income, global investment grade credit provided mildly positive returns with UK investment grade credit negative.

Against this backdrop, the True Potential Threadneedle Monthly Income fund posted a negative return of 0.09% for the period from 8th April through to 7th September 2023, with 2.0% coming from the delivery of income over that period (based on 5pm mid prices). Source: Bloomberg.

The strength of our sub-delegate lies within their robust investment process and ability to select income producing stocks with decent prospects for growth. Income sustainability is key for investors and, here at True Potential Investments LLP, we believe our sub-delegate will not take on extra risk simply to gain a higher yield and that they will stick with their stock picking process and philosophy.

True Potential Investment LLP

13 October 2023

## 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 period and should not be relied upon to make investment decisions or otherwise.

#### Investment Performance

Gross of fees, the fund returned 0.08% over the period and comfortably outperformed its composite benchmark. The equity segment contributed positively to relative returns, while the sterling investment-grade (IG) segment was broadly neutral.

Within equities, selection effects accounted for the majority of the relative return, with notable contributions from picks in industrials, financials, consumer staples and utilities, although choices in technology detracted. Sector allocation also added most value, particularly the overweight in industrials and underweights in materials and financials.

At a stock level, key contributors included FirstGroup, Centrica and Rentokil.

FirstGroup's shares rose to a one-year high after the company delivered strong full-year results in June, with pre-tax earnings rising by more than consensus expectations. Revenues also increased, supported by growth across its rail and bus divisions. Furthermore, management hiked dividends and announced a share-buyback programme.

Centrica, one of our long-standing contrarian holdings, benefited from higher gas and electricity prices, which contributed to an increase in profits for the first half of 2023. The firm also reported higher free cash flows and hiked dividends. With a strong cash position, we feel that Centrica is well placed to take market share from failed rivals.

Rentokil, meanwhile, reported a jump in full-year revenues for 2022, supported by organic growth in the firm's US and European operations as well as from acquisitions, including that of its US rival Terminix, which was completed in October last year. At the end of July, Rentokil also released strong interim results, which showed revenue growth across all regions along with higher profits. In addition, the company hiked dividends again and reported encouraging progress in reducing debt.

On the other side, Spirent Communications was the main detractor amid ongoing concerns that revenues could be pressured by some clients delaying their investment decisions in 2023. However, the firm's management said that it anticipates a recovery in the second half of the fiscal year, and our investment thesis remains intact, supported by Spirent's robust balance sheet and diversified range of offerings. Spirent provides testing and assurance solutions for cloud computing and autonomous vehicles – areas with strong growth potential.

The holdings in Imperial Brands and BT were also unfavourable.

Imperial Brands underperformed despite reporting strong profit and revenue growth for the first half of the year in May, when the company also increased its interim dividend. Shares were pressured by concerns over slowing demand for combustible products, particularly given growing actions of regulators to curb smoking. However, we retain conviction in the stock and topped up our holding over the period. The firm is leveraging its pricing power and is benefiting from increasing consumer interest in vapes. Meanwhile, the stock is attractively valued, and the dividend yield is high.

BT's shares fell amid broker downgrades, premised on concerns about the company's free cash flow and warnings that its dividend may have to be cut. However, following our engagement with the CEO, we retain confidence in the company, and we are encouraged by management's decision to invest more in capital expenditure to fund fibre rollout in the UK, as uptake by customers has been higher than expected. BT has also significantly improved its relationship with regulator Ofcom, which should help the company earn a favourable return on its fibre investment. This should bode well for the valuation of BT's substantial infrastructure assets as well as for the group's overall profitability and cash flows over the long term.

#### Sub-Investment Activities

Within the equity segment, we initiated positions in Burberry, Babcock and Shaftesbury Capital.

Burberry was trading at a deeply discounted valuation. The company has been diversifying its customer base while strengthening its brand and product range, and an increasing share of revenues now comes from younger consumers. The business also launched a new "Beyond" strategy, a resurrection of the sustainability slogan from the mid-2000s; we feel this complements its brand elevation programme and should increase customer engagement.

Babcock is an international defence company. Since the current management team arrived almost three years ago, the firm has made progress in winning contracts on sensible terms. This is epitomised by the contract for the life extension of the second Vanguard-class submarine, which has essentially moved from being a fixed-price contract to a cost-plus one. In addition, the guidance for medium-term margin expansion appears very realistic, especially given that the company delivered 10% organic sales growth versus a mid-single digit target previously. Although the shares touched a three-year relative high on the back of recent in-line results and are therefore probably somewhat overbought in the very short term, fundamentally they look attractively valued on an earnings-per-share basis.

Real estate investment trust Shaftesbury Capital was also attractively valued. Rental growth is recovering after the Covid-19 pandemic, and the company possesses unique assets in the West End of London, which will benefit from the return of both domestic and international tourists to London.

We also added to some existing holdings, including SSE. We funded this with the proceeds from the sale of United Utilities. SSE demonstrates strong ESG credentials as it is a leading developer and operator of renewable energy and low-carbon infrastructure in electricity transmission and distribution. The firm operates a balanced portfolio of assets including electricity networks as well as renewables, enabling it to perform well in volatile market conditions. The holding provides exposure to real assets in the UK, and the stock's dividend profile is attractive.

Other notable top-ups included Shell and Standard Chartered. Shell boasts strong cash flows and a dominant market position as Britain's premier provider of performance fuel and engine oils. The scale of its business enables it to optimise profitability in most market environments. Standard Chartered was trading at an attractive valuation. The multinational bank boasts a strong management team, which has been in place for over eight years, and has significant liquidity and a very strong capital position. Standard Chartered is also making progress in the transition to net zero, with its multi-year targets for green financing – an area with potential for strong revenue growth.

The holding in RS Group was substantially reduced given ongoing concerns about the change in the company's management. We also took some profits in 3i after a period of strong performance.

Within the fixed income segment, we took part in a number of new issues as the primary market was busy until the seasonal lull in July and August. The biggest concentration of new issues was in financials, notably Danske Bank, BNP Paribas, Barclays, Santander and Permanent TSB. We also increased exposure to utilities by purchasing new offerings from Southern Gas Networks, Wessex Water and EDF among others. Elsewhere, we participated in Pfizer's bumper bond issuance – a \$31bn deal to fund its acquisition of Seagen and the fourth-largest US bond offering in history – purchasing the 2053 notes. In other sectors, we bought new bonds from energy giant BP and telecoms firm Arqiva.

In the secondary market, we added further to Barclays and EDF. We also topped up our positions in Deutsche Bank, drinks firm Bacardi and German real estate company Vonovia. Sales included Toronto-Dominion Bank and Berkshire Hathaway. We also reduced positions in issuers including Netflix and utilities Vier Gas Transport, Anglian Water Services and Cadent.

## Investment Strategy and Outlook

UK equities are still trading at very attractive valuations relative to global peers. Consequently, the shares of UK-listed global firms remain deeply discounted compared to their overseas counterparts. This should continue to support inbound M&A bids and stoke interest from private-equity firms.

Recently, there have been concerns about UK inflation being more persistent than previously feared. More positively, consumer spending has been holding up well so far as UK households are now much less indebted than at the start of the Covid pandemic, with higher aggregate savings. While we are mindful of the impact of a modest fall in housing prices, we still feel that much of the gloom overhanging the UK economy is overdone.

Additionally, our role in investing in companies goes beyond valuations; we feel that engagement is key and see ourselves as owners and not renters of businesses. Our ongoing constructive engagement approach enables us to take a contrarian, long-term view. As patient, conviction investors, we will continue to avoid whipsaw momentum trades and concentrate on company fundamentals to target strong risk-adjusted returns.

Turning to credit, market valuations (on a credit-spread basis) for sterling IG are attractive. Spreads ended the period comfortably above (i.e. cheaper than) their five-year average and a similar degree below (or more expensive) than the 20-year figure. Furthermore, yields – another way of valuing markets – remain well above their 20-year mean. This is good news for those seeking income.



Over the coming year, we expect corporate credit quality to deteriorate by a small amount in Europe, but from a strong starting point.

All things considered, our outlook on the current prospects for IG spreads is neutral to slightly positive.

As at the end of the half year, the yield on the fund on an ex-dividend basis was 3.7% (calculation interpolated from the CT UK Monthly Extra Income Fund).

Threadneedle Asset Management Limited - a sub-delegate of True Potential Investments LLP

04 October 2023

**Portfolio changes***for the six months ended 7 September 2023*

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

	Cost
	£000s
Purchases:	
UK Treasury Gilt 0.5% 31/01/2029	5,835
Shell	3,936
Burberry Group	2,879
AstraZeneca	2,850
Imperial Brands	2,770
Standard Chartered	2,730
SSE	2,661
UK Treasury Gilt 0.875% 31/07/2033	2,117
Babcock	1,553
Firstgroup	1,439
Subtotal	<u>28,770</u>
Total cost of purchases, including the above, for the period	<u><u>68,761</u></u>

	Proceeds
	£000s
Sales:	
UK Treasury Gilt 0.5% 31/01/2029	5,817
3i Group	2,630
RS Group	2,604
UK Treasury Gilt 0.875% 31/07/2033	2,108
United Utilities	1,561
Rentokil Initial	1,561
Secure Trust Bank	836
Sherborne Investors Guernsey C	813
HSBC Holdings 1.75% 24/07/2027	686
UK Treasury Gilt 4.25% 07/06/2032	665
Subtotal	<u>19,281</u>
Total proceeds from sales, including the above, for the period	<u><u>26,671</u></u>

**Portfolio statement**

as at 7 September 2023

Investment	Nominal value or holding	Market value (£000s)	% of total net assets
Fixed Income - 21.34% (07/03/23 - 19.80%)			
Corporate Bonds - 19.74% (07/03/23 - 18.97%)			
AA Bond 3.25% 31/07/2050	£100,000	79	0.04
AIB Group 2.875% 30/05/2031*	€135,000	107	0.05
Akelius Residential Property 2.375% 15/08/2025	£130,000	119	0.05
Amgen 5.65% 02/03/2053	\$118,000	92	0.04
Amgen 5.75% 02/03/2063	\$195,000	151	0.07
Anglian Water Osprey Financing 2% 31/07/2028	£200,000	150	0.07
Anglian Water Services Financing 2.625% 15/06/2027	£100,000	88	0.04
Anglo American Capital 3.375% 11/03/2029	£200,000	173	0.08
Annington Funding 2.924% 06/10/2051	£100,000	53	0.02
Annington Funding 4.75% 09/08/2033	£100,000	84	0.04
APT Pipelines 2.5% 15/03/2036	£100,000	65	0.03
APT Pipelines 3.125% 18/07/2031	£540,000	425	0.20
APT Pipelines 4.25% 26/11/2024	£200,000	195	0.09
Aroundtown 3% 16/10/2029	£600,000	391	0.18
Arqiva Financing 7.21% 30/06/2045	£213,000	216	0.10
Asciano Finance 5% 19/09/2023	£200,000	200	0.09
AT&T 4.25% 01/06/2043	£540,000	400	0.18
AT&T 7% 30/04/2040	£350,000	360	0.17
Australia and New Zealand Banking Group 1.809% 16/09/2031*	£540,000	457	0.21
Autostrade per l'Italia SpA 2.25% 25/01/2032	€100,000	69	0.03
Aviva 4% 03/06/2055*	£100,000	75	0.03
Aviva 5.125% 04/06/2050*	£100,000	88	0.04
Bacardi 4.7% 15/05/2028 private placement	\$660,000	507	0.23
Banco Santander 4.75% 30/08/2028*	£200,000	189	0.09
Banco Santander 5.125% 25/01/2030	£100,000	93	0.04
Bank of America 1.667% 02/06/2029*	£497,000	406	0.19
Bank of America 3.584% 27/04/2031*	£440,000	376	0.17
Bank of Ireland 7.594% 06/12/2032*	£100,000	98	0.05
Banque Federative du Credit Mutuel 1.875% 26/10/2028	£100,000	82	0.04
Barclays 3.25% 12/02/2027	£200,000	179	0.08
Barclays 5.746% 09/08/2033	\$200,000	151	0.07
Barclays 5.75% 14/09/2026	£258,000	254	0.12
Barclays 6.692% 13/09/2034*	\$200,000	161	0.07
Barclays 8.407% 14/11/2032*	£200,000	202	0.09
BAT International Finance 2.25% 26/06/2028	£661,000	551	0.25
BAT International Finance 6% 24/11/2034	£100,000	89	0.04
Blend Funding 2.922% 05/04/2056	£200,000	118	0.05
BNP Paribas 5.75% 13/06/2032	£100,000	95	0.04
BNP Paribas 6% 18/08/2029*	£200,000	199	0.09

**Portfolio statement (continued)**

as at 7 September 2023

Investment	Nominal value or holding	Market value (£000s)	% of total net assets
Fixed Income - 21.34% (07/03/23 - 19.80%) (continued)			
Corporate Bonds - 19.74% (07/03/23 - 18.97%) (continued)			
BPCE 2.5% 30/11/2032*	£200,000	163	0.07
BP Capital Markets 5.773% 25/05/2038	£165,000	162	0.07
British Telecommunications 5.75% 13/02/2041	£100,000	91	0.04
Broadgate Financing 4.821% 05/07/2036	£115,000	105	0.05
Bunzl Finance 1.5% 30/10/2030	£146,000	109	0.05
BUPA Finance 4% perpetual*	£300,000	179	0.08
Cadent Finance 2.25% 10/10/2035	£200,000	132	0.06
Cadent Finance 2.625% 22/09/2038	£300,000	190	0.09
Cadent Finance 2.75% 22/09/2046	£383,000	217	0.10
Church Commissioners for England 3.625% 14/07/2052	£100,000	72	0.03
Commerzbank 8.625% 28/02/2033*	£100,000	98	0.05
Cooperatieve Rabobank 4.625% 23/05/2029	£200,000	179	0.08
Credit Agricole 1.874% 09/12/2031*	£100,000	84	0.04
Credit Agricole 4.875% 23/10/2029	£700,000	657	0.30
Credit Suisse Group 2.125% 15/11/2029*	£582,000	477	0.22
Credit Suisse Group 2.25% 09/06/2028*	£100,000	86	0.04
Credit Suisse Group 7.375% 07/09/2033*	£100,000	108	0.05
Danske Bank 4.625% 13/04/2027*	£129,000	124	0.06
Danske Bank 6.5% 23/08/2028*	£245,000	247	0.11
Deutsche Bank 1.875% 22/12/2028*	£300,000	242	0.11
Deutsche Bank 6.125% 12/12/2030*	£300,000	277	0.13
Deutsche Telekom 3.125% 06/02/2034	£136,000	110	0.05
Diageo Finance 2.75% 08/06/2038	£100,000	72	0.03
Digital Stout Holding 2.75% 19/07/2024	£111,000	108	0.05
Digital Stout Holding 3.3% 19/07/2029	£210,000	175	0.08
Digital Stout Holding 3.75% 17/10/2030	£540,000	450	0.21
DS Smith 2.875% 26/07/2029	£440,000	366	0.17
E.ON International Finance 6.25% 03/06/2030	£749,000	761	0.35
E.ON International Finance 6.375% 07/06/2032	£538,000	552	0.25
Eastern Power Networks 1.875% 01/06/2035	£100,000	67	0.03
Eastern Power Networks 8.5% 31/03/2025	£164,000	168	0.08
Electricite de France 5.125% 22/09/2050	£300,000	238	0.11
Electricite de France 5.5% 17/10/2041	£300,000	258	0.12
Electricite de France 5.625% 25/01/2053	£100,000	85	0.04
Electricite de France 6% 23/01/2114	£100,000	83	0.04
Electricite de France 6.9% 23/05/2053	\$200,000	164	0.08
ENW Finance 4.893% 24/11/2032	£116,000	108	0.05
Eversholt Funding 2.742% 30/06/2040	£100,000	67	0.03
Eversholt Funding 3.529% 07/08/2042	£100,000	71	0.03

**Portfolio statement (continued)**

as at 7 September 2023

Investment	Nominal value or holding	Market value (£000s)	% of total net assets
Fixed Income - 21.34% (07/03/23 - 19.80%) (continued)			
Corporate Bonds - 19.74% (07/03/23 - 18.97%) (continued)			
Experian Finance 3.25% 07/04/2032	£100,000	83	0.04
Fidelity National Information Services 3.36% 21/05/2031	£200,000	167	0.08
Fiserv 2.25% 01/07/2025	£180,000	168	0.08
Fiserv 3% 01/07/2031	£383,000	310	0.14
Ford Motor Credit 4.535% 06/03/2025	£200,000	191	0.09
Gatwick Funding 2.5% 15/04/2032	£100,000	80	0.04
GE Capital UK Funding 5.875% 18/01/2033	£704,000	686	0.31
GlaxoSmithKline Capital 1.25% 12/10/2028	£170,000	140	0.06
Glencore Finance Europe 3.125% 26/03/2026	£100,000	93	0.04
Goldman Sachs Group 1.5% 07/12/2027	£136,000	113	0.05
Goldman Sachs Group 1.875% 16/12/2030	£229,000	173	0.08
Haleon UK Capital 3.375% 29/03/2038	£100,000	75	0.03
Heathrow Funding 2.75% 13/10/2031	£200,000	165	0.08
Heathrow Funding 2.75% 09/08/2051	£440,000	245	0.11
Heathrow Funding 6.75% 03/12/2028	£409,000	415	0.19
Home Group 3.125% 27/03/2043	£100,000	66	0.03
HSBC Holdings 8.201% 16/11/2034*	£437,000	448	0.21
Imperial Brands Finance 5.5% 28/09/2026	£485,000	472	0.22
Imperial Brands Finance 8.125% 15/03/2024	£50,000	50	0.02
ING Groep 6.25% 20/05/2033*	£200,000	188	0.09
International Business Machines 4.875% 06/02/2038	£345,000	302	0.14
Intesa Sanpaolo 2.625% 11/03/2036	£100,000	65	0.03
Intesa Sanpaolo 6.625% 31/05/2033	£100,000	95	0.04
Jigsaw Funding 3.375% 05/05/2052	£200,000	137	0.06
KBC Group 1.25% 21/09/2027*	£100,000	86	0.04
KBC Group 5.5% 20/09/2028*	£100,000	96	0.04
Kraft Heinz Foods 4.125% 01/07/2027	£784,000	738	0.34
La Banque Postale 5.625% 21/09/2028*	£100,000	95	0.04
Land Securities Capital Markets 2.375% 29/03/2029	£388,000	343	0.16
Legal & General Group 3.75% 26/11/2049*	£300,000	246	0.11
Legal & General Group 5.125% 14/11/2048*	£310,000	283	0.13
Libra Longhurst Group Treasury 3.25% 15/05/2043	£100,000	68	0.03
Lloyds Bank 2.707% 03/12/2035*	£200,000	146	0.07
Longstone 4.896% 19/04/2036	£165,000	146	0.07
LVMH Moët Hennessy Louis Vuitton 1.125% 11/02/2027	£200,000	175	0.08
M&G 5.625% 20/10/2051*	£440,000	389	0.18
MAHLE GmbH 2.375% 14/05/2028	€200,000	136	0.06
Marston's Issuer 5.1576% 15/10/2027*	£70,000	39	0.02
Metropolitan Life Global Funding 5% 10/01/2030	£599,000	573	0.26
Mitchells & Butler Finance 5.574% 15/12/2030	£185,000	45	0.02

**Portfolio statement (continued)**

as at 7 September 2023

Investment	Nominal value or holding	Market value (£000s)	% of total net assets
Fixed Income - 21.34% (07/03/23 - 19.80%) (continued)			
Corporate Bonds - 19.74% (07/03/23 - 18.97%) (continued)			
Mitchells & Butler Finance 6.013% 15/12/2030	£177,000	113	0.05
Morgan Stanley 5.789% 18/11/2033*	£411,000	395	0.18
Motability Operations Group 1.5% 20/01/2041	£138,000	76	0.03
Motability Operations Group 1.75% 03/07/2029	£100,000	81	0.04
Motability Operations Group 2.125% 18/01/2042	£100,000	60	0.03
Motability Operations Group 5.625% 11/09/2035	£100,000	99	0.05
National Gas Transmission 5.75% 05/04/2035	£100,000	95	0.04
National Grid Electricity Transmission 1.125% 07/07/2028	£496,000	398	0.18
National Grid Electricity Transmission 2% 16/09/2038	£200,000	120	0.06
National Grid Gas 1.125% 14/01/2033	£200,000	128	0.06
Nationwide Building Society 6.178% 07/12/2027*	£100,000	98	0.04
Nats (En Route) 1.375% 31/03/2031	£120,000	100	0.05
Nats (En Route) 1.75% 30/09/2033	£100,000	70	0.03
Natwest Group 2.105% 28/11/2031*	£212,000	179	0.08
NatWest Group 3.619% 29/03/2029*	£468,000	411	0.19
NatWest Markets 6.375% 08/11/2027	£100,000	100	0.05
Netflix 3.625% 15/06/2030	€170,000	140	0.06
New York Life Global Funding 1.25% 17/12/2026	£100,000	87	0.04
New York Life Global Funding 1.5% 15/07/2027	£383,000	329	0.15
NewRiver REIT 3.5% 07/03/2028	£383,000	320	0.15
NGG Finance 5.625% 18/06/2073*	£509,000	484	0.22
NIE Finance 5.875% 01/12/2032	£300,000	298	0.14
Northern Powergrid Northeast 1.875% 16/06/2062	£100,000	44	0.02
Northumbrian Water Finance 2.375% 05/10/2027	£411,000	354	0.16
Northumbrian Water Finance 4.5% 14/02/2031	£164,000	147	0.07
Northumbrian Water Finance 6.375% 28/10/2034	£135,000	133	0.06
Orange 3.25% 15/01/2032	£200,000	169	0.08
Orange 8.125% 20/11/2028	£90,000	100	0.05
P3 Group 1.625% 26/01/2029	€100,000	67	0.03
Pacific Gas and Electric 4.95% 01/07/2050	\$120,000	73	0.03
Paragon Treasury 2% 07/05/2036	£343,000	220	0.10
Peabody Capital 2.75% 02/03/2034	£100,000	75	0.03
Pension Insurance 5.625% 20/09/2030	£200,000	176	0.08
PepsiCo 3.55% 22/07/2034	£537,000	457	0.21
Permanent TSB Group Holding 6.625% 25/04/2028*	€246,000	216	0.10
Petroleos Mexicanos 3.75% 16/11/2025	£180,000	155	0.07
Petroleos Mexicanos 3.75% 16/04/2026	€100,000	74	0.03
Pfizer Investment Enterprises Pte 5.3% 19/05/2053	\$207,000	163	0.07
Phoenix Group Holdings 5.625% 28/04/2031	£210,000	184	0.08
Places For People Treasury 2.5% 26/01/2036	£100,000	68	0.03

**Portfolio statement (continued)**

as at 7 September 2023

Investment	Nominal value or holding	Market value (£000s)	% of total net assets
Fixed Income - 21.34% (07/03/23 - 19.80%) (continued)			
Corporate Bonds - 19.74% (07/03/23 - 18.97%) (continued)			
Porterbrook Rail Finance 4.625% 04/04/2029	£214,000	197	0.09
Rentokil Initial 5% 27/06/2032	£100,000	93	0.04
RHP Finance 3.25% 05/02/2048	£100,000	69	0.03
RL Finance Bonds No. 6 10.125% perpetual*	£300,000	289	0.13
Sagax 1.125% 30/01/2027	€100,000	74	0.03
Saltaire Finance 4.809% 14/03/2055	£100,000	95	0.04
Sanctuary Capital 2.375% 14/04/2050	£100,000	55	0.03
Santander UK 10.0625% perpetual	£100,000	136	0.06
Santander UK Group Holdings 7.482% 29/08/2029*	£150,000	152	0.07
Scottish Hydro Electric Transmission 2.25% 27/09/2035	£200,000	138	0.06
Severn Trent Utilities Finance 2% 02/06/2040	£150,000	85	0.04
Severn Trent Utilities Finance 2.625% 22/02/2033	£200,000	151	0.07
Severn Trent Utilities Finance 4.625% 30/11/2034	£100,000	88	0.04
SGSP Australia Assets 3.25% 29/07/2026	\$200,000	150	0.07
Shell International Finance 1.75% 10/09/2052	£100,000	44	0.02
Societe Generale SA 6.25% 22/06/2033	£100,000	100	0.05
Southern Gas Networks 1.25% 02/12/2031	£266,000	181	0.08
Southern Gas Network 3.1% 15/09/2036	£440,000	311	0.14
Southern Water Services Finance 2.375% 28/05/2028	£1,028,000	841	0.39
Southern Water Services Finance 3% 28/05/2037	£200,000	130	0.06
Telefonica Emisiones 5.445% 08/10/2029	£300,000	290	0.13
Telereal Securitisation 1.9632% 10/12/2033*	£100,000	88	0.04
Telereal Securitisation 4.9741% 10/12/2033	£80,000	33	0.02
Tesco Property Finance 6.0517% 13/10/2039	£600,000	428	0.20
Tesco Property Finance 1 7.6227% 13/07/2039	£341,000	283	0.13
Thames Water Kemble Finance 4.625% 19/05/2026	£100,000	65	0.03
Thames Water Utilities Finance 2.625% 24/01/2032	£613,000	455	0.21
Thames Water Utilities Finance 3.5% 25/02/2028	£383,000	334	0.15
Thames Water Utilities Finance 6.5% 09/02/2032	£200,000	189	0.09
The CoOperative Bank Finance 6% 06/04/2027*	£100,000	91	0.04
Time Warner Cable 5.25% 15/07/2042	£354,000	277	0.13
Trafford Centre 28/07/2038*	£50,000	40	0.02
Triodos Bank 2.25% 05/02/2032*	€200,000	127	0.06
UBS Group 7% perpetual*	\$200,000	156	0.07
UNITE Group 3.5% 15/10/2028	£100,000	87	0.04
United Utilities Water Finance 0.875% 28/10/2029	£100,000	74	0.03
UnitedHealth Group 4.95% 15/05/2062	\$34,000	25	0.01
University of Oxford 2.544% 08/12/2117	£100,000	49	0.02
Verizon Communications 1.875% 19/09/2030	£100,000	77	0.04
Verizon Communications 1.875% 03/11/2038	£411,000	237	0.11

**Portfolio statement (continued)**

as at 7 September 2023

Investment	Nominal value or holding	Market value (£000s)	% of total net assets
Fixed Income - 21.34% (07/03/23 - 19.80%) (continued)			
Corporate Bonds - 19.74% (07/03/23 - 18.97%) (continued)			
Verizon Communications 2.5% 08/04/2031	£100,000	79	0.04
Vier Gas Transport 0.125% 10/09/2029	€100,000	68	0.03
Vier Gas Transport 0.5% 10/09/2034	€100,000	58	0.03
Virgin Money UK 2.625% 19/08/2031*	£613,000	517	0.24
Virgin Money UK 5.125% 11/12/2030*	£100,000	93	0.04
Virgin Money UK 7.625% 23/08/2029*	£200,000	201	0.09
Vodafone Group 3% 12/08/2056	£100,000	54	0.02
Volkswagen Financial Services 2.125% 18/01/2028	£700,000	587	0.27
Vonovia 5% 23/11/2030	€300,000	250	0.11
Warnermedia Holdings Inc 5.141% 15/03/2052	\$200,000	123	0.06
Warnermedia Holdings Inc 5.391% 15/03/2062	\$180,000	111	0.05
Wellcome Trust 4.625% 25/07/2036	£191,000	182	0.08
Wells Fargo 2.125% 24/09/2031	£200,000	149	0.07
Wells Fargo 2.5% 02/05/2029	£445,000	364	0.17
Welltower 4.8% 20/11/2028	£552,000	509	0.23
Wessex Water Services Finance 5.125% 31/10/2032	£184,000	169	0.08
Western Power Distribution 1.625% 07/10/2035	£879,000	554	0.25
Western Power Distribution 2.375% 16/05/2029	£200,000	165	0.08
Western Power Distribution 3.5% 16/10/2026	£100,000	93	0.04
WPP Finance 2013 2.875% 14/09/2046	£100,000	56	0.03
WPP Finance 3.75% 19/05/2032	£100,000	82	0.04
Yorkshire Water Finance 1.75% 26/11/2026	£198,000	171	0.08
Zurich Finance (Ireland) DAC 5.125% 23/11/2052*	£439,000	385	0.18
Total Corporate Bonds		<u>43,080</u>	<u>19.74</u>
Government Bonds - 1.38% (07/03/23 - 0.63%)			
Jersey International Bond 2.875% 06/05/2052	£100,000	63	0.03
Kreditanstalt fuer Wiederaufbau 0.75% 07/12/2027	£116,000	97	0.04
UK Treasury Gilt 0.625% 31/07/2035	£535,000	343	0.16
UK Treasury Gilt 1.25% 22/10/2041	£359,365	209	0.10
UK Treasury Gilt 1.25% 31/07/2051	£1,385,000	647	0.30
UK Treasury Gilt 1.75% 07/09/2037	£161,000	113	0.05
UK Treasury Gilt 4.125% 29/01/2027	£616,000	602	0.28
UK Treasury Gilt 4.25% 07/06/2032	£424,000	420	0.19
UK Treasury Gilt 5% 07/03/2025	£500,000	500	0.23
Total Government Bonds		<u>2,994</u>	<u>1.38</u>
Mortgage Bonds - 0.05% (07/03/23 - 0.05%)			
Broadgate Financing 5.098% 05/04/2035	£150,000	115	0.05



True Potential Threadneedle Monthly Income

**Portfolio statement (continued)**

as at 7 September 2023

Investment	Nominal value or holding	Market value (£000s)	% of total net assets
Fixed Income - 21.34% (07/03/23 - 19.80%) (continued)			
Supranational Bonds- 0.17% (07/03/23 - 0.15%)			
European Investment Bank 0.875% 15/05/2026*	£414,000	370	0.17
Total Fixed Income		46,559	21.34
Equities - 76.38% (07/03/23 - 75.55%)			
United Kingdom - 72.71% (07/03/23 - 71.75%)			
Basic Materials - 0.73% (07/03/23 - 0.93%)			
Johnson Matthey	89,828	1,586	0.73
Industrials - 13.54% (07/03/23 - 14.81%)			
Babcock	465,000	1,837	0.84
BAE Systems	545,461	5,613	2.58
DS Smith	694,814	2,043	0.94
Hays	2,141,803	2,217	1.02
IMI	207,500	3,067	1.41
Melrose Industries	404,767	2,174	1.00
Rentokil Initial	1,040,000	6,115	2.81
RS Group	185,000	1,367	0.63
Smiths Group	210,000	3,472	1.59
Wincanton	665,593	1,564	0.72
		29,469	13.54
Consumer Goods - 10.46% (07/03/23 - 9.28%)			
Burberry Group	130,000	2,722	1.25
Imperial Brands	487,500	8,504	3.90
Reckitt Benckiser	77,500	4,450	2.04
Tate & Lyle	443,728	3,068	1.41
Unilever	100,651	4,045	1.86
		22,789	10.46
Consumer Services - 11.20% (07/03/23 - 10.00%)			
Firstgroup	2,730,000	4,182	1.92
Hostmore	71,124	11	0.01
ITV	2,348,515	1,644	0.75
Marks & Spencer Group	1,805,218	3,979	1.83
Pearson	641,783	5,551	2.55
Rank Group	859,318	705	0.32
RELX	192,500	5,188	2.38
Tesco	1,229,453	3,140	1.44
		24,400	11.20

True Potential Threadneedle Monthly Income

**Portfolio statement (continued)**

as at 7 September 2023

Investment	Nominal value or holding	Market value (£000s)	% of total net assets
Equities - 76.38% (07/03/23 - 75.55%) (continued)			
United Kingdom - 72.71% (07/03/23 - 71.75%) (continued)			
Health Care - 9.43% (07/03/23 - 9.45%)			
AstraZeneca	140,000	15,151	6.95
GSK	388,534	5,393	2.48
		<hr/>	<hr/>
		20,544	9.43
Financials - 9.70% (07/03/23 - 10.62%)			
3i Group	227,938	4,527	2.08
Chesnara	825,000	2,207	1.01
Direct Line Insurance Group	1,557,380	2,707	1.24
Legal & General Group	1,660,000	3,544	1.63
Phoenix Group Holdings	492,500	2,496	1.15
Secure Trust Bank	1,893	12	0.01
Standard Chartered	797,500	5,622	2.58
		<hr/>	<hr/>
		21,115	9.70
Technology - 1.86% (07/03/23 - 2.18%)			
Spirent Communications	2,797,500	4,048	1.86
		<hr/>	<hr/>
Telecommunications - 1.59% (07/03/23 - 1.83%)			
BT Group	3,032,500	3,457	1.59
		<hr/>	<hr/>
Utilities - 4.70% (07/03/23 - 4.35%)			
Centrica	2,690,513	4,285	1.97
Pennon Group	159,093	970	0.45
SSE	307,500	4,974	2.28
		<hr/>	<hr/>
		10,229	4.70
Real Estate Investment Trusts - 2.84% (07/03/23 - 2.41%)			
LondonMetric Property	1,810,000	3,129	1.44
Shaftesbury Capital	852,500	989	0.45
Supermarket Income REIT	2,771,682	2,065	0.95
		<hr/>	<hr/>
		6,183	2.84
Equity Investment Instruments - 0.00% (07/03/23 - 0.00%)			
Unbound Group	22,464	-	-
		<hr/>	<hr/>
Oil & Gas - 6.66% (07/03/23 - 5.89%)			
Shell	580,000	14,509	6.66
		<hr/>	<hr/>
Total United Kingdom		<hr/>	<hr/>
		158,329	72.71

**Portfolio statement (continued)**

as at 7 September 2023

Investment	Nominal value or holding	Market value (£000s)	% of total net assets
Equities - 76.38% (07/03/23 - 75.55%) (continued)			
Jersey - 2.27% (07/03/23 - 2.21%)			
Industrials - 2.27% (07/03/23 - 2.21%)			
Ferguson	40,044	4,949	2.27
Total Jersey		<u>4,949</u>	<u>2.27</u>
Bermuda - 1.40% (07/03/23 - 1.59%)			
Financials - 1.40% (07/03/23 - 1.59%)			
Hiscox	310,610	3,060	1.40
Total Bermuda		<u>3,060</u>	<u>1.40</u>
Total Equities		<u>166,338</u>	<u>76.38</u>
Closed-Ended Funds - 0.00% (07/03/23 - 0.46%)			
Guernsey - 0.00% (07/03/23 - 0.46%)			
Forward Currency Contracts - (0.02)% (07/03/23 - (0.03)%)			
Sell Euro	€1,688,433	(1,450)	
Buy UK sterling	£1,448,045	1,448	
Expiry date 4 October 2023		<u>(2)</u>	<u>(0.01)</u>
Sell US dollar	\$2,892,572	(2,319)	
Buy UK sterling	£2,281,779	2,282	
Expiry date 4 October 2023		<u>(37)</u>	<u>(0.01)</u>
Sell UK sterling	£26,262	(26)	
Buy dollar	\$33,072	27	
Expiry date 4 October 2023		<u>1</u>	<u>-</u>
Total Forward Currency Contracts		<u>(38)</u>	<u>(0.02)</u>
Portfolio of investments		212,859	97.70
Other net assets		5,011	2.30
Total net assets		<u>217,870</u>	<u>100.00</u>

All investments are listed on recognised stock exchanges and 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 instruments.

The comparative figures in brackets are as at 7 March 2023.

\* Floating interest security.

**SUMMARY OF PORTFOLIO INVESTMENTS**

as at 7 September 2023

	7 September 2023		7 March 2023	
	Bid-Market value	Total net assets	Bid-Market value	Total net assets
	£000s	%	£000s	%
Credit breakdown*				
Investments of investment grade	43,965	20.17	33,423	18.36
Investments of below investment grade	1,095	0.49	1,589	0.87
Unrated bonds	1,499	0.68	1,050	0.57
Total bonds	46,559	21.34	36,062	19.80
Forward currency contracts - assets	1	-	-	-
Equities	166,338	76.38	137,458	75.55
Closed-ended funds	-	-	829	0.46
Investments as shown in the balance sheet	212,898	97.72	174,349	95.81
Forward currency contracts - liabilities	(39)	(0.02)	(47)	(0.03)
Total value of investments	212,859	97.70	174,302	95.78

\*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 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 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 Fund.

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

For further information please refer to the KIID.

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

During the period the risk and reward indicator changed from 4 to 5.

## 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			
	07.09.23	07.03.23	07.03.22	07.03.21
	p	p	p	p
Change in net assets per unit				
Opening net asset value per unit	113.76	108.69	111.31	108.56
Return before operating charges*	0.32	10.01	1.94	6.68
Operating charges	(0.41)	(0.82)	(0.86)	(0.75)
Return after operating charges*	(0.09)	9.19	1.08	5.93
Distributions+	(1.90)	(4.12)	(3.70)	(3.18)
Closing net asset value per unit	111.77	113.76	108.69	111.31
*after direct transaction costs of:	0.13	0.13	0.11	0.10
Performance				
Return after charges	(0.08)%	8.46%	0.97%	5.46%
Other information				
Closing net asset value (£000s)	98,030	77,287	59,501	58,231
Closing number of units	87,710,211	67,939,318	54,742,856	52,312,291
Operating charges++	0.72%	0.72%	0.72%	0.72%
Direct transaction costs	0.11%	0.11%	0.09%	0.10%
Prices				
Highest unit price (p)	116.0	119.2	124.5	115.1
Lowest unit price (p)	108.2	102.2	109.3	86.19

+Rounded to 2 decimal places.

++Operating charges are those charges incurred in operating the Fund and direct transaction costs are costs incurred when purchasing or selling securities in the portfolio of investments.

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

	07.09.23	07.03.23	07.03.22	07.03.21
	p	p	p	p
Change in net assets per unit				
Opening net asset value per unit	147.21	135.64	134.64	127.43
Return before operating charges*	0.42	12.61	2.06	8.11
Operating charges	(0.53)	(1.04)	(1.06)	(0.90)
Return after operating charges*	(0.11)	11.57	1.00	7.21
Distributions+	(3.22)	(5.21)	(4.55)	(3.78)
Retained distribution on accumulation units+	3.22	5.21	4.55	3.78
Closing net asset value per unit	147.10	147.21	135.64	134.64
* after direct transaction costs of:	0.17	0.17	0.14	0.12
Performance				
Return after charges	(0.07)%	8.53%	0.74%	5.66%
Other information				
Closing net asset value (£000s)	119,840	104,687	94,718	75,908
Closing number of units	81,467,664	71,113,172	69,830,484	56,377,926
Operating charges++	0.72%	0.72%	0.72%	0.72%
Direct transaction costs	0.11%	0.11%	0.09%	0.10%
Prices				
Highest unit price (p)	150.5	149.8	153.7	138.0
Lowest unit price (p)	141.2	130.0	135.8	101.2

+Rounded to 2 decimal places.

++Operating charges are those charges incurred in operating the Fund and direct transaction costs are costs incurred when purchasing or selling securities in the portfolio of investments.

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

**Distribution tables***for the six months ended 7 September 2023***Distributions on A Income units in pence per unit**

Payment date	Unit type	Distribution type	Net revenue	Equalisation	Distribution current year	Distribution prior year
04.05.23	group 1	month 1	0.317	-	0.317	0.307
04.05.23	group 2	month 1	0.147	0.170	0.317	0.307
02.06.23	group 1	month 2	0.317	-	0.317	0.307
02.06.23	group 2	month 2	-	0.317	0.317	0.307
04.07.23	group 1	month 3	0.317	-	0.317	0.307
04.07.23	group 2	month 3	-	0.317	0.317	0.307
04.08.23	group 1	month 4	0.317	-	0.317	0.307
04.08.23	group 2	month 4	-	0.317	0.317	0.307
04.09.23	group 1	month 5	0.317	-	0.317	0.307
04.09.23	group 2	month 5	-	0.317	0.317	0.307
04.10.23	group 1	interim	0.317	-	0.317	0.307
04.10.23	group 2	interim	-	0.317	0.317	0.307

**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 8 March 2023  
Group 2            Units purchased 8 March 2023 to 7 April 2023

**Month 2 distributions:**

- Group 1            Units purchased before 8 April 2023  
Group 2            Units purchased 8 April 2023 to 7 May 2023

**Month 3 distributions:**

- Group 1            Units purchased before 8 May 2023  
Group 2            Units purchased 8 May 2023 to 7 June 2023

**Month 4 distributions:**

- Group 1            Units purchased before 8 June 2023  
Group 2            Units purchased 8 June 2023 to 7 July 2023

**Month 5 distributions:**

- Group 1            Units purchased before 8 July 2023  
Group 2            Units purchased 8 July 2023 to 7 August 2023

**Interim distributions:**

- Group 1            Units purchased before 8 August 2023  
Group 2            Units purchased 8 August 2023 to 7 September 2023



**Distribution tables (continued)**

for the six months year ended 7 September 2023

**Distributions on A Accumulation units in pence per unit**

Allocation date	Unit type	Distribution type	Net revenue	Equalisation	Distribution current year	Distribution prior year
04.05.23	group 1	month 1	0.590	-	0.590	0.738
04.05.23	group 2	month 1	0.366	0.224	0.590	0.738
02.06.23	group 1	month 2	0.584	-	0.584	0.485
02.06.23	group 2	month 2	0.336	0.248	0.584	0.485
04.07.23	group 1	month 3	0.418	-	0.418	0.323
04.07.23	group 2	month 3	0.146	0.272	0.418	0.323
04.08.23	group 1	month 4	0.329	-	0.329	0.394
04.08.23	group 2	month 4	0.039	0.290	0.329	0.394
04.09.23	group 1	month 5	0.615	-	0.615	0.351
04.09.23	group 2	month 5	0.337	0.278	0.615	0.351
04.10.23	group 1	interim	0.687	-	0.687	0.744
04.10.23	group 2	interim	0.150	0.537	0.687	0.744

**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 8 March 2023
- Group 2 Units purchased 8 March 2023 to 7 April 2023

**Month 2 distributions:**

- Group 1 Units purchased before 8 April 2023
- Group 2 Units purchased 8 April 2023 to 7 May 2023

**Month 3 distributions:**

- Group 1 Units purchased before 8 May 2023
- Group 2 Units purchased 8 May 2023 to 7 June 2023

**Month 4 distributions:**

- Group 1 Units purchased before 8 June 2023
- Group 2 Units purchased 8 June 2023 to 7 July 2023

**Month 5 distributions:**

- Group 1 Units purchased before 8 July 2023
- Group 2 Units purchased 8 July 2023 to 7 August 2023

**Interim distributions:**

- Group 1 Units purchased before 8 August 2023
- Group 2 Units purchased 8 August 2023 to 7 September 2023

## Financial statements - True Potential Threadneedle Monthly Income

**Statement of total return (unaudited)***for the six months year ended 7 September 2023*

	8 March 2023 to 7 September 2023		8 March 2022 to 7 September 2022	
	£000s	£000s	£000s	£000s
Income:				
Net capital (losses)/gains		(3,407)		3,154
Revenue	4,292		3,427	
Expenses	(693)		(590)	
Interest payable and similar charges	(50)		(2)	
Net revenue before taxation	<u>3,549</u>		<u>2,835</u>	
Taxation	(43)		-	
Net revenue after taxation		<u>3,506</u>		<u>2,835</u>
Total return before distributions		99		5,989
Distributions		<u>(3,699)</u>		<u>(3,080)</u>
Change in net assets attributable to unitholders from investment activities		<u>(3,600)</u>		<u>2,909</u>

**Statement of change in net assets attributable to unitholders (unaudited)***for the six months ended 7 September 2023*

	8 March 2023 to 7 September 2023		8 March 2022 to 7 September 2022	
	£000s	£000s	£000s	£000s
Opening net assets attributable to unitholders		181,974		154,219
Amounts receivable on issue of units	67,519		35,838	
Amounts payable on cancellation of units	<u>(30,465)</u>		<u>(33,860)</u>	
		37,054		1,978
Change in net assets attributable to unitholders from investment activities		(3,600)		2,909
Retained distribution on accumulation units		2,442		2,043
Closing net assets attributable to unitholders		<u>217,870</u>		<u>161,149</u>

**Balance Sheet (unaudited)***as at 7 September 2023*

	7 September 2023	7 March 2023
	£000s	£000s
Assets:		
Fixed assets:		
Investments	212,898	174,349
Current assets:		
Debtors	5,205	3,160
Cash and bank balances	2,285	5,424
Total assets	<u>220,388</u>	<u>182,933</u>
Liabilities:		
Investment liabilities	(39)	(47)
Creditors:		
Distribution payable	(278)	(504)
Other creditors	(2,201)	(408)
Total liabilities	<u>(2,518)</u>	<u>(959)</u>
Net assets attributable to unitholders	<u>217,870</u>	<u>181,974</u>

## Further Information

### Distributions and reporting dates

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

XD dates	8 March	Final	payment/ allocation dates	4 April
	8 April	Month 1		4 May
	9 May	Month 2		1 June
	8 June	Month 3		4 July
	8 July	Month 4		4 August
	8 August	Month 5		2 September
	8 September	Interim		4 October
	10 October	Month 7		4 November
	8 November	Month 8		2 December
	8 December	Month 9		4 January
	10 January	Month 10		4 February
	8 February	Month 11		4 March
Reporting dates	7 March	Annual		
	7 September	Interim		

### Buying and selling units

The property of the Sub-Funds is valued at 5pm on each business day, and the prices of units are 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-Funds 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.

The minimum initial and subsequent investment amounts, minimum holding requirements and the preliminary and redemption charges may be waived by the AFM at its discretion. Further details can be found in the prospectus.

### Benchmark

The Sub-Fund's performance can be assessed by comparison to the Investment Association's Flexible Investment Sector Average (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 believes 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 and Registrar**

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

### **Partners of the AFM**

Peter Coward  
Thomas Finch  
Keith McDonald  
Michael Martin  
Brian Shearing  
Simon White  
Fiona Laver (appointed 04 May 2023)  
True Potential LLP

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

Michael Martin  
Simon White  
Fiona Laver (appointed 04 May 2023)

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

Peter Coward

### **Investment Manager**

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

### **Trustee**

HSBC Bank plc  
8 Canada Square  
London E14 5HQ  
Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority

### **Auditor**

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